

ProfitGuard

Credit reporting, risk monitoring, and clear customer insights so you can make an effective credit decision.

ProfitGuard is the leading provider of business credit information to the Industrial Sector. Using the latest technology, we combine our proprietary credit, financial, and trade information, along with our industry knowledge, to provide you with the ability to effectively manage credit more easily than ever before.



**Current Relevant
Credit Data**



**Value of Analyst
Insight**

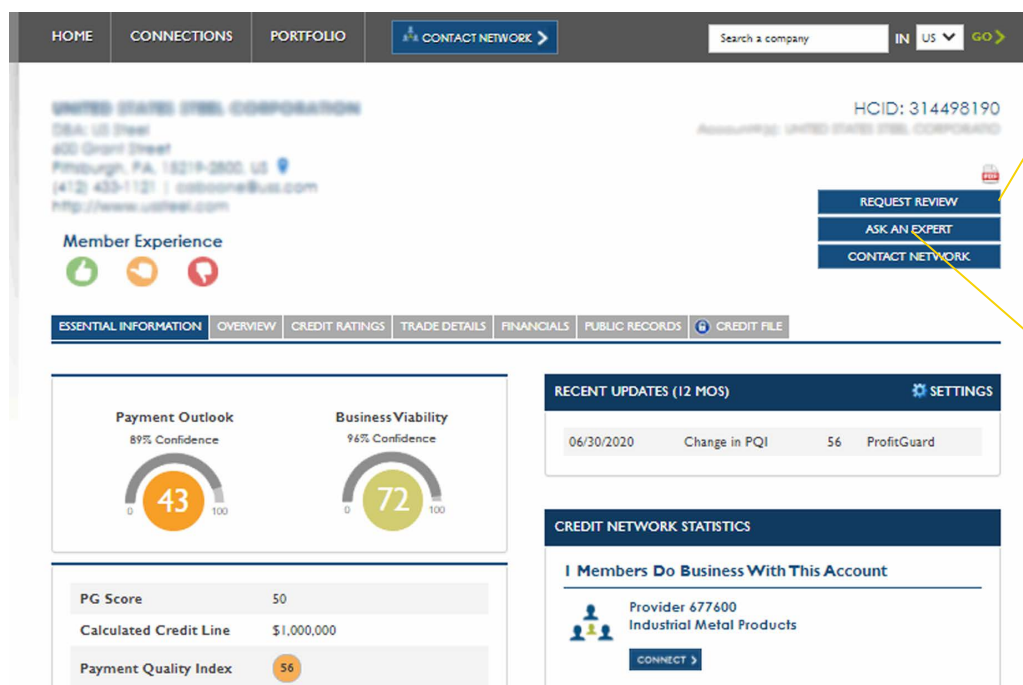


**Timely and Reliable
Credit Limit Guidelines
and Alerts**

Results in Reduced Risk & Better Credit Decisions

ProfitGuard's platform brings business credit data together from multiple resources, credit ratings, financial information, analyst insight, and intelligence from the PG Credit Network and delivers it in a faster, more user-friendly format.

Sample credit report



Provides the ability to have a PG analyst review a file or investigate your customer.

For (1) unit, you can schedule a call to speak to an analyst about a customer's risk profile.

How a PG subscription works

Each ProfitGuard subscription is a 12-month contract based on units. Depending on what level subscription you purchase, you receive a certain number of units to use in your contract year to order credit services. You can use your units how you please (see unit cost chart).

Credit Services	Unit Cost
Domestic credit report view (view existing report on the platform)	1
Canadian credit report view (view existing report on the platform)	2
Credit limit guideline (credit limit amount set by analyst)	1
Ask an analyst (direct contact with an analyst to answer specific questions)	1
Premium credit alert monitoring (analyst monitoring for the duration of the contract). The unit charge will be prorated based on the month you put the buyer on Credit Alert.	5

Essential Information

Calculated Credit Line	\$100,000
Estimated Days Slow	0
Payment Quality Index	N/A
Analyst Guideline	Analyst Guideline is over 6 months old. REQUEST ANALYST GUIDELINE >
Analyst Guideline Remarks	N/A
Years In Business	30
Average High Credit	4,000
Highest Credit	4,000
Intelliscore Plus	32
Financial Stability Risk	Mild
Number of Inquiries	0
Annual Sales	\$25M

Calculated Credit Line:

This is an instant credit decision generated by PG's proprietary risk model based on available information.

