

## Business Owner Profile

Make sound credit decisions about small-business owners

**Extending credit to small businesses can be risky. Don't take chances. Use Business Owner Profile from Experian and extend credit with confidence.**

According to the U.S. Small Business Administration, there are about 23 million small businesses in the United States. Small businesses make up 95 percent of all U.S. companies, with 73 percent of those being sole proprietorships. In addition, while conventional wisdom states that four out of five new businesses fail in their first three years, that statistic includes voluntary terminations and ownership changes along with bad debt as the cause for "failure." In fact, only one out of five businesses fails in its first three years strictly due to bad debt.

Statistics show that extending credit to new small businesses can be a risky proposition since many new and small businesses have yet to build a commercial credit history, Experian's Business Owner Profile can help you confidently approve loans for those businesses.



# Business Owner Profile

**23 million small to midsize businesses**



**215 million consumers**



# U.S. consumer and commercial marketplace

The first report of its kind in the commercial credit industry, Business Owner Profile combines Experian's expertise in consumer and business credit reporting to give you the most accurate, current and comprehensive business and proprietor credit information available.

It is fairly common for proprietors to leverage their personal assets to meet business obligations. If a proprietor takes out a home-equity loan, that loan will not appear on a standard business credit report, but it will appear on Business Owner Profile. By using Business Owner Profile, you can avoid the high risk associated with small businesses, while identifying good credit risks and uncovering new account opportunities.

As the distinction between a proprietor's business and personal finances continues to blur, it becomes more important for you to understand the risk associated with a proprietor's complete financial portfolio.

By using Business Owner Profile with any of our commercial credit reports, such as the Business Profile, you can better determine the overall creditworthiness of your customers. Accessing both reports may lead you to alter your decision or adjust terms before granting credit.

With the help of Business Owner Profile, you can turn small business into big profits.

- Business Owner Profile helps you expand your small-business customer base, identified by many economists as the market for growth.
- Fraud Shield<sup>SM</sup> launches a series of checks, searches and counters to screen every credit application. It instantly recognizes warning signs and critical discrepancies.
- The Office of Foreign Assets Control (OFAC) Name Matching Service uses the consumer's name provided on the credit report inquiry and matches it against the OFAC name table.



# Sample Business Owner Profile report



## Business Owner Profile

PAGE	RPT DATE	TIME	PORT	TYPE	
1	04-21-2004	16:16:54	-CCA	OWNER	340
PRINCIPAL NAME/ADDRESS		BUSINESS NAME/ADDRESS		EMPLOYED NAME/ADDRESS	
JONATHAN QUINCY CONSUMER 10655 N BIRCH ST BURBANK CA 91502-1234 LAST UPDATE 01-03		CROCKER INDUSTRIES 100 MAIN STREET PHOENIX AZ 85032		AJAX HARDWARE 2035 BROADWAY SUITE 3 LOS ANGELES C LAST UPDATE 12-02	

### 2 PROPRIETOR'S EXECUTIVE SUMMARY

JONATHAN QUINCY CONSUMER WAS BORN IN 1951.

### 3 RISK SCORE AND PROFILE:

JONATHAN QUINCY CONSUMER HAS A RISK SCORE OF 0502. THIS MEANS THAT ACCOUNTS HELD BY JONATHAN QUINCY CONSUMER HAVE A 50.2% CHANCE OF ENTERING A SERIOUSLY DEROGATORY STATUS WITHIN TWO YEARS.

RISK SCORE COMPARED TO GENERAL POPULATION:

### 4 THE NRM RISK SCORE RANGE IS 0-1000 WITH FIVE (5) RISK CATEGORIES. THE CATEGORIES ARE:

CATEGORY	RANGE WITHIN CATEGORY
1	0-14
2	15-55
3	56-170
4	171-300
5	301-1000

JONATHAN QUINCY CONSUMER IS IN RISK RANGE 5. 42% OF THOSE WITH DEROGATORY ACCOUNTS SCORE BETWEEN 301-1000. BY COMPARISON, 10% OF THE POPULATION SCORE IN THIS RANGE.

