

## VantageScore.: The Tri-Bureau Model

VantageScore is an innovative score that simplifies and enhances the credit process for both consumers and credit grantors. It's the first credit scoring model to be developed jointly by the national credit reporting companies. As a result, it leverages the collective expertise of the industry's leading specialists in credit data, credit risk modeling and analytics to offer greater predictiveness and consistency.

### VantageScore Features

- Uses a common score range of 501-990 (higher scores represent a lower likelihood of risk)
- Incorporates cutting-edge patent-pending multiple scorecard technology
- Can be applied to data from any of the three major credit reporting companies
- Includes up to four score factor codes and a fifth FACTA reason code (Spanish version available)

Use of VantageScore can assist you with your lending decisions in a manual or automated environment:

- Set a cut-off score strategy to reduce the time to review an application manually.
- Use the score for tiered offers with multiple cut-off strategies. For example, extend the most favorable offer to your most creditworthy clients and appropriately respective adjusted offers for those consumers that are in the middle segment of credit risk and those consumers that are more risky.
- For deposit/no deposit (pass/fail) strategies, set one cut-off to request a deposit or deny consumers that would fall into a risk category that is unfavorable for your business need.
- When acquiring customers, use it in conjunction with custom application and bankruptcy scores for more accurate decisions.
- For account management, use it with a custom behavior score to determine appropriate cross-sell, activation and re-pricing decisions.

### VantageScore Benefits

**Limits score variability across credit reporting companies:** Leveled credit characteristics across Equifax, Experian and TransUnion ensure that any score differences for the same consumer are attributable to content differences, not the scoring algorithm. Scorecards were scaled consistently across each credit reporting company to create a score range from 501-990.

**Superior risk prediction:** Advanced segmentation techniques were used to create a stronger, more robust model. This results in a stronger separation of good and bad performing accounts and the ability to classify more bad accounts into the lower-scoring ranges.

**Effective risk management:** VantageScore returns more predictive scores on thin-file consumers, which delivers more useful risk management for this segment.

For more information, please contact your credit reporting company's sales representative, or visit [www.vantagescore.com](http://www.vantagescore.com).

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