

# VantageScore® 2.0

Improved predictive ability raises the standard of performance



VantageScore® 2.0 helps organizations make better risk-management decisions with enhanced, consistent prediction power.

## Make better lending decisions with VantageScore 2.0

VantageScore 2.0 is a highly predictive, consistent score across all credit reporting companies' (CRCs) platforms that maintains accuracy over extended time frames. Throughout the development process of this product, the combined modeling strengths of all three CRCs were leveraged and patented modeling techniques were employed. Along with the ability to score more consumers, including those with thin files, infrequent credit users and new entrants into the credit market, VantageScore 2.0 is the best value for lenders.

## A consistent scoring model for both lenders and consumers

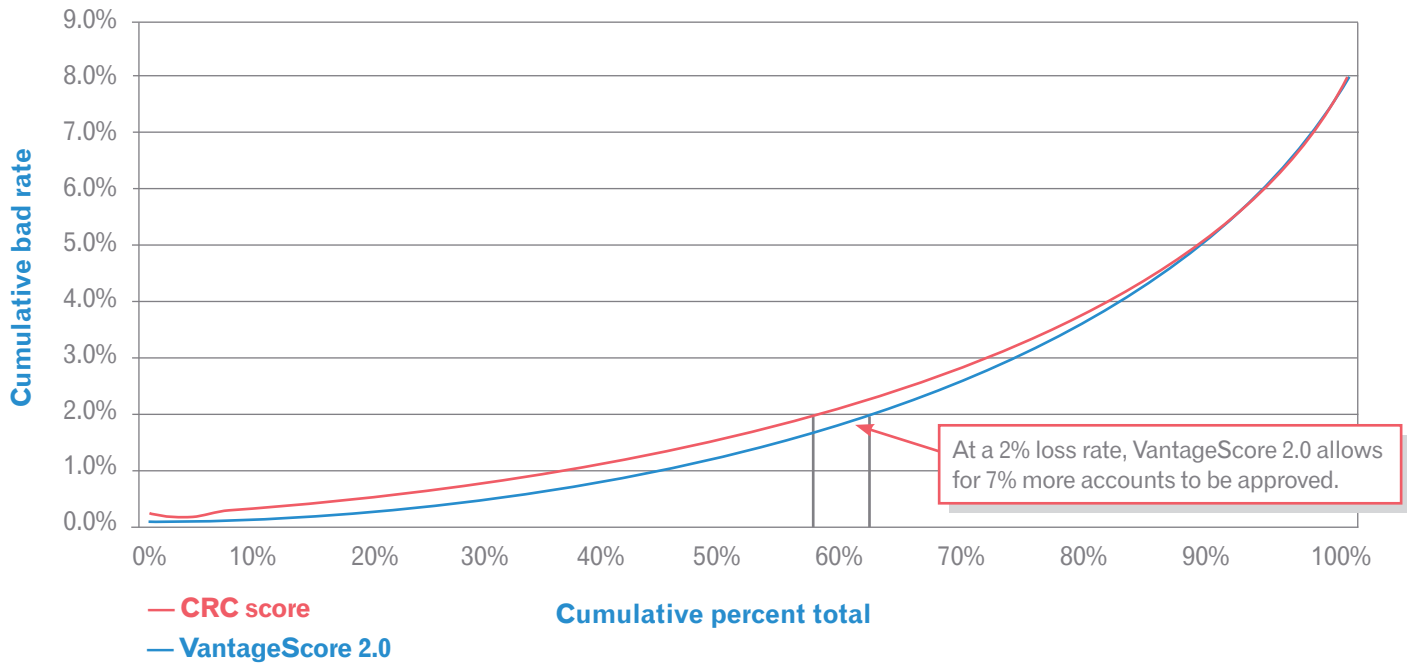
With VantageScore 2.0, the same patented algorithm is in place at each CRC, resulting in a consistent scoring model for both lenders and consumers. Leveled credit characteristics across all three CRCs ensure that any score differences for the same consumer are

attributable to data differences rather than the scoring algorithm. A given score will represent the same relative risk for lenders. All scorecards are scaled consistently at each of the CRCs.