### 5 THE MAJOR CHARACTERISTICS CONTRIBUTING TO THE RISK SCORE FOR JONATHAN QUINCY CONSUMER ARE:

1. LENGTH OF CREDIT HISTORY.
2. DELINQUENCY ON BANK INSTALLMENT LOANS.
3. TOO FEW ACCOUNTS NOW CURRENT.
4. PRESENCE OF NON-SATISFACTORY RATINGS ON ACCOUNTS.

### 6 CREDIT PAYMENT PROFILE:

MONTHLY PAYMENTS	:	\$1,865
% CURRENT OF MONTHLY PAYMENTS	:	56%
PAST DUE PAYMENTS	:	\$1,421
TOTAL BALANCE OUTSTANDING	:	\$293,694
LARGEST OUTSTANDING BALANCE	:	\$19,330

### 7 CURRENT CREDIT PROFILE:

INSTALLMENT LOAN BALANCE	:	\$45,037 ON 5 ACCOUNT(S).
REAL ESTATE LOAN BALANCE	:	\$234,000 ON 1 ACCOUNT(S).
REVOLVING CHARGE BALANCE	:	\$14,657 ON 4 ACCOUNT(S).
REVOLVING CREDIT AVAILABLE	:	27%

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\*\*CONTINUED\*\*

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### 1 Identifying information

- Name and home address of the proprietor (the name and address you entered to obtain the Business Owner Profile).
- Name and location of the proprietor's business.
- Name and address of the proprietor's current employer (if he or she has other employment) or the proprietor's last employer.

### 2 Proprietor's executive summary

Provides summary data for a quick overview of key elements of the proprietor's credit risk profile, including year of birth and real-estate information.

### 3 Individual risk score and profile

Based on Experian's National Risk Model, predicts the chance of the proprietor entering seriously derogatory status within two years. Additional information on the National Risk Model is located on page 10.

### 4 Risk score range

Classifies all proprietors into one of five risk ranges and identifies the risk range of the proprietor you inquired upon based on his or her chance of entering derogatory status within the next two years.

### 5 Major characteristics

These characteristics had the greatest impact in determining the score.

### 6 Credit payment profile

A summary of the proprietor's current payment performance, including monthly payments, percent current, past-due payments, total balance outstanding and largest balance outstanding.

### 7 Current credit profile

A summary of the proprietor's loan obligations, including balances for installment loans, real-estate loans, revolving credit and charges, and pending balloon payments.

## 8 Account profile

A summary of accounts and their status in the following categories: negative, positive and neutral. Also listed are any public record items.

## 9 Negative account profile

A summary of account status based on a number of categories, including delinquent accounts, accounts in foreclosure status and accounts turned over to collection agencies.

## 10 Positive account profile (next page)

A summary of account status based on a number of categories, including open or closed accounts in good standing and accounts that are paid satisfactorily.

## 11 Neutral account profile (next page)

A summary of account status based on a number of categories, including closed inactive accounts, previously closed accounts now in good standing and current accounts that have been 30 to 60 days past due one time.

## Tradelines (next page)

Each tradeline may include:

- Business category (bank, retail, etc.)
- Date the proprietor opened the account
- Original loan amount
- Current balance on the account
- Scheduled monthly payment
- Amount past due
- Date of last payment on the account
- Transaction relationship (individual, joint, co-maker)
- Status of the account (current, 30/60/90 days late, delinquent, etc.)

## Public record profile (next page)

Legal actions filed against the proprietor, including tax liens, judgments and bankruptcies.

May include filing date, amount, reference number, plaintiff, court name, status and comment.