Request a full analyst review and recommended credit limit for (1) unit, based on your requested level of credit required.

Do you need a quick credit decision? No problem!

Just input the customer name, confirm, and your report is available immediately showing a Calculated Credit Limit (CCL). If the CCL is not sufficient to meet your credit limit amount, we suggest you request an analyst guideline.

The **Essential Information Tab** provides an instant snapshot of your customer's risk profile.

It summarizes all needed credit data to make a timely credit decision. This section is great for lower dollar transactions that occur frequently or when time is of the essence.

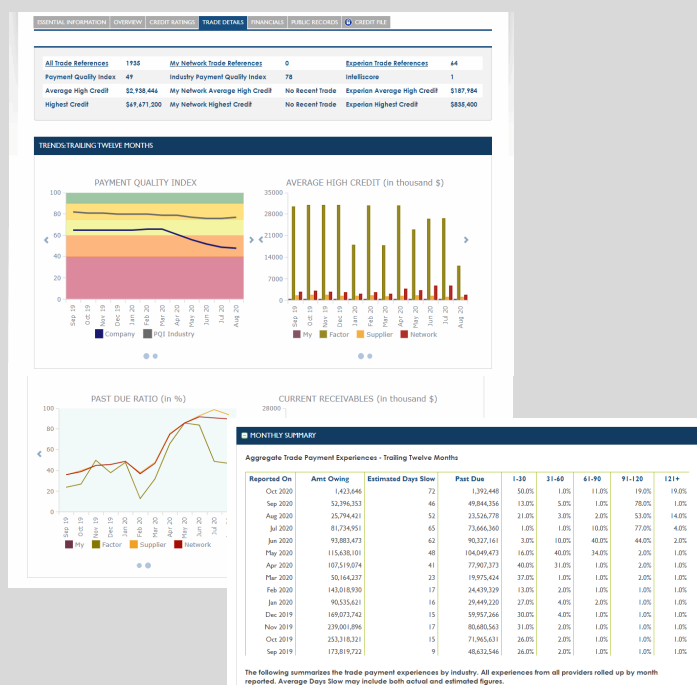
Trade Experience

We know that the most timely and relevant trade data on your customer is often found in how the company pays other suppliers.

With PG's Credit Network you can now submit trade experience directly and view detailed information on how your customer is paying other suppliers. Another benefit of sharing your information is that we will place all customers that are not on Premium Alert under our Basic Alert at no cost!

Includes:

- Peer-to-peer detailed trade
- Alerts and comments from trusted peers
- Benchmarking experiences versus each other
- 3rd party trade from traditional bureaus
- Basic Alert includes payment behavior, notice of delinquency risk and bankruptcy filings
- The option to include a PG logo on your invoices to let customers know payment experiences are reported to the PG network



PG Invoice Sticker

We report all customer payment experiences to



PG Credit Network

You will have the ability to communicate within the PG Credit Network in a secure, anti-trust compliant network to exchange trade information, request references, report special conditions or gain additional insight on your customers. If you contact the PG Network to report or inquire about a customer, your contact info will be visible, so others can respond. Trade data contributed will remain anonymous unless you choose to reveal your company name.

The screenshot shows the 'Contact My Network' page. A callout box on the left states: 'With Contact My Network, you can easily report special conditions such as a bad debt or bankruptcy to the PG Credit Network.' Another callout box on the right states: 'Communicate with the PG Network to report details on how your customer handles their account.' The interface includes a navigation bar with 'HOME', 'CONNECTIONS', 'PORTFOLIO', 'MAILBOX', and 'CONTACT NETWORK'. A search bar is present. The 'Category' dropdown menu is open, showing options: 'Request Trade Reference', 'Report Special Condition', 'Report Collections/Bad Debt', and 'General Question or Comment'. The 'Connections' dropdown menu is also open, showing 'All My Connections' and 'Preferred Credit Network'. The 'Subject' field is empty, and the 'Question or Comment' text area is also empty. A 'CONTINUE' button is at the bottom.