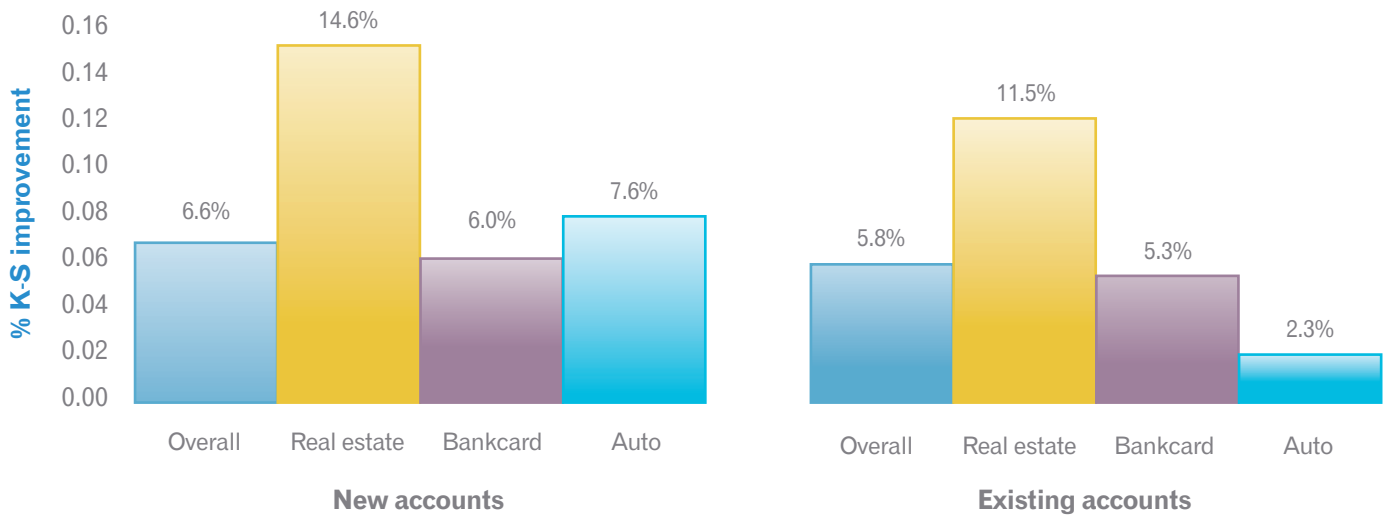
## Leveraging and building on the strengths of VantageScore 1.0

VantageScore 2.0 builds upon the strong foundation established by the previous 1.0 version. It incorporates the same performance definition and leveled characteristics and uses the same segmentation scheme to help facilitate more accurate risk assessment. However, because its developers saw significant changes in consumer behavior due to the recent economic instability, they took advantage of the annual revalidation process to identify where the score could be strengthened and enhanced it to reflect these new behavior patterns.

**VantageScore 2.0 performance chart**



**Performance improvement with VantageScore 2.0 over CRC score**  
(% lift in K-S values)



### Features and benefits

- Predicts whether or not a consumer will default.
- Provides near-identical risk assessment of a consumer from multiple CRCs.
- Retains its predictive accuracy across an extended time frame.
- Provides a lift in performance over the original version for both new and existing accounts.
- Accounts for recent market instability by employing development samples from two key performance time frames: 2006 to 2008 and 2007 to 2009. Development over the extended time frame reduces algorithm sensitivity to highly volatile behavior within a single time frame.
- The CRCs and VantageScore Solutions, LLC perform annual validations to ensure the model maintains its highly predictive capabilities. Additionally, VantageScore validation results are publicly available.

### Lender risk alignment

Because of the broad development sample of 45 million credit reports contributed by all three of the CRCs, VantageScore 2.0 is able to deliver highly aligned predictive performance at each CRC. This, in turn, provides lenders with near-identical risk assessments across all three CRCs and gives consumers a more consistent measurement of creditworthiness.

### Scoring tiers

VantageScore 2.0 uses scoring tiers with an easily understood scoring range (501 to 990) that corresponds to natural grade levels A to F (the higher the score, the lower the risk).

- A — 900 to 990
- B — 800 to 899
- C — 700 to 799
- D — 600 to 699
- F — 501 to 599

To find out more about VantageScore, contact your local Experian sales representative or call 1 888 414 1120.

Experian  
475 Anton Blvd.  
Costa Mesa, CA 92626  
T: 1 888 414 1120  
www.experian.com

© 2011 Experian Information Solutions, Inc. • All rights reserved

Experian and the Experian marks used herein are service marks or registered trademarks of Experian Information Solutions, Inc.

Other product and company names mentioned herein are the property of their respective owners.

VantageScore® is owned by VantageScore Solutions, LLC.

08/11 • 1224/2768 • 6006-CS