



*Building a consumer credit file with positive bill payment information is now possible.*

[www.prbc.com](http://www.prbc.com)

**PRBC**®  **Payment Reporting  
Builds Credit**™

## **Innovative Financial Tools for Serving the Underbanked**

**Alternative credit data:  
Reaching untapped markets**

Federal Reserve Bank of Philadelphia  
October 16, 2007

**Automating the use and  
scoring of  
bill payment data**

Michael Nathans  
Chairman and Chief Development Officer

[www.prbc.com](http://www.prbc.com)



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## Expanding Opportunities for Individuals & Lenders

PRBC connects people who lack a traditional credit history with lenders who want to reach them. We document and verify rental, utility, phone, and other recurring payments that aren't reported to other credit bureaus.

### Personal Credit Reporting Solutions

Your on-time payments can help you get a mortgage and qualify for better interest rates.

- ⇒ [Learn what PRBC can do for you](#)
- ⇒ [Enroll now](#)

### Solutions For Lenders & Brokers

Close more loans, manage risk, and build customer loyalty in growing markets.

- ⇒ [Qualify applicants with PRBC Reports](#)
- ⇒ [Create a file for an existing prospect](#)

### News & Events

Mortgage Insurer MGIC to use PRBC Reports<sup>SM</sup>  
Mortgage insurer MGIC will use PRBC Reports with Bill Payment Score (BPS) to automate approval decisions... [\[more\]](#)

PRBC Receives U.S. Patent for Bill Payment Reporting and Scoring  
PRBC received a patent for the company's technology and method for collecting data on recurring bill payments... [\[more\]](#)

PRBC's CEO to speak at World Bank  
Corey Stone, PRBC's CEO, will speak at a World Bank conference focused on expanding access to credit. [\[more\]](#)

PRBC in the News - Washington Post  
"Finally, Credit For Paying the Bills" by Kenneth R. Harney [\[more\]](#)

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PRBC<sup>®</sup> is everyone's [equal credit opportunity](#).  
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National Credit Reporting Association **Member**



**Pay Rent, Build Credit, Inc. (PRBC®) is a “consumer reporting agency” and FCRA-compliant repository for rental and other recurring bill payment data. As a credit bureau we...**

- **Enable consumers to establish and build a credit bureau file using the regular bills they pay, without having to go into debt to supplement their Equifax, Experian, or TransUnion files under Section 202.6 of the Equal Credit Opportunity Act**
- **Aggregate** and verify bill payments made by consumers from multiple sources
- **Store** data in a secure repository that can be updated monthly
- **Score** and summarize bill payment data for use in automated underwriting and loan origination systems
- **Report** bill payment data and score in it real time via distribution channels commonly used in credit-granting decisions that include Equifax, Experian, and TransUnion

## **As a credit bureau, PRBC DOES NOT...**

- Charge Consumers a fee to set up or view their own file
- Charge Consumers a fee to have their bill payment information reported to PRBC electronically from their bill payment service provider or creditor
- Sell Consumers' names or information to solicitors

