

## Experian/Fair, Isaac Model

A spectrum of predictive power

*Comprehensive Experian consumer credit information and the extensive data analysis techniques of the Fair, Isaac Companies combine to create the Experian/Fair, Isaac Model for robust credit risk prediction.*

### Some exceptional ways to support your credit decisions

By performing an in-depth review of the information in a consumer's credit file, this flexible, high performance model gives you the quality information and detailed analysis you need to support your credit decisions. Using the Experian/ Fair, Isaac Model, you will be able to identify those prospects more likely to result in serious delinquency, charge-off or bankruptcy. You can reduce the number of accounts adversely affected by negative actions, while identifying those with the greatest profit potential.

- Prescreen programs for direct mail solicitations
  - Expand prospective market
  - Minimize credit losses
  - Reduce solicitation costs
- Account Approval (on-line)

- Set initial credit limits/ loan amounts
- Authorize over-limit purchases
- Handle customer requests for credit limit increases
- Manage your existing accounts
  - Adjust credit limits
  - Determine reissues
  - Determine over-limit actions
  - Prioritize collections

### How the Experian/Fair, Isaac scorecard analysis works

Developed from a representative national sample of three-quarters of a million Experian consumer credit histories, the Experian/Fair, Isaac Model:

- Analyzes the performance of those sample credit histories over a 24-month period



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## Experian/Fair, Isaac Model

- Converts the experience of credit grantors, collection agencies, public records information and inquiries found on a consumer's Experian credit file into a numeric score that indicates future payment behavior
- Uses those variables which most accurately predict credit performance as the basis for scorecard development

The result is a detailed, highly predictive model consisting of 10 individually targeted scorecards. Each Experian Credit Profile report is directed toward a particular scorecard, based on the characteristics present in a report. These include:

- Amount of tradeline information
- Length of time on file
- Presence of derogatory information

The Experian/Fair, Isaac scores range from the high 300s to the mid 800s. It is important to remember that the higher the score, the better the credit risk.



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## Enhanced risk prediction tailored to your industry

The Experian/Fair, Isaac Model is also available in four industry-specific versions that fine-tune the scores to your unique set of accounts, adding even greater accuracy to your credit decisions:

- Experian/Fair, Isaac Auto Loan Model
- Experian/Fair, Isaac Installment Loan Model
- Experian/Fair, Isaac Personal Finance Model
- Experian/Fair, Isaac Bankcard Model

Because the scaling, validation and development of these models is consistent with the Experian/Fair, Isaac Model, the industry-specific scores are easy to incorporate into your current credit strategies. You receive all the power of the original model in addition to the enhanced scorecards specific to auto, bankcard, installment and personal finance loans, ensuring you of the best possible risk prediction system for these industries.

## Put the power of the Experian/Fair, Isaac Model to work for you

Please contact your local Experian representative or call Customer Support at 800 854 7201 for more information on how the Experian/Fair, Isaac Model can work for you.



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