

Baycorp
Advantage



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Expanding the Scope of Credit Information

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Activities in the Asian Region

China – Bureau Score - Shanghai

Saudi Arabia – Bank Bureau – Positive - Private (Consumer)

Hong Kong – Majority Industries Bureau - Positive - Private (Consumer)

Thailand Banks and Credit Card Bureau - Positive - Private (Consumer and Commercial)

India – Majority Industries Bureau - Positive – Private (Consumer and Commercial)

Malaysia – Financial Institutions Bureau - Positive - Public (Consumer and Commercial)

Singapore – Bank Bureau – Positive - Private (Consumer)

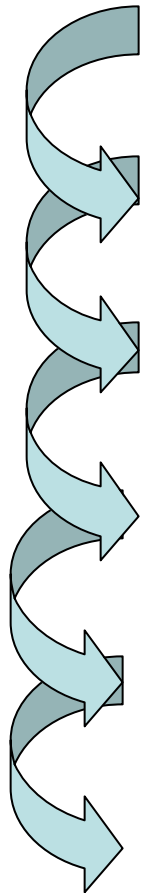
Singapore – All Industries(excluding Banks) Bureau – Negative – Private (Consumer)

Australia – All Industries – Negative – Private (Consumer and Commercial)

Fiji - All Industries – Negative - Private (Consumer and Commercial)

New Zealand - All Industries – Negative - Private (Consumer and Commercial)

Credit Bureau Information Flow



Initial upload of information from bureau members.

This information is stored and organised in a database

The bureau adds value to the information

The bureau adds additional information

Members update credit behaviour information in regular cycles

The information is accessed by members – this also updates the bureau information

Credit Bureau Types

Full Service

Helps manage
customer life-cycle

Positive

Negative

Bureau Development Considerations

•Data

- Quantity
- Quality
- Willingness to share
- 3rd Parties

•Resource

- People - knowledge and experience
- Infrastructure

•Credit Policies

- Reviews
- New applications
- Guarantors
- Debt recovery
- Money laundering

•Legislation / Regulations

- Sharing information
- Criminal liability
- Conflicting legislation
- Role of Central Bank

Bureau Development Considerations Continued

•Consumer Privacy

- Access to own file
- Dispute resolution
- Code or Compliance
- Matching Logic
- VIP's

•Security

- Audit
- Database
- Infrastructure
- Disaster recovery

Examples of Standard Credit Information

Demographic Data:

Names
Addresses
Date Of Birth
Gender
Marital status
Occupation
Employer

Negative Data:

Payment Defaults
Bankruptcy Details

Positive Data:

Payment Cycle History

Why Increase the Scope of Credit Information?

- Credit grantors have less face to face contact -
Web, phone, mobile lenders
- Socio-Economic factors
- Consumers have increased knowledge of the credit process
- Credit hungry societies
- Fraud – soft / hard
- Competition
- Revenue opportunities

5 Keys to Developing the Scope

- ☑ Depth of information
- ☑ Ability to manipulate the information
- ☑ Value adding
- ☑ Technology
- ☑ Presentation of the information



Barriers to Developing the Scope

- Legislation
- Governments
- Public opinion
- Attitudes
- Cost
- Infrastructure
- Skills/experience