Payment Quality Index (PQI Score) and PG Score

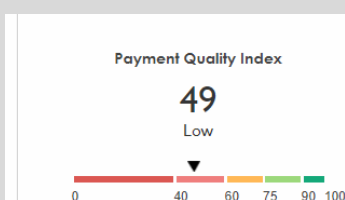
Our **PQI Score** predicts the likelihood of being paid within terms based on historical trade data. It is based purely on supplier trade and is weighted based on many factors including past dues, past due aging, and payments over a period.

PQI is measured on a scale of 0 - 100 where the timelier payers trend in the low 80s or higher. PQI can be used as one factor in evaluating benchmarking trends.

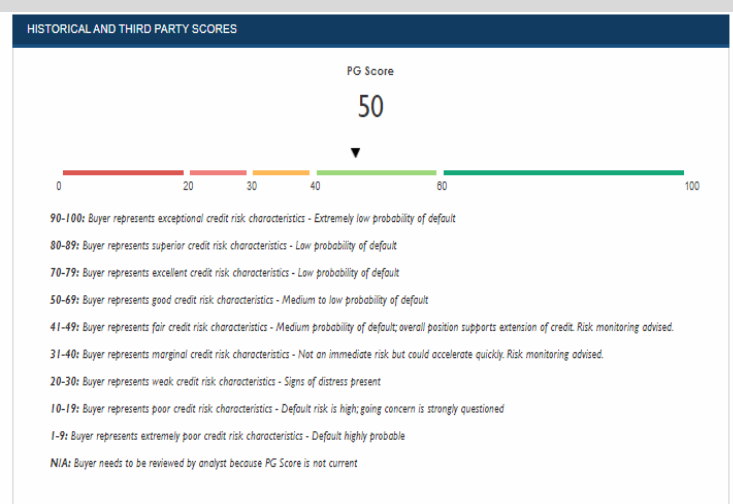
The **PG Score** is a sophisticated default score that predicts the likelihood that a company will become insolvent or fail over the next 12-month period. This score has final input from our analyst.

The PG Score considers the characteristics of thousands of businesses in the PG database and the correlation these characteristics have to the probability of a company experiencing financial distress within a 12-month period.

Provided in your credit report



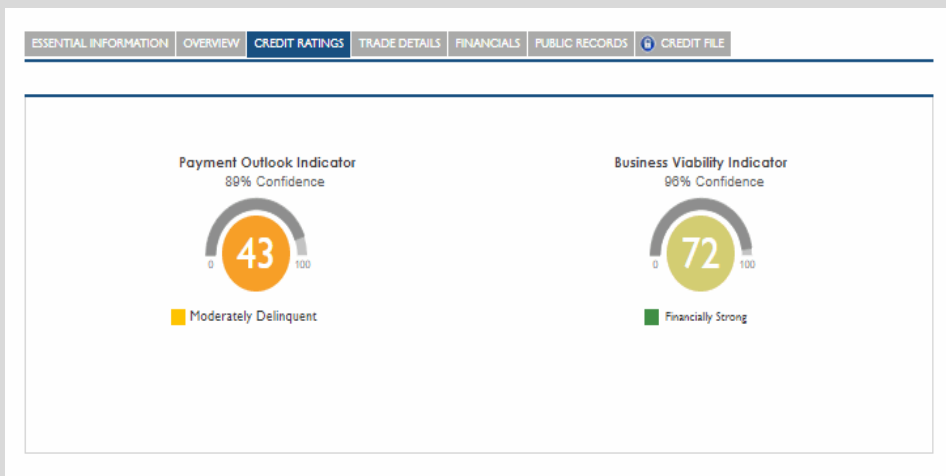
PQI predicts the probability of prompt payment and is determined based on all Credit2B trade payment information. If "limited" is indicated, then PQI is based on less than 3 providers or less than 3 months of trade.



predicts the likelihood of a business filing for bankruptcy or exhibiting extreme financial stress as defined by over 75% of payments becoming 90+ days beyond terms, multiple times, within the next 12 months or severe derogatory status such as a write-off, foreclosure, collection, etc. Higher score indicates lower risk.

