Fair Isaac Corporation (FICO)

Make Every Decision Count

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Client Partner

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| Profile                          | The leader in predictive analytics for decision management  
|                                | Founded: 1956  
|                                | NYSE: FICO  
| Products and Services          | Scores and related analytic models  
|                                | Analytic applications for risk management, fraud, marketing  
|                                | Tools for decision management  
| Clients and Markets            | 5,000+ clients in 80 countries  
|                                | Industry focus: banking, insurance, retail, health care, government  
| Offices                        | 20+ offices worldwide, HQ in San Jose, California, USA  
|                                | 2,200+ employees  
|                                | Regional Hubs: San Rafael (CA), New York, London, Birmingham (UK), Munich, Madrid, Sao Paulo, Bangalore, Beijing, Singapore  

FICO Products Include Scores and Much More

For Lifecycle Specific Decision Processes

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<th>Marketing</th>
<th>Origination</th>
<th>Customer Management</th>
<th>Collections and Recovery</th>
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<tr>
<td></td>
<td>FICO® Precision Marketing Manager</td>
<td>FICO® Origination Manager</td>
<td>FICO® TRIAD® Customer Manager</td>
<td>FICO® Debt Manager™ solution</td>
<td>FICO® Falcon® Fraud Manager</td>
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<td>FICO® Retail Action Manager</td>
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<td>FICO® Recovery Management System™ solution</td>
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For Any Decision Process

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<th>Scores</th>
<th>B2B:</th>
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<td></td>
<td>FICO® Score • FICO® Credit Capacity Index™</td>
<td>FICO® Insurance Score</td>
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<td>myFICO® service</td>
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<td>FICO® Blaze Advisor®</td>
<td>FICO® Model Builder</td>
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FICO Offers Two Types of Small Business Scores

- *Originations* (Small Business Scoring Service – SBSS)
  - Assesses repayment risk at the time of application
  - Uses: accept or decline decisions; determine credit line; terms

- *Account management* (Small Business Risk Portfolio Score – SBRPS or SBPS)
  - Monitor monthly account performance to provide early warning of future risk
  - Assesses on-going likelihood of repayment of a financial obligation
What is SBSS (Originations)?

- SBSS predicts the likelihood of an applicant going into default in the next 18-24 months. SBSS uses statistical probabilities to classify small businesses into a score range, where the lowest score has the highest likelihood of severe delinquency.

- SBSS uses consumer credit bureau data, application information, financials, business bureau data, and business repository data.
  - The consumer data uses characteristics similar to what are used in the FICO scores but weighted differently
  - Any data combination
  - SBSS is data agnostic
FICO Credit Scores Support Decision Making

- Scores range from 0-300. Higher scores = more creditworthy

- Scores blend commercial data on the business with consumer data about the business principal(s)

- Built to accommodate varying degrees of available data

- Expedites credit decisions; access to capital process faster, fairer, more accurate and more consistent.

- Unbiased assessment of risk that does not include age, ethnicity, race, gender, or other prohibited basis in the credit decision making process

- Regulation B (Equal Credit Opportunity: models are built to be “empirically derived, demonstrably and statistically sound,” objective, common language for reporting and transparency