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## Business Owner Profile

PAGE 2 04-21-2004 16:16:54 JONATHAN QUINCY CONSUMER OWNER

### PROPRIETOR'S EXECUTIVE SUMMARY (CONTINUED)

#### 8 ACCOUNT PROFILE:

	NEGATIVE	POSITIVE	NEUTRAL	TOTAL	
ACCOUNT CATEGORIES:	3	6	1	10	ACCOUNTS
DELINQUENT STATUS:	30 DAYS	60 DAYS	90+ DAYS	TOTAL	
CURRENT	2	0	2	4	ACCOUNTS
PREVIOUS	1	0	2	3	ACCOUNTS

CURRENTLY DELINQUENT : 3 INSTALLMENT LOAN(S), TOTAL BALANCE \$30,630  
 IN DISPUTE : 1 ACCOUNT(S)  
 OPENED IN LAST 6 MONTHS : 0 ACCOUNT(S)  
 OLDEST ACCOUNT : OPENED 01-68

#### 3 PUBLIC RECORD ITEM(S):

COUNTY TAX LIEN RELEASED	ON 07-01-03 FOR	\$12,450
JUDGMENT	ON 09-19-01 FOR	\$1,200
BANKRUPTCY CHAPTER 13 FILED	ON 02-10-01 FOR	\$100,000

#### 9 NEGATIVE ACCOUNT PROFILE

##### BANK (MOUNTAIN BK)

DATE REPORTED	: 12-00	DATE OPENED	: 03-93
ORIGINAL LOAN AMOUNT	: \$43,225	MONTHLY PAYMENT	: \$956
DATE OF LAST PAYMENT	: 11-01-00	BALANCE AS OF 12-17-00	: \$19,330
TRANSACTION RELATIONSHIP	: JOINT ACCOUNT - CONTRACTUAL RESPONSIBILITY		

STATUS: ACCOUNT IS DELINQUENT 30 DAYS AND HAS BEEN DELINQUENT 30 DAYS TWO OTHER TIMES SINCE THE ACCOUNT WAS OPENED ON 60-MONTH SECURED LOAN FOR \$43,225.

##### RETAIL (BAY COMPANY)

DATE REPORTED	: 05-00	DATE OPENED	: 01-68
CREDIT LIMIT	: \$1,400		
TRANSACTION RELATIONSHIP	: JOINT ACCOUNT - CONTRACTUAL RESPONSIBILITY		

STATUS: ACCOUNT IS DELINQUENT 180 DAYS ON REV-MONTH CHARGE ACCOUNT.

COMMENT: ACCOUNT PREVIOUSLY IN DISPUTE - NOW RESOLVED REPORTED BY SUBSCRIBER.

##### SERV/PROF (CREDIT AND COLLECTION)

DATE REPORTED	: 9-98	DATE OPENED	: 09-97
ORIGINAL LOAN AMOUNT	: \$500	BALANCE AS OF 12-17-00	: \$19,330
TRANSACTION RELATIONSHIP	: JOINT ACCOUNT - CONTRACTUAL RESPONSIBILITY		

STATUS: ACCOUNT ASSIGNED TO ATTORNEY OR COLLECTION AGENCY ON UNDESIGNATED TYPE OF LOAN FOR \$500.

COMMENT: ACCOUNT IN DISPUTE - REPORTED BY SUBSCRIBER.

# Sample Business Owner Profile report



## Business Owner Profile

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### 10 POSITIVE ACCOUNT PROFILE

BANK CARD (ISLAND SAVINGS)  
DATE REPORTED : 05-00 DATE OPENED : 05-96  
CREDIT LIMIT : \$7,000 HISTORICAL HIGH BALANCE : \$5,700  
TRANSACTION RELATIONSHIP : JOINT ACCOUNT - CONTRACTUAL RESPONSIBILITY

STATUS: CURRENT ACCOUNT ON REV-MONTH CREDIT CARD.