Experian Intelliscore Plus predicts the likelihood of seriously derogatory payment, defined as 90 days plus past due or bankruptcy, within the next 12 months. Intelliscore Plus is a score from 0 to 100. Zero indicates high risk; 100 indicates low risk. A score of 998 displays when there is a bankruptcy within the past two years; 999 displays when there is not enough information to score a business.

Credit Risks Scores

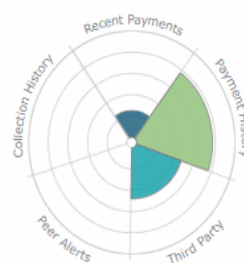


Payment Outlook Score is a forward looking payment predictor in addition to our **PQI Score** which is based on historical payment data. Together these scores give you a total view of how you can expect your customer to pay.

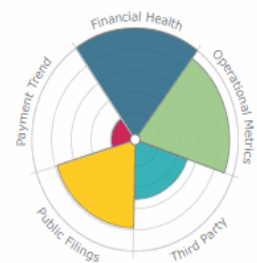
Business Viability Score predicts long-term business viability, how likely is it a customer will go out of business. This score is derived from machine learning predictive scoring. Together with our Analyst Assigned **PG Score** you have a full picture into a customer's overall credit and default risk.

SCORE COMPONENTS

Payment Outlook Components



Business Viability Components



25	Recent Payments	High percentage of past due accounts (last 3 months)
77	Payment History	Low percentage of outstanding balance accounts
48	Third Party	Moderate risk independent credit agency rating
N/A	Peer Alerts	Information not available
N/A	Collection History	Information not available

100	Financial Health	Strong equity value indicator
91	Operational Metrics	High annual sales (>\$5M Annual Sales)
51	Third Party	Moderate risk independent credit agency rating
78	Public Filings	Zero or declining number of recent public filings
19	Payment Trend	Deteriorating payment pattern

Financials



Financials Tab

Quickly and easily analyze 4 years of detailed company financial data with financial ratios calculated for you. You can also pull parent company financial statements for an additional unit.

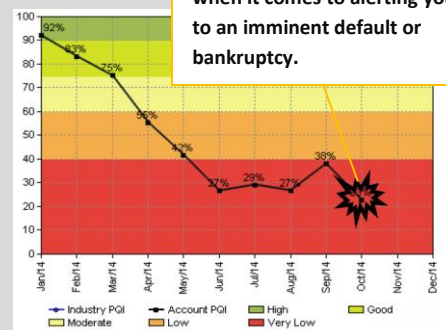
ProfitGuard's platform takes the hard work out of the equation and presents easy to understand graphs that show your customer's financial trends.

Premium Risk Monitoring and Credit Alerts

The Premium Alert Service is our most comprehensive risk monitoring service, driven by our analyst team. When you place a customer in your Premium Alert Portfolio, an experienced PG analyst that is assigned to it will monitor the account daily for any risk changes.

In addition, the analyst will perform periodic credit reviews. When risk changes, a notification will be sent to alert you. You can also expect other credit news and reports that are credit risk related. For example, certain key press releases, third party reports, credit news items like a new bank arrangement, covenant violation, forbearance etc.

PG Alerts consistently outperform competitors when it comes to alerting you to an imminent default or bankruptcy.



PG Analyst Alerts will provide summarized information to act quickly. Should you want to see the updated credit profile or full report – just click View Report button.

Alert Details:

For all other expert alerts & comments [NEW REPORT](#)

We have completed a committee review on XYZ Steel Corporation and are upgrading the company's credit score based on our evaluation of the fourth quarter 2016 results.

