

Small Business Lease Decision ScoreSM

Benefit from both business and consumer information for quick and accurate decisions

A powerful lease decision tool brought to you by Experian and PredictiveMetrics™, Small Business Lease Decision ScoreSM enables you to process a higher volume of leasing transactions with confidence, leading to increased portfolio quality, improved customer service and higher overall productivity.

Small Business Lease Decision Score

Based on actual leasing performance data, Small Business Lease Decision Score allows you to quickly identify both good and bad account risks among small businesses. With a single business inquiry you can receive an easy-to-read report that optimizes the predictive power of commercial data combined with consumer data on up to two business principals.

So whether your prospective customer is a start-up or an established business, you can get the complete picture of the company's financial health.

Advantages of Small Business Lease Decision Score:

- **Provides more predictive power** — Research shows that a combined business/owner credit scoring model is more predictive than business or consumer models alone
- **Gives you a customer service edge** — Faster decision turnaround increases your responsiveness to customers and lets you process more transactions
- **Increased hit rate with multiple file access** — Easily obtainable scores, including online, batch and CPU, are representative of the small-ticket leasing marketplace

Powerful leasing model

This model is based upon actual small-ticket leasing transactions under \$100,000. Small Business Lease Decision Score is designed to predict how a lessee will pay on small-ticket leases.

Effective lease risk-management decisions

Small Business Lease Decision Score enables lessors to predict payment delinquencies of more than 90 days and charge-offs within 18 to 24 months of underwriting.

Predictive data

Small Business Lease Decision Score was developed using Experian's commercial and consumer credit databases containing a suite of proven predictors of future risk:

Commercial credit

- Trade relationship and payment history
- Public record — bankruptcies, tax liens, judgments and Uniform Commercial Code filings
- Collections balances
- Business demographics
- Business inquiries

Consumer credit

- Credit payment relationship and payment history
- Public record — bankruptcies, tax liens, judgments
- Trade experiences



Small Business Lease Decision Score report

The easy-to-read report features:

- A single lease risk score and ScoreClass for a quick and accurate decision solution
- A percentage, which ranks the risk level of the business compared with all other businesses
- Summaries of commercial and consumer credit history and background information on the business
- The key factors influencing the score

Example commercial score factors

Positive:

- Length of established credit history
- Low incidence of late payment behavior

Negative:

- High number of business inquiries in the last nine months
- Presence of derogatory public record information on business
- Low number of commercial tradelines

Example consumer score factors

Positive:

- Low consumer revolving credit utilization
- High percentage of current customer trades

Negative:

- High number of consumer credit inquiries in the last six months
- Presence of public record information on file for principal
- High level of credit utilization across all consumer tradelines

Small Business Lease Decision Score provides solutions across the Customer Life Cycle

- **Acquiring** — Decision new applications or assist with due diligence for portfolio purchases using online, CPU or batch processing
- **Managing** — Score portfolio to monitor leasing policies, track customer risk, prioritize/expedite collections and determine overall portfolio risk
- **Maximizing** — Score portfolio to help process renewal, identify cross-sell and up-sell opportunities, or adjust terms

Developed in partnership

The combined forces of Experian's commercial and consumer data and PredictiveMetrics' analytical leasing expertise bring the leasing market a highly predictive, industry-specific scoring model.

PredictiveMetrics — a leader in commercial decision solutions

PredictiveMetrics provides innovative commercial decision solutions that reliably improve your bottom line. The company's comprehensive statistical solutions include industry-specific and custom decision tools. PredictiveMetrics' clients achieve greater profitability in customer acquisition, ongoing portfolio management and collections effectiveness.

Experian — the leader in global business solutions

Experian® provides strategic support to organizations around the world. We help our clients target, acquire, manage and develop profitable customer relationships. We do this by combining our advanced decision support and outsourcing services with information on consumers, businesses, motor vehicles and property. Experian is a subsidiary of GUS plc and has headquarters in Nottingham, UK, and Costa Mesa, Calif.

- 1 **FR number** — Use this number to order a Business Profile report.
- 2 **Identifying information** — The business and consumer information is shown here along with the address, phone number, Experian file number and the date when the company information was established in the business credit information database.
- 3 **Credit information** — Lists pertinent summary business and consumer data relating to the business's and/or business owner's credit performance.
- 4 **Score** — A statistically based lease risk score derived from the business's and/or business owner's information. The score ranges from 0 to 100, with lower scores indicating high risk and higher scores indicating low risk.
- 5 **Action** — Shows the decision alternatives you set based on a given set of ScoreClasses or score ranges and your credit policy.
- 6 **Percentile** — Shows the percentage of businesses that would have scores below the business being scored within Experian's Business Owner Link database.
- 7 **Score factors** — Indicate which variables contribute most significantly to the score.