## PRBC Founding Sponsors and Investors



OMIDYAR  
NETWORK

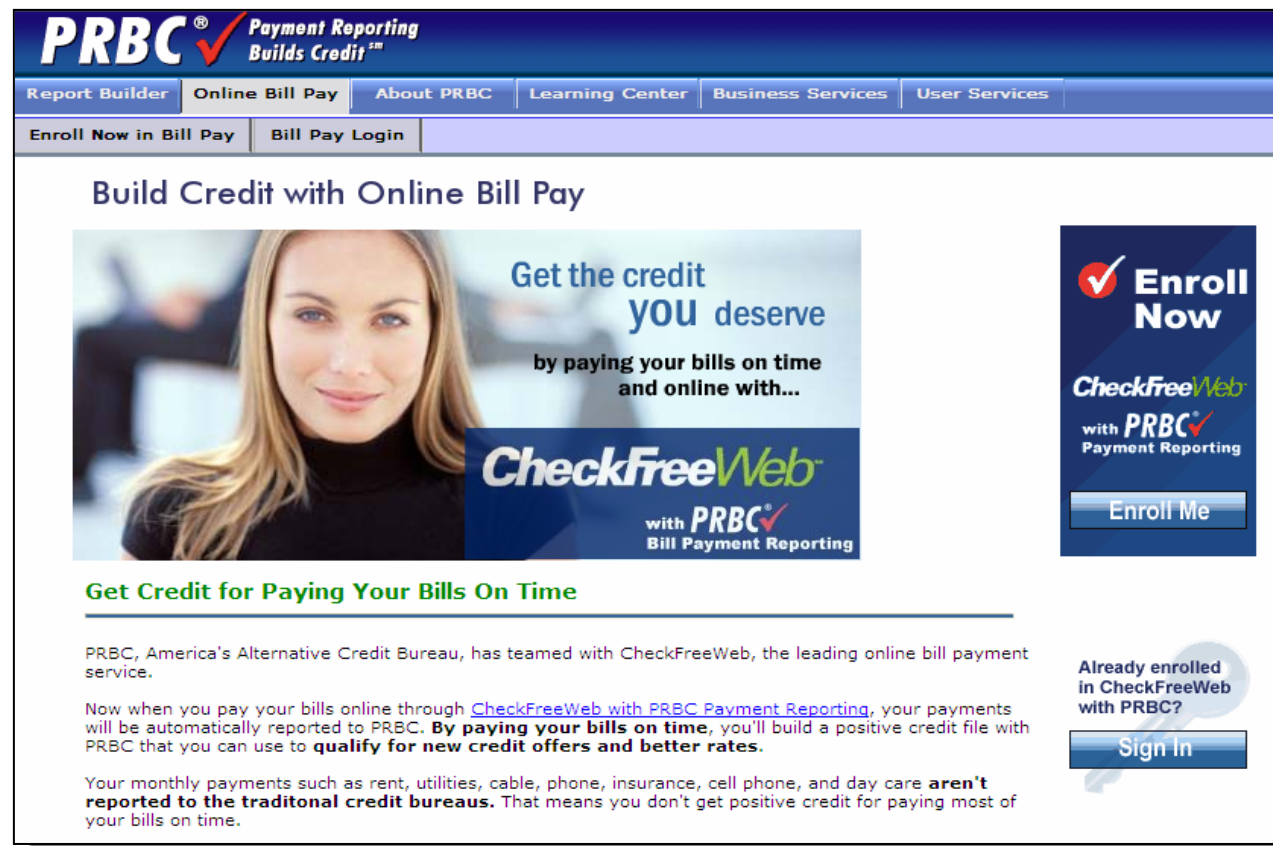



TOTAL TECHNOLOGY VENTURES, LLC



## For “banked” consumers: PRBC has successfully piloted payment reporting via online bill payment with CheckFree

- Existing CheckFree Direct subscribers
- New enrollees/visitors seeking to build credit




**PRBC**  **Payment Reporting  
Builds Credit<sup>SM</sup>**

Report Builder | **Online Bill Pay** | About PRBC | Learning Center | Business Services | User Services


Enroll Now in Bill Pay | Bill Pay Login

### Build Credit with Online Bill Pay



Get the credit  
**YOU** deserve  
by paying your bills on time  
and online with...

**CheckFreeWeb**  
with **PRBC**  
Bill Payment Reporting



**Enroll  
Now**

CheckFreeWeb  
with **PRBC**  
Payment Reporting


Enroll Me

#### Get Credit for Paying Your Bills On Time

PRBC, America's Alternative Credit Bureau, has teamed with CheckFreeWeb, the leading online bill payment service.

Now when you pay your bills online through [CheckFreeWeb with PRBC Payment Reporting](#), your payments will be automatically reported to PRBC. **By paying your bills on time**, you'll build a positive credit file with PRBC that you can use to **qualify for new credit offers and better rates**.

Your monthly payments such as rent, utilities, cable, phone, insurance, cell phone, and day care **aren't reported to the traditional credit bureaus**. That means you don't get positive credit for paying most of your bills on time.



