

Better predictive ability among sought-after borrowers

The VantageScore 3.0 model pairs our industry-leading analytics with more granular data from consumers' credit histories to create our most predictive and most consistent credit scoring model ever.

By utilizing more granular data from the three national Credit Reporting Companies (CRCs), the VantageScore 3.0 model offers unparalleled predictive ability in evaluating a borrower's creditworthiness.

As a result, the VantageScore 3.0 model delivers up to a 25% predictive lift over

earlier models among prime and near-prime consumers, typically the most desirable segment for any lender. That performance boost gives lenders a far better ability to assess the potential risks to their own portfolios.

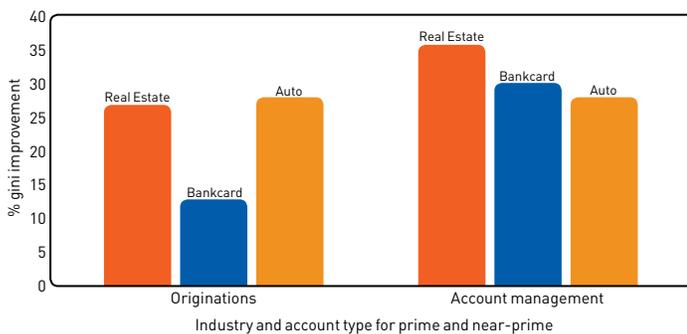
Plus, the VantageScore 3.0 model can generate scores for 27 to 30 million previously "unscorable" consumers because it considers at least 24 months of credit history—including utilities, rent, and telco—rather than the traditional six months. That's a whole new universe of potential customers for lenders.

Easier to implement

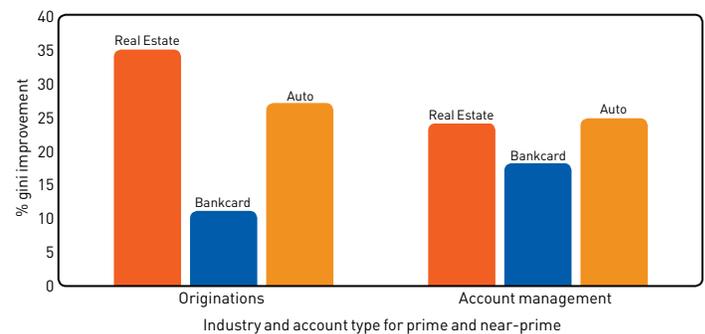
The VantageScore 3.0 model includes a number of changes to make it easy for lenders to implement. Among them:

- The numerical scale of VantageScore credit scores now ranges from 300 to 850, accommodating existing systems.
- The number of reason codes has been reduced and made easier to understand.

VantageScore 3.0: Performance improvement over CRC* score (% lift in gini values)



VantageScore 3.0: Performance improvement over VantageScore 2.0 (% lift in gini values)



VantageScore 3.0 delivers performance lift over existing CRC scores and VantageScore 2.0 for both new and existing accounts across the main industries where credit scores are used.

*Credit reporting companies

Blended timeframes make for a more stable model

The VantageScore 3.0 model uses data blended from two different timeframes, 2009–2011 and 2010–2012, to capture a broad development sample of recent consumer behaviors, including activity at the height of, and following, the economic crisis. This reduces model sensitivity to highly volatile behavior that can be found in a single timeframe, extending performance stability.

Making scores more consistent

The VantageScore 3.0 model provides lenders with nearly identical risk assessments across all three CRCs. How? The same VantageScore model is deployed at each of the three national CRCs. This patented one-model approach is achieved through a process called "characteristic leveling." Simply put, this process establishes consistent and equitable definitions for consumers' payment and credit management behavioral data across the three CRCs so that it is interpreted in the same way when present at multiple sources.

Most major lenders use the VantageScore model

The VantageScore model helps numerous lenders evaluate the creditworthiness of their borrowers:



Financial institutions



Credit card issuers



Auto lenders



Mortgage lenders

Secondary market

Fitch Ratings:

Fitch Ratings accepts loans based on the VantageScore model. Fitch has fully incorporated the VantageScore model into Resilogic 2.1, its flagship quantitative model that provides credit risk analysis at the individual loan and pool level for residential mortgage loans.

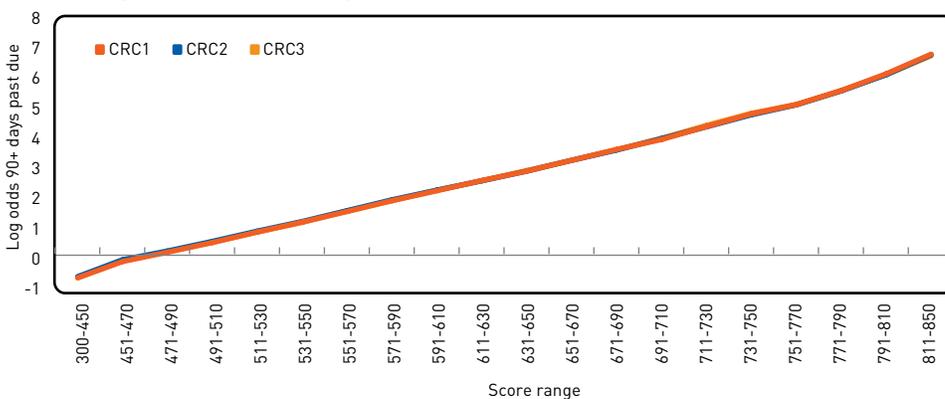
Standard & Poor's:

The VantageScore model is an acceptable option for Standard & Poor's clients to include in collateral characteristics when submitting portfolios of residential mortgage loans for rating purposes.

The VantageScore model is embedded into these industry platform standards:

- MISMO 3
- American Securitization Forum's Project RESTART
- All major vendors that provide the software necessary for lenders' systems to communicate with the credit bureaus' systems

VantageScore 3.0: Odds alignment



VantageScore 3.0 provides lenders with nearly identical risk assessment across all three CRCs.

Highlights and features

- **More predictive:** Utilizes more granular data about consumers' credit histories than other traditional models, so the results are more accurate.
- **More consistent results:** Nearly identical risk alignment when pulling scores from multiple CRCs.
- **Scores 27 to 30 million more people:** Analyzes at least 24 months of consumers' credit histories, rather than six, so it scores a broader population of borrowers.
- **A more familiar scale:** VantageScore 3.0 credit scores now use a range from 300 to 850.
- **Clearer and fewer reason codes:** The number of reason codes has been cut by almost half, and each has been rewritten with a clear, easy-to-understand explanation. Plus, there's now an online resource (ReasonCode.org) to help consumers understand the codes impacting their credit scores.
- **Optimized for origination and account management:** Each scorecard is optimized to provide maximum performance for origination and account management requirements.

Visit VantageScore.com to find additional information. Lenders interested in learning more about how the VantageScore 3.0 model can improve their credit decision-making power should contact their CRC sales representative.

Equifax: 1.888.202.4025 www.equifax.com/vantagescore

Experian: 1.888.414.1120 www.experian.com/vantagescoreforlenders

TransUnion: 1.866.922.2100 www.transunion.com/corporate/VantageScore/index.html