COMMENT: CREDIT LINE CLOSED - CONSUMER REQUEST

### 11 NEUTRAL ACCOUNT PROFILE

BANK (CENTRAL BANK) 12  
DATE REPORTED : 06-01 DATE OPENED : 12-93  
ORIGINAL LOAN AMOUNT : \$22,350 MONTHLY PAYMENT : \$465  
DATE OF LAST PAYMENT : 05-01-96 BALANCE AS OF 06-15-96 :\$11,050  
TRANSACTION RELATIONSHIP : INDIVIDUAL

STATUS: ACCOUNT IS DELINQUENT 30 DAYS ON 48-MONTH AUTO LOAN FOR \$22,350.

### 13 PUBLIC RECORD PROFILE

COUNTY TAX LIEN RELEASED DATE OPENED: 12-01  
AMOUNT: \$12,450 REFERENCE NUMBER: 45078321  
PLAINTIFF: UNKNOWN COURT: SO CALIF DISTRICT COURT

### 14 INQUIRIES

CREDIT CARD - HEMLOCKS DATE OF INQUIRY: 12-05-03  
STATUS: INQUIRY MADE ON UNDESIGNATED TYPE OF LOAN

CREDIT CARD - BAY COMPANY DATE OF INQUIRY: 12-03-03  
STATUS: INQUIRY MADE ON CHARGE ACCOUNT FOR \$1500

### 15 CONSUMER STATEMENT

K# ID SECURITY ALERT: FRAUDULENT APPLICATIONS MAY BE SUBMITTED IN MY NAME OR MY IDENTITY MAY HAVE BEEN USED WITHOUT MY CONSENT TO FRAUDULENTLY OBTAIN GOODS OR SERVICES. DO NOT EXTEND CREDIT WITHOUT FIRST CONTACTING ME PERSONALLY AND VERIFYING ALL APPLICANT INFORMATION. THIS SECURITY ALERT WILL BE MAINTAINED FOR 90 DAYS BEGINNING 6-10-03

### 16 FILE VARIATION REFERENCES

REFERENCE 1:  
SS-123456789.

### 17 OFAC WARNING

SPELLING OF NAME USED TO ACCESS REPORT MATCHES OFAC LIST

### 18 FRAUD SHIELD SUMMARY

PHONE ANSWERING SERVICE:/ABC ANSWER-ALL/10655 N BIRCH ST/BURBANK CA 91502/818.555.1212

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\*\*END BUSINESS OWNER PROFILE\*\*

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### 14 Inquiry section

All inquiries made on the proprietor within the past 24 months, plus the business category of the inquirer.

### 15 Consumer statement

Disputes and supplemental data related to transactional information.

### 16 File variation references

To inform you that Experian has located additional information under different identifiers than those used in the inquiry. The file variation reference number under proprietor's tradelines, public record information or inquiries can be matched to the file variation reference section at the end of the report.

### 17 OFAC warning

The OFAC Name Matching Service rules are as follows:

- The consumer's name used on inquiry must match the exact spelling of a name on the OFAC list.
- The consumer's name and Social Security number (if provided) on the inquiry must match the exact spelling of a name and Social Security number on the OFAC list.
- The consumer's name, Social Security number and year of birth (if provided) on inquiry must match the exact spelling of a name and Social Security number and year of birth on the OFAC list.

### 18 Fraud Shield<sup>SM</sup> warning signs

Provides timely and accurate information on nearly every credit-active consumer in the United States. It instantly recognizes warning signs and critical discrepancies, such as:

- Social Security numbers recorded as decreased, nonissued, out of range or invalid.
- Counters that track the number of times Social Security numbers and addresses have been used for previous inquiries.
- Year of issuance for each Social Security number.
- Cautious and high-risk addresses.
- Business addresses, including alerts of addresses where multiple businesses are located.