Already enrolled  
in CheckFreeWeb  
with PRBC?

Sign In

## **For unbanked and underbanked: Automated payment reporting with AccountNow**

- Prepaid card account; card loads via direct deposit and in-person
- Offers online bill payment and electronic checkbook
- Target customer: internet-enabled users who cannot obtain bank accounts
- 20% adoption of online bill pay with payment reporting to build credit



## **For the unbanked and underbanked: (continued) PRBC partners with in-person bill payment services**

- National check casher network - FiSCA
- Offers in-person bill payment and remittance service
- Target customer: check cashing customers interested in building or rebuilding a record of on time bill payments



## Secondary market acceptance of PRBC Reports<sup>sm</sup> as non-traditional mortgage credit reports (NTMCRs)

- ✓ **FHA**
- ✓ **Fannie Mae**
- ✓ **Freddie Mac**
- ✓ **Genworth Financial**
- ✓ **MGIC**

"PRBC Reports comply with Fannie Mae standards for establishing the credit reputations of manually underwritten borrowers.

This means PRBC Reports may provide originators with a practical way to supplement or document creditworthiness and payment histories for thin and no-file borrowers for mortgages that can be sold to Fannie Mae.

See Fannie Mae Selling Guide Part X, Section 103.04 for details.

However, it is important to note that Fannie Mae will not purchase mortgages based solely on PRBC Bill Payment Scores (BPS)."

-- Fannie Mae December 8, 2006

## General mortgage underwriting requirements for applicants with “thin” or no traditional credit files

- ✓ Rent or mortgage plus 2 -3 additional trade lines such as utilities, cable, phone, insurance, auto loan, daycare, rent-to-own furniture or appliances, deposits to a savings account
  
- ✓ Paid on time for at least 12 months
  
- ✓ Lending programs offer by most major lenders that accept NTMCRs:
  - Fannie Mae *MyCommunityMortgage*<sup>TM</sup>
  - Freddie Mac *Home Possible*<sup>®</sup>
  - FHA

## PRBC Reports<sup>SM</sup> are distributed to over 120,00 Lending Officers through PRBC's Affiliates and Strategic Partners



# PRBC Report Builder Demo



<a href="#">Consumer Services</a>	<a href="#">Business Services</a>	<a href="#">About PRBC</a>	<a href="#">Learning Center</a>	<a href="#">User Services</a>
<a href="#">Report Builder</a>	<a href="#">Online Bill Pay</a>	<a href="#">Get a Mortgage</a>		

## Get Credit for Paying Your Bills On Time

You no longer need credit in order to get credit. If you pay your monthly bills on time, you can build a positive credit file with PRBC. As your credit file grows, you'll qualify for new credit offers and better rates.


Today, a PRBC credit file can help you qualify for a mortgage or auto loan. Soon, you'll be able to use your credit file to get a cell phone, credit card, or personal loan.



### Build Credit with Bills You've Already Paid

If you're applying for a mortgage, or would like to build your credit file as quickly as possible, jumpstart your PRBC credit file using payments you've already made.

- 1. Enroll today - signing up is easy and takes under five minutes.**
- 2. Enter your basic account information for the bills you now pay - rent, utilities, cable, phone, etc. The more accounts you've paid on time, the better your credit file will look to lenders.**
- 3. Order a verification. Once the verification is complete, you can use your PRBC Report to qualify for a mortgage, auto loan, and better interest rates.**

 [Enroll Now](#)

## Learn How To Create Your File



Building your PRBC credit file is a great way to prove your financial responsibility to lenders. View our [web demo](#) that shows how easy it is to get started.