Private Vs. Public Bureau Credit Information

Private

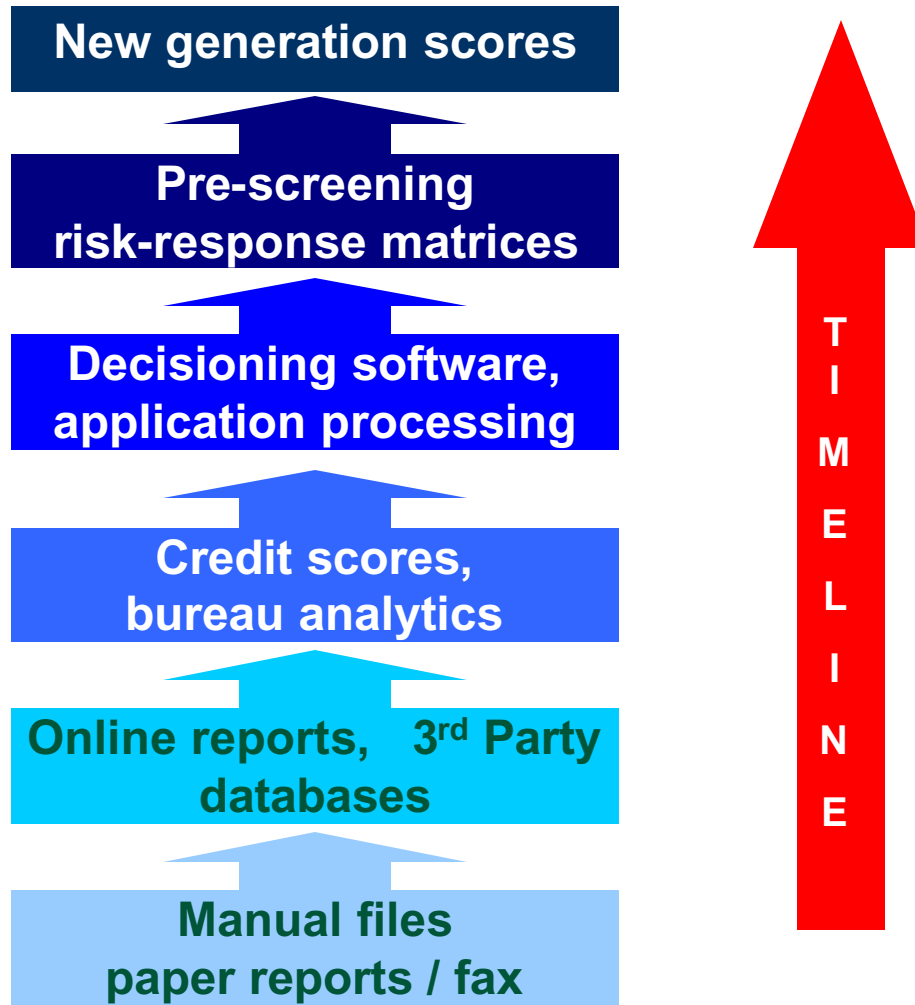
- Quantity is at the discretion of the members
- Quality is subject to legacy systems
- Members can be very cautious in sharing competitive information
- Keen to expand into 3rd Party data for verification of application
- Proactive
- Short term goals 1 – 2 years (stakeholder driven)
- Additional revenue streams

Private Vs. Public Bureau Credit Information Continued

Public

- Quantity is regulated to ensure contribution
- Quality is subject to legacy systems
- Members have no option but to share data (with high value exceptions)
- More reserved approach to including 3rd Party data
- Reactive
- Long term goals 3 – 5 years

Credit Information – Past, Present & Future Continued



How to Expand the Scope of Credit Information

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Expanding the Scope

Verification With 3rd Party Databases

Unique Identifiers

National ID's
Drivers licence
Tax number
Passport
Work permits

Application

Phone number
Addresses

Asset ownership

Vehicles
Property

Adverse data

Litigation
Bankruptcy
Fraud

Expanding the Scope

Tracing

New Addresses






Locate alternate addresses for a consumer

Hot Addresses

Identify addresses that have commonality for an event, i.e. fraud

Expanding the Scope

Monitoring

-  Change in Credit profile
 - New adverse information
 - Deterioration in payment history
-  New Contact Details
 - Phone number
 - Address
-  Churn
 - Enquiry by other members
-  Individual
 - Notification to individual if file accessed
-  Proactive Monitoring

Expanding the Scope

Scoring

“A statistical methodology used to predict future events based on past experience.”

 Application

 Bureau

 Behavioural

 Fraud

Benefits Of Scoring

- ✓ Objectivity
- ✓ Consistency
- ✓ Speed of processing
- ✓ Improved customer service
- ✓ Quantitative assessment
- ✓ Better decisioning
- ✓ Cost efficiency
- ✓ Management control

Expanding the Scope

Asset Checks

Vehicles


- Ownership
- Description
- Securities
- Valuation
- Previous sale price

Property

- Ownership
- Legal description
- Securities
- Valuation
- Previous sale price

Expanding the Scope

Value Decisioning

 Proactively manage the value of each customer by predicting a customer's future value and recommend trading terms.