XYZ Steel Corporation improved its financial flexibility in 2016 by refinancing some of its debt and by issuing common stock to repay outstanding borrowings under its revolver. At this time, we feel the company maintains a strong liquidity position with \$1.4 billion available with no debt maturing until 2019.

It is our mission to provide you with the most complete and timely credit information available.

If you do not wish to receive these alerts please contact us at creditsupport@eprofitguard.com.

Your PG Team
creditsupport@eprofitguard.com
866-990-1099

What makes the Premium Alert Service Different?

The level of analysis is why PG stands apart

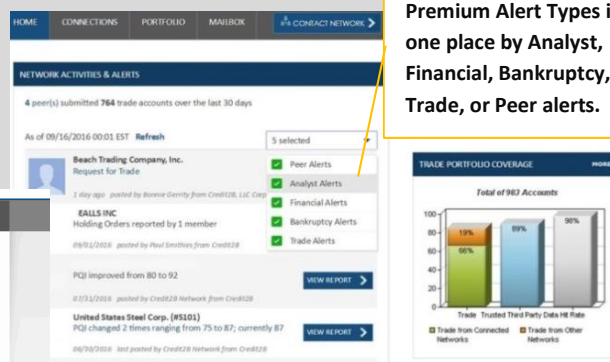
Each customer is monitored by an analyst. We obtain financial statements; analyze liquidity trends, banking agreement details, covenant compliance, and capital structure among other key credit metrics. This information is then analyzed from a financial, business, industry, and management risk perspective.

PG performs credit assessments at the entity, subsidiary, parent, and ultimate parent or equity sponsor level – considering all cross-relationship credit risks to formulate our credit rationale. Our credit analysts are experienced in the Industrial sector and related sub-sectors.

Portfolio Analysis

- Save account-level notes, documents, and financials viewable confidentially only by you and your team
- Customize your portfolio views and create watch lists
- Set up alerts when exposures go beyond acceptable parameters
- Download data to Excel if you want to do custom analysis

Quickly view or filter all Premium Alert Types in one place by Analyst, Financial, Bankruptcy, Trade, or Peer alerts.

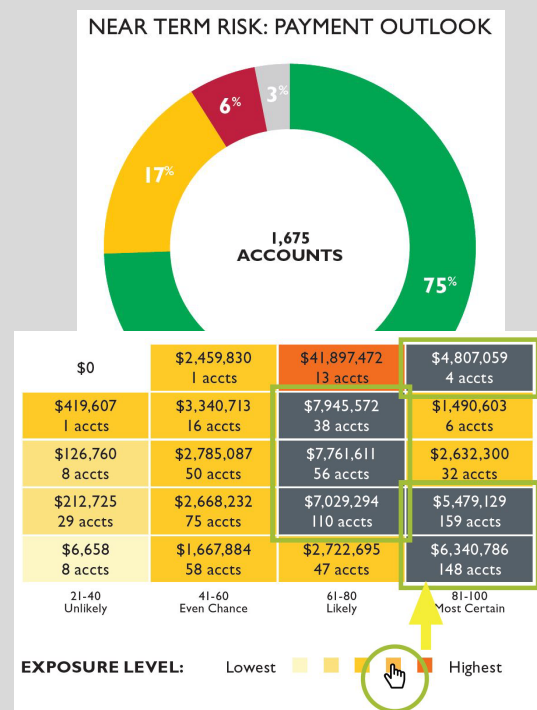
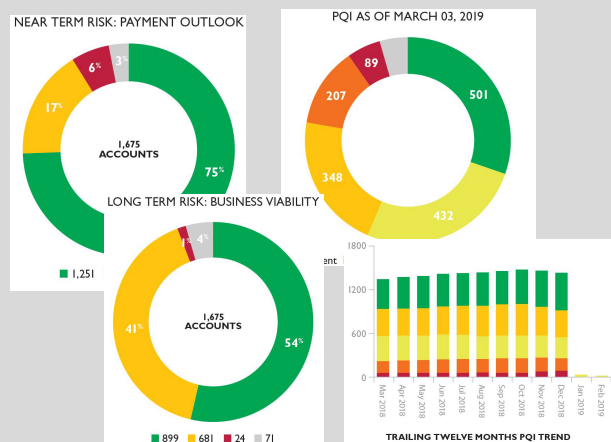


