



Equifax Small Business Credit Risk Score for Suppliers

Making small business credit decisions that minimize risk while maximizing revenue is critical to the success of your business. Now, with the Small Business Credit Risk Score for Suppliers, you can get the insight you need to make better, quicker credit decisions that reduce exposure and improve profitability.

Predicts Delinquency on Supplier Accounts

Designed for companies that provide goods and services to small businesses, the Equifax Small Business Credit Risk Score™ for Suppliers enhances risk assessment throughout the account lifecycle by predicting the probability of a new or existing small business customer becoming seriously delinquent *on supplier accounts*, or bankrupt, within a 12 month period.

Available only to members of the Equifax Small Business Enterprise exchanges, the score:

- Returns a numeric score between 101 - 816 with a lower score indicating higher risk for serious delinquency.
- Delivers up to four reason codes indicating top factors that impacted the score for a better understanding of the risk.

Evaluates Banking and Leasing Trades

The score was developed using information from the Equifax Small Business Enterprise (SBE) database, which includes public records, firmographics and supplier credit history. The score also incorporates unique banking and lease payment information available through an exclusive agreement with the Small Business Financial Exchange, Inc.

Blends Principal Credit Information (Optional)

For more comprehensive risk assessment, choose the option that blends personal credit information on the business principal or owner. *(Restrictions apply — see reverse for more information.)

- **Assess financial risk more accurately**

With the inclusion of banking and lease payment information only available from Equifax, this statistical score provides an objective method for you to better evaluate the complete financial health of your small business customers.

- **Grow revenue and improve portfolio performance**

Create and implement targeted offers and strategies for both new and existing customers according to risk levels. Take timely and appropriate action on those customers that show a higher likelihood of potential delinquency to aid in reducing losses.

- **Save time and improve productivity**

Eliminate time-consuming, manual review of each customer. The risk score returned enables quicker decisioning and the ability to evaluate thin files.

- **Enhance customer service and satisfaction**

Easily incorporate this score into your existing processes to make decisions faster and improve response times. This score is returned with reason codes that indicate the top factors that impacted the score so you can understand the ranking and better explain actions taken to your small business customers.

Confidently evaluate, manage and grow your small business customer base.

The Small Business Credit Risk Score for Suppliers is part of a suite of products that help evaluate the overall financial health of small businesses. Become a member of the Equifax Small Business Exchange and take advantage of the unique risk assessment tools available to you. Call **1-888-201-6879** or visit us at www.equifaxsmallbusiness.com.

Performance Projection Table

Equifax Small Business Credit Risk Score™ for Suppliers

Marginal Score Range	Approval Rate	Delinquency Rate	Odds of Goods to One Bad	Delinquency Rate within Score Range
539-816	5%	2.2%	45	2.2%
531-538	10%	2.7%	36	3.2%
518-530	15%	3.1%	31	3.9%
509-517	20%	3.6%	27	4.7%
497-508	25%	4.0%	24	5.6%
488-496	30%	4.5%	21	6.8%
478-487	35%	4.9%	19	7.8%
467-477	40%	5.5%	17	9.1%
458-466	45%	5.9%	16	10.7%
452-457	50%	6.6%	14	11.8%
439-451	55%	7.3%	13	14.1%
428-438	60%	8.0%	12	16.6%
425-427	65%	8.6%	11	18.2%
420-424	70%	9.4%	10	19.1%
415-419	75%	10.4%	9	20.7%
397-414	80%	11.0%	8	23.9%
365-396	85%	12.2%	7	30.2%
354-364	90%	14.2%	6	39.9%
299-353	95%	16.2%	5	51.8%
101-298	100%	19.5%	4	82.8%

Approval Rate:	Percent of businesses in the universe of suppliers that score in or above the score range. For example, a credit policy with an 80% Approval Rate requires accepting accounts scoring 397 and above.
Delinquency Rate:	Proportion of businesses that are severely delinquent. For example, the Delinquency Rate for a credit policy that approves all businesses with a score of 397 or above is expected to be around 11.0%, and the Delinquency Rate within Score Range for businesses that score between 397 and 414 is 23.9%.
Odds of Goods to One Bad:	Ratio of "Good" (not severely delinquent) accounts to "Bad" (severely delinquent) accounts among those businesses that score at or above the score range. For example, a credit policy that approves all accounts scoring at or above 397 should result in a portfolio Odds of Good to One Bad of 8, that is, with 8 "Good" accounts for every "Bad" account.
Bankruptcy on File:	If a bankruptcy is on file, a score of 0 will be assigned.

This Performance Projection Table is based on the portfolios of typical suppliers. Performance may vary for an individual customer's portfolio, therefore, validation of the score (i.e. the generation of a customer-specific Performance Projection Table) is recommended.