# Business Profile and Business Owner Profile matrix

The matrix below is designed to assist you in analyzing Business Profile and Business Owner Profile cooperatively. The matrix examines the two elements that help you determine a customer's risk factor and his or her chance of entering serious derogatory status within two years:

- 1 Customer's average Days Beyond Terms (DBT) from Business Profile
- 2 Customer's National Risk Model score, from Business Owner Profile, which determines his or her chance of entering a serious derogatory status within two years

		0-14	15-55	56-170	171-300	301-1000
		National Risk Model range				
DBT range	0-9	<b>Best customer potential</b> Suggested actions: • Quick order turnaround • Offer higher credit limits	<b>Acceptable to moderate credit risk</b> Suggested actions: • Monitor occasionally • Offer standard terms	<b>Fair customer potential</b> Suggested actions: • Offer standard terms • Monitor periodically	<b>Moderate to significant credit risk</b> Suggested actions: • Monitor closely • Shorten term period and increase late penalty • Investigate other principals	<b>Moderate to significant credit risk</b> Suggested actions: • Monitor closely • Shorten term period and increase late penalty • Investigate other principals
	10-15	<b>Acceptable to moderate credit risk</b> Suggested actions: • Monitor occasionally • Offer standard terms	<b>Acceptable to moderate credit risk</b> Suggested actions: • Monitor occasionally • Offer standard terms	<b>Fair customer potential</b> Suggested actions: • Offer standard terms • Monitor periodically	<b>Moderate to significant credit risk</b> Suggested actions: • Monitor closely • Shorten term period and increase late penalty • Investigate other principals	<b>Moderate to significant credit risk</b> Suggested actions: • Monitor closely • Shorten term period and increase late penalty • Investigate other principals
	16-30	<b>Fair customer potential</b> Suggested actions: • Offer standard terms • Monitor periodically	<b>Fair customer potential</b> Suggested actions: • Offer standard terms • Monitor periodically	<b>Medium credit risk</b> Suggested actions: • Monitor regularly • Shorten term period and increase late penalty • Request a deposit or an audited financial statement	<b>Moderate to significant credit risk</b> Suggested actions: • Monitor closely • Shorten term period and increase late penalty • Investigate other principals	<b>Moderate to significant credit risk</b> Suggested actions: • Monitor closely • Shorten term period and increase late penalty • Investigate other principals
	31-45	<b>Moderate to significant credit risk</b> Suggested actions: • Monitor closely • Shorten term period and increase late penalty • Investigate other principals	<b>Moderate to significant credit risk</b> Suggested actions: • Monitor closely • Shorten term period and increase late penalty • Investigate other principals	<b>Moderate to significant credit risk</b> Suggested actions: • Monitor closely • Shorten term period and increase late penalty • Investigate other principals	<b>Significant credit risk</b> Suggested actions: • Monitor closely • Request deposit or c.o.d. • Shorten term period and increase late penalty	<b>Significant credit risk</b> Suggested actions: • Monitor closely • Request deposit or c.o.d. • Shorten term period and increase late penalty
	46 or greater	<b>Moderate to significant credit risk</b> Suggested actions: • Monitor closely • Shorten term period and increase late penalty • Investigate other principals	<b>Moderate to significant credit risk</b> Suggested actions: • Monitor closely • Shorten term period and increase late penalty • Investigate other principals	<b>Moderate to significant credit risk</b> Suggested actions: • Monitor closely • Shorten term period and increase late penalty • Investigate other principals	<b>Significant credit risk</b> Suggested actions: • Monitor closely • Request deposit or c.o.d. • Shorten term period and increase late penalty	<b>Most significant credit risk</b> Suggested actions: • Accept c.o.d. or certified checks only • Monitor daily

The DBT is the average number of days late a business pays its credit obligations beyond the terms set by the supplier.

The score indicates the chance of a proprietor's account entering a seriously derogatory status within two years, as determined by Experian's National Risk Model.

# Legal guidelines

In today's business credit community, it is common to review an individual's personal credit history when you are relying on that individual's creditworthiness to support your commercial credit decision. This practice is permissible and widely recognized as a sound method for determining the creditworthiness of small businesses.