Account R	PQI	Assigned Credit Limit	Guideline Dat
109 Canada			
7436 (Bac Inc			
WKL & SONS	79		
UCKI IPANY	42		
Overall AHC	1,776	8	
Overall EDS	79	8,528	59
Overall AHC	86		
Overall EDS	71	202	0

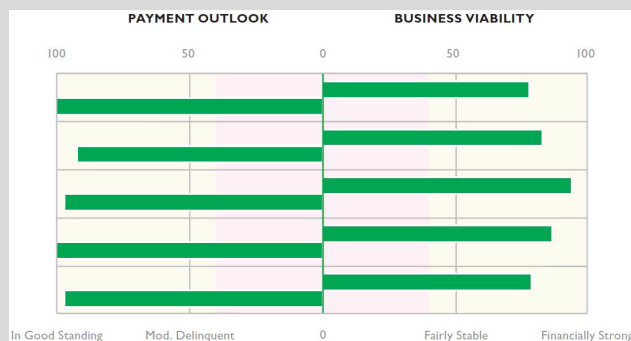
Your portfolio dashboard offers a management view with essential credit information for accounts in your alert portfolio. This includes critical alerts on each account monitored.

Portfolio Analysis offers an in depth look at your existing trade credit lines.

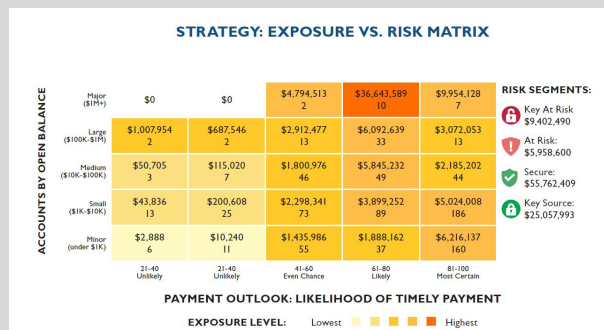
- **Dynamic Charts**- All visuals are actionable and drill down into a particular section to arrive at a list of counts with particular data points.
- **Interactive Legends** - Exposure vs Risk Matrix' hover on the bottom legend to see how your credit is distributed across account sizes and risk.
- **Healthy Status: Forward looking and Historical**
 - See how your portfolio breaks down along our two predictive scores: our near term **Payment Outlook** score and our long term **Business Viability** score.
 - History is still a guide to the future. Our **Payment Quality Index** provides invaluable insights through the evaluation of historical payment events.



- **Noteworthy Accounts: Least Favorable and Most Favorable**

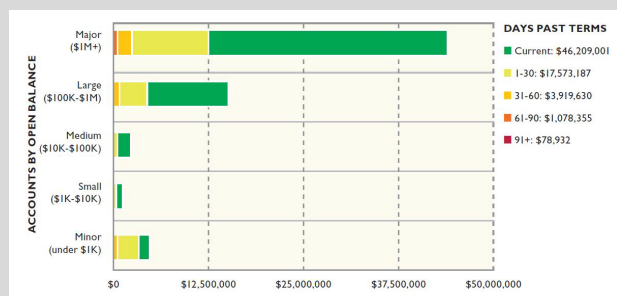


- **Strategy: Pace of Payment and Exposure vs Risk Matrix**



This chart allows you to assess the execution of this strategy by comparing account open balances against our Payment Outlook scores. The shading indicates the relative concentration of exposure, with darker shading indicating a higher concentration of exposure.

The 'Pace of Payment' chart breaks down the amount of accounts receivable by the buckets of 'Days Past Terms' against the account sizes, as determined by existing 'Open Balance.'



[Click here to see pricing options](#)

Talk with us to explore in more detail how PG can help you better manage risk and safely expand sales.

Visit www.eprofitguard.com or call (866) 990-1099