# Appendix: ECOA 202.6 and PRBC Sample Reports

## **PRBC<sup>®</sup> Equal Credit Opportunity Advisory**

October 3, 2005

**Under the Equal Credit Opportunity Act (ECOA), all consumers have a legal right to have their PRBC Report<sup>SM</sup> and Bill Payment Score<sup>SM</sup> taken into consideration when traditional credit reports and scores are used to evaluate their creditworthiness.**

### **ECOA § 202.6 Rules concerning evaluation of applications.**

(b) *Specific rules concerning use of information.*

(6) *Credit history.* To the extent that a creditor considers credit history in evaluating the creditworthiness of similarly qualified applicants for a similar type and amount of credit, in evaluating an applicant's creditworthiness a creditor shall consider:

(i) The credit history, when available, of accounts designated as accounts that the applicant and the applicant's spouse are permitted to use or for which both are contractually liable;  
{4-30-03 p.7216}

(ii) On the applicant's request, any information the applicant may present that tends to indicate that the credit history being considered by the creditor does not accurately reflect the applicant's creditworthiness;

Note: A PRBC Report<sup>SM</sup> and Bill Payment Score<sup>SM</sup> (BPS<sup>SM</sup>) demonstrate a proven track record of the ability and willingness to pay on time, consecutively. When used to supplement a traditional credit report and score, or in the absence of one, a PRBC Report and BPS provide a more complete and accurate reflection of an applicant's creditworthiness.

For more information visit [www.prbc.com](http://www.prbc.com).

## PRBC Reports<sup>sm</sup> Sample - No Fico (cont'd)

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**ALERT INFORMATION**  
 (Src/Id) Message

(EFX/01) File Warning: No Record Found  
 (EXP/01) File Warning: No Record Found  
 (TUC/01) File Warning: No Record Found

These file warnings indicate that there are no files found in any of the "big 3" credit bureaus.

This Summary Information indicates the type, number, and payment status of each account appearing in each of the "big 3" and PRBC.

-----  
**SUMMARY INFORMATION**

Account Matrix	Counts	Balances	Payments	Now Curr	Now Late	COff Repo	Clsd Paid	LastDlq	N30	N60	N90+
Collection	-	0	0	-	-	-	-		-	-	-
Revolving	-	0	0	-	-	-	-		-	-	-
Installment	-	0	0	-	-	-	-		-	-	-
Real Estate	-	0	0	-	-	-	-		-	-	-
Other/Unkn	-	0	0	-	-	-	-		-	-	-
Bill Pymt Data	4	-	1119	4	-	-	-		-	-	-
Payday Loans	-	-	0	-	-	-	-		-	-	-
<b>Totals</b>	<b>4</b>	<b>-</b>	<b>1119</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>

## PRBC Reports<sup>sm</sup> Sample - No Fico (cont'd)

PRBC PAYMENT DATA							
Account Type	Count	Curr Pymts	Cons Curr	Slow Pymts	Late Pymts	Since Slow	Since Late
Rent	1	12	11	-	-	-	-
Cable	1	12	11	-	-	-	-
Electric	1	12	11	-	-	-	-
Phone	1	12	11	-	-	-	-

SCORE INFORMATION		
(Src/Id)	Score	Description
Factors (1-4)		
(PRBC/01)	00616	BILL PAYMENT SCORE (BPS)
	05	LENGTH OF ACCOUNT PAYMENT HISTORY
	06	NUMBER OF REPORTED ACCOUNTS

PRBC BILL PAYMENT INFORMATION														
Payee Name / Account Number												LagTime	Ctgy	
Open Type	HighCr	Payment Term	Balance	Rptd	CMop	Mnth	#Cu	#Cn	#Sl	Clsd	MaxDlq	Disp	Ecoa	Id
Type		Term		LDlq-Rate			#30	#60	#90	Hist	Pattern			
Tier I Accounts (4)														
TIMBERLINE APTS/**1023													4 Days	4
12-01	N/A	950	N/A	01-05	CURR	12	12	11	00				NO INDV	01
RENT							00	00	00	01-05	111111111111/111111111111			
TIME WARNER CABLE/*****6511													7 Days	1
01-02	N/A	68	N/A	01-05	CURR	12	12	11	00				NO INDV	01
CABLE							00	00	00	01-05	111111111111/111111111111			
CONNECTIV POWER/*****7753													Early	1
06-99	N/A	66	N/A	01-05	CURR	12	12	11	00				NO INDV	01
ELEC							01	00	00	01-05	111111111111/111111111111			
BELL ATLANTIC/*****5590													10 Days	1
11-01	N/A	35	N/A	01-05	CURR	12	12	11	00				NO INDV	01
PHONE							00	00	00	01-05	111111111111/111111111111			



## PRBC Reports<sup>sm</sup> Sample – Old Derogatories

Visit [www.prbcreports.com](http://www.prbcreports.com) to view the entire Report

Illustrates a PRBC Report<sup>sm</sup> for a consumer that has recovered from past credit problems that were due to circumstances beyond his control.