## Using consumer credit information for business purposes

According to the Federal Trade Commission (FTC), the federal Fair Credit Reporting Act (FCRA) applies when a consumer credit reporting agency, such as Experian®, furnishes information from its database on an individual business proprietor. The FCRA permits Experian to furnish such information to a person Experian has reason to believe intends to use the information in conjunction with a commercial credit transaction involving the consumer on whom the information is to be furnished and/or involving the extension of commercial credit to, review of or collection of an account of the consumer.

Consistent with the FTC's position, you may access a Business Owner Profile on the following:

- The owner of an unincorporated business
- General partners
- Individuals who have guaranteed, in writing, the business obligation
- Individuals who have provided you with written authorization approving your review of their personal credit history

When you request a Small Business Intelliscore<sup>SM</sup> report it has FCRA attributes associated with the consumer report. If it conflicts with the FCRA it will return the Small Business Intelliscore along with a Business Owner Profile report. FCRA attributes are triggered when any of these exist on the consumer.

## Use limitations

Generally, you may not obtain a Business Owner Profile unless you have a permissible purpose under the FCRA. Specifically, except as outlined previously, you may not obtain a Business Owner Profile in the following circumstances:

- You may not obtain a Business Owner Profile on an employee of a company you are researching.
- You may not obtain a Business Owner Profile on yourself, your coworkers, friends, family or acquaintances for personal, family or household purposes.
- You may not obtain a Business Owner Profile to prescreen a prospective customer who has not already requested the formation of a credit relationship. If a potential customer has not approached you with the intention of doing business involving the extension of credit (or otherwise given you written authorization), the necessary relationship has not been established.

You do not need to obtain the consent of the business proprietor before obtaining a Business Owner Profile if you are ordering the report for a "permissible purpose." However, obtaining the written authorization from the principal (and providing evidence of such to Experian) is itself a permissible purpose for ordering a Business Owner Profile.



### **Notification to principal**

As noted, it is the FTC's position that information drawn from a consumer report file retains its character as a consumer report, even if furnished in connection with a commercial credit transaction. Therefore, credit grantors should provide notice to the applicant that the information contained in the Business Owner Profile was the reason for a commercial credit declination. Credit grantors often turn to their consumer loan departments for assistance. In addition, notice obligations may exist under the Equal Credit Opportunity Act and Regulation B. Credit grantors should consult their legal counsel with respect to all required notices.

### **Experian protects consumer credit files**

Business Owner Profile inquiries will appear on the individual's Experian consumer credit report and will include your business name and address. Experian identifies its Business Owner Profile inquiries as business inquiries so that consumer credit grantors can plainly see that the Business Owner Profile inquiries are unrelated to the subject's consumer credit activity.

### **Requesting a copy of your consumer credit report from Experian**

If you would like a copy of your own credit report, you must make a request in writing. Your request must include your full name with middle initial and generation (if applicable), your spouse's name (if applicable), your current and previous addresses with ZIP Codes for the last five years, your Social Security number and your year of birth. You also must provide verification of your name and current address by enclosing one of the following items: photocopy of driver's license with current address, utility bill or a statement from a major creditor. Sign your request and mail it to:

Experian Consumer Credit Report  
PO Box 2104  
Allen, TX 75013-0949

If you have been denied credit, insurance, employment or a rental opportunity within 60 days of your request, this report will be provided at no charge. In this case, enclose a copy of the declination letter from the credit grantor. If you have not been denied credit within 60 days of your request, there will be a fee, which varies by state.

To resolve a dispute on Experian's consumer credit report, please contact Experian's National Consumer Assistance Center at 888 397 3742.



# Experian's National Risk Model

## Powerful credit risk prediction

The National Risk Model is a powerful, cost-effective tool that can help you determine which accounts are most likely to be profitable and which pose the greatest credit risk.

Developed with comprehensive information from Experian's consumer credit database, the National Risk Model is an indispensable tool for creating lending strategies that accomplish your portfolio objectives.