- Credit application assessments
- Collections or recoveries actions
- Customers for specific marketing campaigns

Expanding the Scope Marketing

 Prospect lists for marketing campaigns

 Pre-screening of target customers

 Full campaign management

Expanding the Scope

Loan Origination / Administration

 Loan origination software

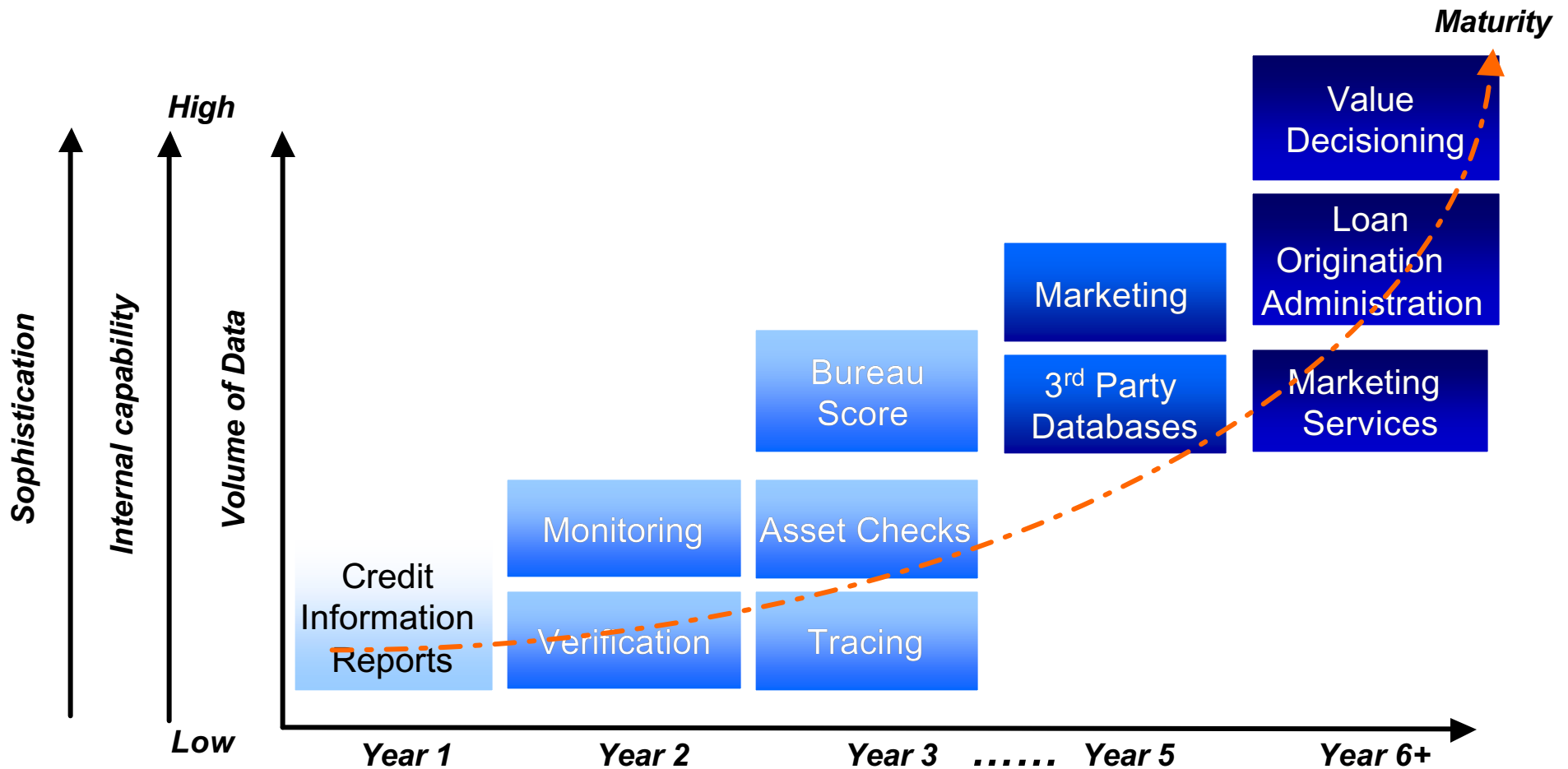
Access bureau data

Manage process

Apply policy rules

Scorecards

Scope Development Timeline



Thank You

Questions?



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