Sample Small Business Lease Decision Score Report

PAGE 1	RPT DATE 1/07/2003	TIME 15:39:51	PORT Cdcf	TYPE Profile	1 FR-A999888776 030
2 I Luv To Lease 234 Edison Ave Anaheim CA 92868 Phone: 714-555-5553		Leanne Lessee 1 Main Street Irvine CA 92612		File No: A11122233 File Established: May 1985	

Small Business Lease Decision Score Report

The objective of the Lease Decision Score is to predict seriously derogatory payment behavior. Possible scores range from 0 to 100, where 0 is a high risk and 100 is a low risk. Possible ScoreClass range is from 1 to 5, where 1 is very low risk and 5 is an extreme risk.

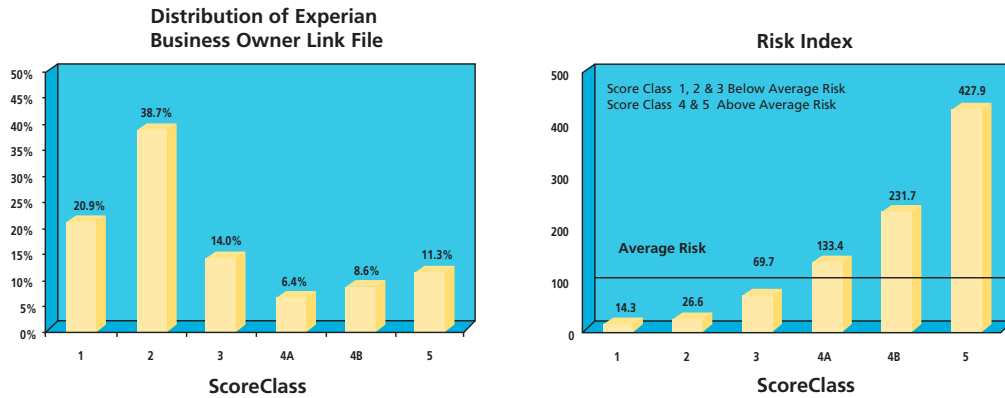
3 Credit Information For I Luv To Lease	Value
Current Days Beyond Terms (DBT)	8
Monthly Average DBT	2
Worst DBT in the Last 5 Quarters	8
Trade Account Balance from 6 Trade Lines (All)	\$5,900
Percent of Balance that is Current	63%
Total Recent High Credit	\$15,600
Number of Bankruptcies	0
Number of Judgments, Liens, and Collection Accounts	0
Number of Original UCC Filings	2
Legal Balance	\$0
Number of Years on File	17
Number of Inquiries for the Past 9 Months	1
SIC Code	2038 (Frozen Specialties, nec)
Credit Information For Leanne Lessee	Value
Trade Account Balance from 6 Trade Lines	\$2,406
Percentage Balance Current	100%
Total Monthly Obligation	\$107
Balance of All Open Real Estate Trades	\$0
Number of Open Revolving Trades	2
Open Revolving Trade Balance	\$2,378
Revolving Credit Available	31%
Number of Total Bank Trades	2
Worst Ever Status on Bank Trade	Paid Satis
Worst Ever Status on Any Trade	Coll Acct
Number of Trades Ever 30 Days or More Past Due	2
Date Opened for Oldest Trade Line	3 yrs 7 mos
Number of Legal Items	0
Legal Balance	\$0
Number of Collection Items	1
Collection Balance	\$28
Number of Bankruptcies	0
Small Business Lease Decision Score	Value
Segment Number	1

- 4 Score: 32.44 5 Action: ScoreClass = 4B Very High Risk
- 6 16% Of Businesses Score Lower (Indicating Higher Risk) than this Business.
- 7 The Key Determining Score Factors Are:
 Years of oldest consumer trade on file is low
 Instability of commercial payments measured by DBT over last 5 quarters
 Presence of derogatory public record information on business
 No consumer revolving credit or credit utilization is high

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Small Business Lease Decision Score risk index by ScoreClass

Each class is performance based: ScoreClass 1 is very low risk, ScoreClass 2 is low risk, ScoreClass 3 is moderate risk, ScoreClass 4A is high risk, ScoreClass 4B is very high risk, and ScoreClass 5 is extreme risk.



Average risk is set to 100. A value of 50 represents 50 percent below average risk; a value of 150 represents 50 percent above average risk.

To find out more about Small Business Lease Decision Score, contact your local Experian sales representative or call **800 520 1221**.

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600 City Parkway West
Orange, CA 92868
800 520 1221

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