

# Baker Hill® Portfolio Risk Advisor®

Maintaining sound credit quality through continuous risk monitoring



Aggressive client retention and growth strategies are creating new challenges for financial institutions. Growing portfolios are making it more difficult to monitor portfolio quality manually, resulting in a greater risk for losses. Consequently, many institutions are turning to the proven risk assessment strategies offered by Baker Hill® Portfolio Risk Advisor® to automate their portfolio monitoring and improve operational efficiencies.

## Baker Hill Advisor® Core components

### Baker Hill® Client Advisor®

Addresses key processes centered on sales relationship management

### Baker Hill® Exception Advisor®

Automates document, policy, compliance and exception management

### Baker Hill® Portfolio Risk Advisor®

Continually monitors the overall health of the entire client portfolio

Combining the power of our risk-management capabilities with our quality data and scores, Portfolio Risk Advisor helps institutions mitigate risk and streamline the portfolio management process. By integrating internal origination, behavioral and performance data across the institution with external scoring data, Portfolio Risk Advisor delivers an accurate, point-in-time view of the institution's entire portfolio.

#### Automated, continuous portfolio monitoring

Portfolio Risk Advisor can improve the overall quality of an institution's portfolio by turning the reactive, manual account review into an automated, continuous process. Credits that typically were reviewed once a year now can be monitored on a weekly, monthly or quarterly basis — with less manual intervention. The system automatically flags high-performing credits for renewal and cross-sell opportunities while also proactively identifying and

monitoring suspect accounts. With Portfolio Risk Advisor carrying the burden of prioritizing account reviews and tasks, portfolio specialists are free to focus on accounts that pose the greatest risk to the portfolio. Bank-defined performance indicators are used to determine whether an account is flagged for review, renewal or watch. This approach ensures that a financial institution's credit policy is applied consistently beyond the initial application process.

#### The power of Experian data and scores

Portfolio Risk Advisor is designed to leverage the value of Experian's business information as well as other external data sources that may be required. Experian's business databases provide comprehensive, verified information on millions of U.S. companies spanning every industry, including the most extensive data available on the diverse small-business market. Additionally, Experian® owns or partners with other worldwide

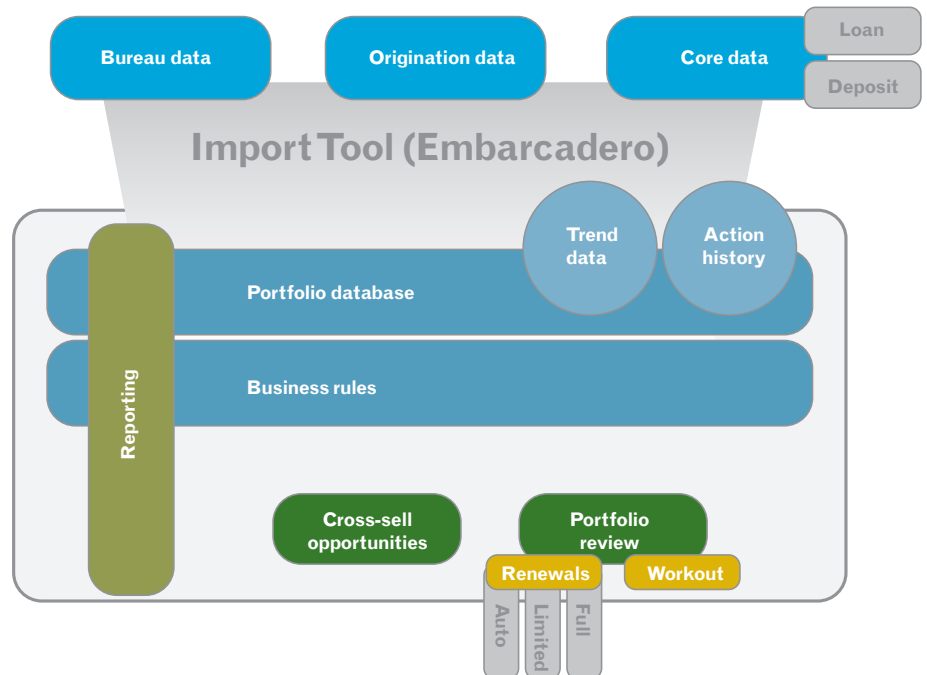
commercial databases and has online access to 50 million businesses around the globe. Integrating Experian commercial data into the portfolio management process enhances the portfolio with current and accurate payment record information, business demographics and legal and public record information.

**Data sources include:**

- Core system data
- Origination data
- Credit reporting company data
- Experian data:
  - Portfolio Scoring
  - Commercial Intelliscore<sup>SM</sup>
  - Small Business Intelliscore<sup>SM</sup>
  - Commercial Fraud Insight<sup>SM</sup>
- Other external data as required

Risk assessment scores, including Commercial Intelliscore and Small Business Intelliscore, combine commercial and/or personal information on a business owner into a single score. Portfolio Scoring provides the latest derogatory changes in customer payment and public record filings for small-business accounts. Integration with Commercial Fraud Insight draws on the depth and breadth of multiple Experian databases to ensure compliance with federal customer authentication mandates and to mitigate costly commercial fraud. Bringing together external Experian data and internal performance data in Portfolio Risk Advisor produces a powerful 360-degree view of the portfolio, enabling institutions to take better control of managing risk.

### Portfolio Risk Advisor process



### Seamless integration with core systems

Portfolio Risk Advisor can be configured easily to import data from the institution's core systems or from other external systems. Because data is always current and continuously analyzed in accordance with the institution's policy, the centralized performance database becomes a reliable resource for satisfying critical management reporting needs.

### Standard reports available in Portfolio Risk Advisor include:

- Delinquency of scoreboard
- Frequency of trigger and status
- Frequency of trigger by scoreband
- Triggers by delinquency
- Portfolio seasoning report

### Unmatched portfolio risk management and implementation expertise

Experian leverages more than 30 years of proven origination and portfolio risk management expertise to help you assess the efficiency of current processes. We work with clients to understand individual project goals,

applying knowledge gained through hundreds of client implementations, partner training and personal experiences to more strongly impact project success.

### About Decision Analytics

Experian's Decision Analytics helps clients make better, more insightful decisions and create greater value from customer relationships across their entire book of business — from consumers to small and commercial enterprises. Clients use Decision Analytics' data intelligence, analytics, technology and consulting expertise to expand customer relationships; manage and mitigate credit risk; prevent, detect and reduce fraud; meet regulatory obligations; and gain operational efficiencies. Decision Analytics provides the intelligence used by leading businesses worldwide to assess with confidence the potential risk and reward of critical business decisions.

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

### Portfolio Risk Advisor® highlights

|  |   |
|--|---|
| Browser-based  | Access anywhere, with easy deployment across channels   |
| Configurable   | Bank-defined business rules, credit policies and indicators ensure consistent processing  |
| Integrates with lending process                                  | Integrates with Baker Hill Advisor® and the entire Baker Hill Origination® suite for access to application data and to streamline the loan origination process                        |
| Centralized portfolio management                                 | One location to view and manage the portfolio as well as identify high-risk accounts along with cross-sell opportunities  |
| Streamlines renewal process                                      | Automatically flags high-performing accounts for renewals   |
| Access to Experian data and scores                               | Available Experian data scores include Portfolio Scoring, Small Business Intelliscore, <sup>SM</sup> Commercial Intelliscore <sup>SM</sup> and Commercial Fraud Insight <sup>SM</sup> |
| Access to portfolio risk management and implementation expertise | Fewer problems, faster implementation and greater user acceptance   |

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