It separates your accounts across the spectrum of creditworthiness, adding confidence to your decisions for:

- Evaluating new account applications
- Managing existing accounts

## A simple risk-management solution

### • Easy to understand

The National Risk Model has an exclusive score range of 0 to 1000 (low score equals low risk), which translates directly into statistical probability. For example, a score of 100 equals a 10 percent chance that at least one tradeline will become seriously delinquent in the next 24 months.

### • Fast

Approve low-risk accounts on the spot. Flag high-risk accounts for a more complete review.

### • Cost-effective

Increase the number of profitable accounts in your portfolio while reducing losses from delinquency.

### • Powerful and accurate

Predictive power is further enhanced by multiple scorecard technology. With this state-of-the-art technology, prospects are segmented into groups having similar credit histories. Scores are calculated from scorecards developed specifically for each group. This allows detailed analysis of the predictive variables among subpopulations and enables more accurate credit evaluation.

### • Consistent and objective

The National Risk Model was empirically and statistically derived from a random sample of credit histories, resulting in more objective and consistent credit decisions.

## How the National Risk Model predicts account performance

The National Risk Model calculates a numerical score on each Business Owner Profile report that indicates the likelihood an account will become seriously delinquent in the next 24 months.

The model arrives at this score by analyzing characteristics that Experian identified as most predictive of future derogatory account performance, based on a comparison of hundreds of thousands of credit reports at an interval of 24 months.

## Summary of features

- Predictions for the probability of serious derogatory credit behavior, including charge-offs, repossessions, foreclosures, collections and bankruptcies

- Eight scorecards based on past credit profiles, including:
  - Amount of credit history
  - Length of credit history
  - Past payment performance
- 24-month performance period
- Score ranges from 0 to 1000 (low score equals low risk)
- Up to four numeric score factors per score
- One score per Business Owner Profile report

## Score factor codes

When calculating the National Risk Model score, Experian identifies up to four characteristics that had the most negative impact on the score.

These score factor codes can be used for consumer adverse action notifications. They appear following the score on Experian's Business Owner Profile report.



# Glossary

## Glossary of public record items

**AKA** — also known as

**BK7-FILE** — voluntary or involuntary petition in Chapter 7 Bankruptcy (liquidation) filed

**BK7-DISC** — voluntary or involuntary petition in Chapter 7 Bankruptcy (liquidation) discharged

**BK7-DISM** — voluntary or involuntary petition in Chapter 7 Bankruptcy (liquidation) dismissed

**BK11-FILE** — voluntary or involuntary petition in Chapter 11 Bankruptcy (reorganization) filed

**BK11-DISC** — voluntary or involuntary petition in Chapter 11 Bankruptcy (reorganization) discharged

**BK11-DISM** — voluntary or involuntary petition in Chapter 11 Bankruptcy (reorganization) dismissed

**BK12-FILE** — filed petition in Chapter 12 Bankruptcy (adjustment of debt — family farmer)

**BK12-DISC** — discharged after completion petition in Chapter 12 Bankruptcy (adjustment of debt — family farmer)

**BK12-DISM** — dismissed petition in Chapter 12 Bankruptcy (adjustment of debt — family farmer)

**BK13-FILE** — filed petition in Chapter 13 Bankruptcy (adjustment of debt)

**BK13-DISM** — dismissed petition in Chapter 13 Bankruptcy (adjustment of debt)

**BK13-COMP** — completed petition in Chapter 13 Bankruptcy (adjustment of debt of an individual with regular income)

**CITY TX LN** — city tax lien

**CITY TX REL** — city tax lien released

**CO TAX LN** — county tax lien

**CO TAX REL** — county tax lien released

**FED TAX LN** — federal tax lien

**FED TX REL** — federal tax lien released

**JUDGMENT** — judgment

**JUDGMT SAT** — judgment satisfied

**JUDGSATVAC** — judgment vacated either before or after it has been satisfied

**STAT TX LN** — state tax lien

**STA TX REL** — state tax lien released

**SUIT** — suit

**SUIT DISMD** — suit dismissed or discontinued

**WAGE ASSIGN** — wage assignment

**W/A RELEASE** — wage assignment released

## Business categories

Following is a list of business categories and industries that may appear in the Account Profile section of the Business Owner Profile:

