



LYON CREDIT SERVICES

Contact us 800.935.5966
The Premier Credit Reporting Agency since 1876

LYON CAPITAL

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LYON COLLECTION

LyonCredit.com

Factoring

Credit Info

Credit Groups

Marketing

Debt Recovery

Rating Definitions

CAPITAL RATINGS

PAY RATINGS

DEFINITE RATINGS

A	Net Worth	Over	10,000,000
B	5,000,000	to	10,000,000
C	1,000,000	to	5,000,000
D	500,000	to	1,000,000
E	100,000	to	500,000
G	50,000	to	100,000
H	10,000	to	50,000
J	Under		10,000
R	Negative Net Worth		

1	DISC/PRMT	Pays within terms
2	PROMPT	6-15 Days Past Due
3	MEDIUM/PR	16-30 Days Past Due
4	MEDIUM/SL	31-45 Days Past Due
5	SLOW	46-60 Days Past Due
6	VERY SLOW	Over 60 Days Past Due
9	COD/CBD	Preferred Payment Method
0		No basis for a Pay Rating

INDEFINITE RATINGS

F	High financial worth indicated (A-B)
P	Moderate financial worth indicated (C-E)
W	Small financial worth indicated (G-H)
Y	Limited financial worth indicated (J)

PAYMENT PROBABILITY SCORE (PPS)

81-90	Pay Rating	1
71-80	Pay Rating	2
61-70	Pay Rating	3
51-60	Pay Rating	4
41-50	Pay Rating	5
31-40	Pay Rating	6

EQUIFAX PAYMENT INDEX

SPECIAL CONDITIONS

90 +	Paid as Agreed
80-89	1-30 Days Past Due
60-79	31-60 Days Past Due
40-59	61-90 Days Past Due
20-39	91-120 Days Past Due

12	Business recently commenced
14	No inquiries and no references prior to 6 months ago
24	Name listed for convenience
29	No basis for pay rating
30	All information has been declined
31	Financial Statement declined
32	Working Capital less than net worth
47	Change in ownership
48	SOS Corporate Status Inactive
50	Two + claims in the past 36 months
54	Rating Suspended pending investigation
70	Two+ <i>open</i> claims in the past 36 months
94	In Bankruptcy
107	Discontinued or Merger/ Acquisition
119	Rating in abeyance

CUSTOMER SERVICE

(800) 935-5966
WWW.LYONCREDIT.COM

ESTABLISHED 1876

LYON RATING, SCORE AND INDEX DEFINITIONS

LYON PAY RATING:

Scale is 1-6 with 9 denoting mainly COD/CBD

Based on a six month revolving period of days past due industry trade payments. The Rating is based mainly on the average number of days a business takes to fulfill their payment obligations. The average number of days is weighted slightly by high credit during this period.

The Pay Rating is separate from Lyon's financial ratings in that it reports how they "actually" pay rather than their financial "ability" to pay.

The Pay Rating Graph reflects a history based on how long the business has been in the Lyon database.

LYON PAYMENT PROBABILITY SCORE (PPS):

Scale is 31-90

Closely associated to the Pay Rating, the PPS indicates more specifically where a business registers within the Lyon Pay Rating Scale.

For example: A PPS of 88 indicates a strong 1 Pay Rating.

LYON CREDIT STRESS SCORE (CSS):

Scale of 1 (Best) to 5 (Worst).

The Credit Stress Score is a dynamic, computer-generated assessment of a company's tendency to fall behind on their accounts payable. The Credit Stress Score is designed as an early warning flag that detects acute, worsening changes in a debtor's payment pattern, which may signal potential credit worthiness difficulties. It complements the classic Lyon Pay Rating, which measures longer-term payment trends. The Credit Stress Score should not be used as the sole determinant to approve or disapprove credit. A poor stress score should flag the account for closer scrutiny, especially the most recent past due trade references.

The Credit Stress Score is rated on a scale of 1 (Best) to 5 (Worst).

EQUIFAX PAYMENT INDEX

Scale of 20-90

Equifax's Payment Index is based on "non-industry" suppliers such as utility and telephone companies.

The Equifax Payment Index Graph reflects a 12-month history.

EQUIFAX BUSINESS FAILURE RISK SCORE

The Business Failure Risk Score is designed to predict the likelihood of business failure through either formal or informal bankruptcy, within a 12 month period. The Equifax Business Failure Risk Score is a four digit score ranging from 1000 to 1800, where 1000 represents the highest probability of business failure, to a potential maximum score of 1800. A score of 0 indicates that a bankruptcy exists on file.