This PRBC Report<sup>sm</sup> reflects two Fair Isaac scores and one Equifax score ranging from 513 to 598 (568 average), along with a PRBC BPS<sup>sm</sup> of 781. Despite past credit difficulties, this consumer may qualify for a Fannie Mae or Freddie Mac mortgage.

The difference in mortgage interest rates between a 568 FICO score and a 621 FICO score can be as many as 250 basis points (2.5%), totaling \$5,625/year (\$468/month) in consumer savings on a \$225,000 mortgage.

Scoring Models	Score	Description
PRBC/01	781	BILL PAYMENT SCORE (BPS)
EPX/01	592	BEACON 96 Auto
EXP/01	513	Fair, Isaac 1.0
TUC/01	598	FICO Risk Score, Classic Auto 95

Without inclusion of the PRBC BPS<sup>sm</sup> of 781, the average credit bureau score would be 568, which is not an accurate or complete reflection of this applicant's creditworthiness.

### CONSUMER STATEMENT INFORMATION (Src/Id) Rptd Statement

(PRBC/01) 12-04 MY CREDIT PROBLEMS DURING THE 2002 CALENDAR YEAR WERE DUE TO SEVERE MEDICAL HARDSHIPS ENDURED BY MY FAMILY. PLEASE TAKE INTO CONSIDERATION MY RECENT FAVORABLE HISTORY WHEN REVIEWING MY APPLICATION. THANK YOU.



## PRBC Reports<sup>sm</sup> Sample (cont'd)

SUMMARY INFORMATION										
Account Matrix	Counts	Balances	Payments	Now Curr	Now Late	COFF Repo	Clsd Paid	LastDlq	#Times/24 m	
Collection	1	0	0	-	1	-	1	04-2000	-	-
Revolving	6	694	94	5	1	-	1	04-2002	-	-
Installment	1	5,086	0	-	1	-	1	08-2000	-	-
Real Estate	-	0	0	-	-	-	-	-	-	-
Other/Unkn	-	0	0	-	-	-	-	-	-	-
Bill Pymt Data	6	-	1637	6	-	-	-	09-2002	-	-
Payday Loans	3	300	300	3	-	-	2	-	-	-
<b>Totals</b>	<b>14</b>	<b>6,080</b>	<b>2031</b>	<b>14</b>	<b>3</b>	<b>0</b>	<b>5</b>	<b>09-2002</b>	<b>0</b>	<b>0</b>

PRBC Reports<sup>sm</sup> are the only credit reports that display **on-time** payday advance repayments.

PRBC PAYDAY LOAN INFORMATION							
Payee Name	Open	Amnt	Balance	Status	Lst-Updt	LagTime	
ADVANCE AMERICA	02-15-05	300	300	Open	02-05		
ADVANCE AMERICA	01-15-05	350	350	Clsd	01-05	3 Days Early	
CHECK INTO CASH - CLAYMONT	06-15-04	400	400	Clsd	06-04	1 Days Early	

PRBC PAYMENT DATA							
Account Type	Count	Curr Pymts	Cons Curr	Slow Pymts	Late Pymts	Since Slow	Since Late
Rent	1	35	33	1	-	29	-
Child Support	1	36	35	-	-	-	-
Insurance	1	36	35	-	-	-	-
Cable	1	36	35	-	-	-	-
Electric	1	35	33	-	1	-	29
Phone	1	36	35	-	-	-	-

# PRBC<sup>®</sup>

*Everyone's Equal Credit Opportunity*

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