

Setting A Higher Standard for Credit and Collections Decision Support and Accounts Receivable Portfolio Risk Management

The integration of PredictiveMetrics' Net30Score allows Cortera's customers to further streamline their operations and gain greater insight into their accounts receivable portfolio risk. Net30Score is a multifunctional decision support system that leverages internal accounts receivable data (the most predictive, readily available, and free) to predict delinquency, improve DSO, and minimize write-offs. The Net30Score model and other predictive scoring products from PredictiveMetrics, combined with eCredit's powerful credit and collections automation platform and credit reports offer commercial credit professionals an easy to implement, cost-effective solution for improving credit and collections operations and lowering overall portfolio risk.

Why Portfolio Scoring?

- ◆ 80-90% of business is with existing customers
- ◆ Primary profit and loss center is existing customers
- ◆ Pro-active customer monitoring in a ever-changing financial environment
- ◆ Increase efficiency and reduce workload
- ◆ Improve customer service
- ◆ On-going customer reviews, collections prioritization, and credit line assessment

Why Cortera and Net30Score?

- ◆ Reduce DSO and write-off rates
- ◆ Lower credit and collection costs
- ◆ Drive collection workflow
- ◆ Score all accounts by utilizing internal A/R data, which is the most predictive and it's FREE
- ◆ Statistical-based scores are proven to significantly outperform rule-based scores
- ◆ Successfully automate portfolio risk decisions, which maximizes resources
- ◆ Grow revenues by optimizing collections strategies, credit line utilization, and new orders with existing customers

Collections Module Integration

- ◆ Shows Net30Score and 8 data elements inside Cortera
- ◆ Advanced reporting and metrics based on Net30Score data elements
- ◆ Use Net30Score to drive risk-based collection strategies

Credit Module Integration – 2 Options

Option 1:

Use statistical-based Net30Score as a data variable in the rule-based eCredit scorecards.

Option 2:

Use statistical analysis to determine and optimally weight the most predictive data elements in eCredit's scorecards

Your Data Drives Better Decisions and It's FREE

The only data needed to produce and validate the Net30Score:

- ◆ Aging dollars
- ◆ Monthly sales
- ◆ Indicator of loss or bankruptcy
- ◆ Zip code

Net30Score Output

1. Scores usually are on a scale from 0 to 100
2. The probability that the account will go bad within 6 months from the date of score
3. The account's Risk Class, which is used as the basis for applying collection strategies
4. Dollars at Risk (DAR), the dollar value of an account's outstanding balance that is at risk
5. Multiple Adverse Reason Codes that explain why the account scored the way it did

Customer Information

All fields in bold are mandatory.

Customer #: Demo Account My Name:

Other Reference #: CUST_REFERENCE_NUMBER Customer Name: Demo1

Business Structure: Region: West

DBA (Trade Style) 4: DBA (Trade Style) 1: PMI Demo

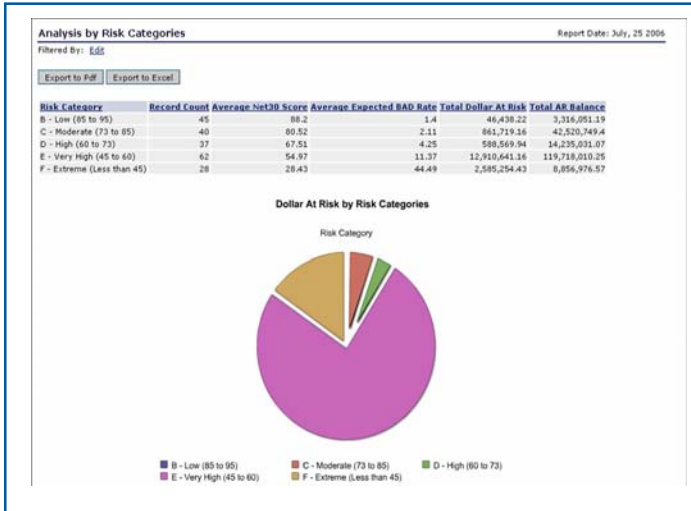
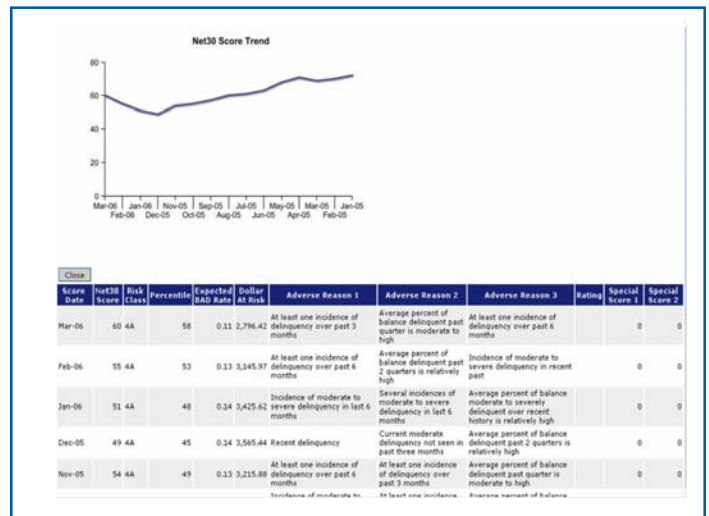
DBA (Trade Style) 2: DBA (Trade Style) 5:

Is NDA:

Net30 Score

Net30 Score: 60 Risk Class: 4A

Percentile: 50 Expected BAD Rate: 0.1119



Who is PredictiveMetrics?

PredictiveMetrics turns probabilities into profits. We specialize in providing custom and industry specific predictive scoring to help companies reduce costs and save money. Our analytical team is comprised of statisticians, econometricians, and actuaries that use advanced statistical techniques to help you understand risk on your portfolio.

For more information about PredictiveMetrics' Net30Score, Call 732-530-9303 and ask to speak with a sales representative.



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