- Bank
- Bank credit card
- Credit card
- Credit union
- Finance
- Loan finance
- Public record/associations
- Retail
- Sales finance
- Savings and loan
- Service and professional (car dealers, property rentals, hospitals, public utilities, doctors' offices, dentists' offices, collection agencies)

## Glossary of major characteristics

Too few accounts now current

Recent inquiries

Presence of derogatory public record information

Number of credit inquiries

Balances on revolving accounts

Presence of derogatory accounts

Presence of nonsatisfactory ratings on recently opened accounts or lack of new accounts

Presence of nonsatisfactory ratings on accounts or lack of open accounts

Lack of credit available on revolving accounts

Revolving accounts with high balance-to-limit ratios

Presence of nonsatisfactory ratings on revolving bank accounts or lack of revolving bank account

Number of revolving bank accounts

Number of recently opened retail accounts

Number of service and professional accounts (collection agency, medical and utility)

Lack of mortgage accounts

Presence of nonsatisfactory ratings on mortgage accounts or lack of mortgage accounts

Lack of open retail accounts

Number of recent delinquencies

Average age of accounts

Credit limits on revolving bank accounts

Existing balances on retail accounts

Credit limits on finance accounts

Existing balances on mortgage accounts or lack of mortgage accounts

Delinquency on retail accounts

Delinquency on finance accounts

Number of installment loans

Balance-to-limit ratios on accounts

Credit available on satisfactory revolving bank accounts or lack of satisfactory revolving bank accounts

Percentage of revolving accounts

Presence of nonsatisfactory ratings on installment loans

Presence of nonsatisfactory ratings on revolving accounts

Credit limits on accounts

Time since youngest account opened

Delinquency on mortgage accounts

Delinquency on bank installment loans

Lack of open revolving accounts

Existing balances on accounts

No adverse action codes (displays only if no other source factor code is generated)

## Association relationship

This category identifies the legal relationship the proprietor has to his or her accounts.

- **Authorized user — joint account:** This individual has use of this joint account for which another individual has contractual responsibility.
- **Co-signer:** This individual has guaranteed this account and assumes responsibility should the signer default.
- **Deceased:** This individual has been reported deceased. There may or may not be other people associated with the account
- **Individual:** This is the only person associated with this account.
- **Joint account:** This individual participates in this account. The association cannot be distinguished between joint account — contractual responsibility or authorized user.
- **Joint account — contractual responsibility:** This individual is expressly obligated to repay all debts arising on the account by reason of having signed an agreement to that effect. There are others associated with this account who may or may not have contractual responsibility.
- **On behalf of:** This individual has signed an application to secure credit for another individual, other than a spouse.
- **Signer:** This individual is responsible for this account, which is guaranteed by a co-maker.
- **Undesignated:** Reported by Experian.

## Glossary of terms

**Monthly payments:** The combined total of scheduled and estimated monthly payments owed by the proprietor.

**Percent Current of monthly payments:** The percentage of the total amount owed by the proprietor that is current. For example, if the Percent Current is 70 percent, then 30 percent of what the proprietor owes is past due. If the Percent Current is 100 percent, then there is no past-due amount.

**Past-due payments:** Total dollar amount of payments past due.

**Total balance outstanding:** The total amount of outstanding installment balance, real-estate balance and revolving balance.

**Largest balance outstanding:** The highest outstanding amount among all accounts.

**Installment loan balance:** Total installment loan account balance owed by proprietor.

**Real-estate loan balance:** Total real-estate loan account balance owed by proprietor.

**Revolving credit available:** Total percentage of revolving credit still available to the proprietor.

**Pending balloon payment:** Balloon payment amount and due date(s).

**Date reported:** Date the tradeline was reported by the contributor.

**Date opened:** Date the account was opened.

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