



## 2020 Risk Rating Assumptions - Appendix

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## PrecisionLender Standard Credit Capital Guidance

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Most Common Risk Rating is 3 and first "watch" risk rating is 4

### Risk Ratings

2020 PrecisionLender Standard

3-4

1	Minimum	0.02%	6.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.05%	1.9%	22%
	60	0.12%	11.1%	31%
	120 & For all	0.27%	27.8%	34%

2	Minimum	0.05%	7.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.16%	4.3%	38%
	60	0.50%	26.0%	46%
	120 & For all	0.84%	46.0%	49%

3	Minimum	0.10%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.60%	9.7%	100%
	60	0.89%	32.0%	100%
	120 & For all	1.15%	47.5%	100%

4	Minimum	0.15%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	2.30%	16.7%	100%
	60	3.69%	44.7%	100%
	120 & For all	3.36%	47.3%	100%

5	Minimum	0.25%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	10.25%	29.5%	100%
	60	8.00%	40.1%	100%
	120 & For all	5.69%	33.9%	100%

6	Minimum	0.50%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	30.00%	40.6%	100%
	60	13.65%	27.0%	100%
	120 & For all	7.76%	20.2%	100%

7	Minimum	1.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	50.00%	36.9%	100%
	60	19.38%	3.2%	100%
	120 & For all	9.99%	0.1%	100%

## PrecisionLender Standard Credit Capital Guidance

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Most Common Risk Rating is 3 and first "watch" risk rating is 5

### Risk Ratings

2020 PrecisionLender Standard

3-5

1	Minimum	0.02%	6.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.05%	1.9%	22%
	60	0.12%	11.1%	31%
	120 & For all	0.27%	27.8%	34%

2	Minimum	0.05%	7.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.16%	4.3%	38%
	60	0.50%	26.0%	46%
	120 & For all	0.84%	46.0%	49%

3	Minimum	0.10%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.60%	9.7%	100%
	60	0.89%	32.0%	100%
	120 & For all	1.15%	47.5%	100%

4	Minimum	0.15%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	1.25%	13.5%	100%
	60	1.87%	40.0%	100%
	120 & For all	2.08%	50.5%	100%

5	Minimum	0.25%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	2.30%	16.7%	100%
	60	3.69%	44.7%	100%
	120 & For all	3.36%	47.3%	100%

6	Minimum	0.50%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	10.25%	29.5%	100%
	60	8.00%	40.1%	100%
	120 & For all	5.69%	33.9%	100%

7	Minimum	1.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	30.00%	40.6%	100%
	60	13.65%	27.0%	100%
	120 & For all	7.76%	20.2%	100%

8	Minimum	3.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	40.00%	40.0%	100%
	60	18.43%	7.7%	100%
	120 & For all	9.93%	0.7%	100%

9	Minimum	3.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	50.00%	36.9%	100%
	60	19.38%	3.2%	100%
	120 & For all	9.99%	0.1%	100%

## PrecisionLender Standard Credit Capital Guidance

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Most Common Risk Rating is 3 and first "watch" risk rating is 6

### Risk Ratings

2020 PrecisionLender Standard 3-6

1	Minimum	0.02%	6.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.05%	1.9%	22%
	60	0.12%	11.1%	31%
	120 & For all	0.27%	27.8%	34%

2	Minimum	0.05%	7.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.16%	4.3%	38%
	60	0.50%	26.0%	46%
	120 & For all	0.84%	46.0%	49%

3	Minimum	0.10%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.60%	9.7%	100%
	60	0.89%	32.0%	100%
	120 & For all	1.15%	47.5%	100%

4	Minimum	0.15%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	1.25%	13.5%	100%
	60	1.87%	40.0%	100%
	120 & For all	2.08%	50.5%	100%

5	Minimum	0.25%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	1.67%	14.8%	100%
	60	2.60%	41.9%	100%
	120 & For all	2.59%	49.2%	100%

6	Minimum	0.50%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	2.30%	16.7%	100%
	60	3.69%	44.7%	100%
	120 & For all	3.36%	47.3%	100%

7	Minimum	1.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	10.25%	29.5%	100%
	60	8.00%	40.1%	100%
	120 & For all	5.69%	33.9%	100%

8	Minimum	3.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	26.15%	32.5%	100%
	60	12.55%	25.3%	100%
	120 & For all	7.41%	20.4%	100%

9	Minimum	3.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	50.00%	36.9%	100%
	60	19.38%	3.2%	100%
	120 & For all	9.99%	0.1%	100%

## PrecisionLender Standard Credit Capital Guidance

Most Common Risk Rating is 4 and first "watch" risk rating is 5

### Risk Ratings

2020 PrecisionLender Standard

4-5

1	Minimum	0.02%	6.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.02%	0.9%	17%
	60	0.09%	9.4%	27%
	120 & For all	0.21%	24.5%	30%

2	Minimum	0.05%	7.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.07%	2.4%	25%
	60	0.20%	15.5%	31%
	120 & For all	0.34%	31.5%	33%

3	Minimum	0.10%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.26%	6.0%	53%
	60	0.42%	23.2%	59%
	120 & For all	0.62%	39.8%	59%

4	Minimum	0.15%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.60%	9.7%	100%
	60	1.07%	34.9%	97%
	120 & For all	1.29%	49.2%	94%

5	Minimum	0.25%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	2.00%	16.0%	100%
	60	3.03%	43.5%	100%
	120 & For all	2.76%	48.6%	100%



6	Minimum	0.50%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	8.00%	26.5%	100%
	60	6.98%	41.1%	100%
	120 & For all	4.94%	37.5%	100%

7	Minimum	1.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	29.00%	40.5%	100%
	60	13.67%	26.9%	100%
	120 & For all	7.70%	20.6%	100%

8	Minimum	3.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	40.00%	40.0%	100%
	60	17.22%	13.1%	100%
	120 & For all	9.18%	8.0%	100%

9	Minimum	3.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	50.00%	36.9%	100%
	60	19.20%	4.0%	100%
	120 & For all	9.89%	1.1%	100%

## PrecisionLender Standard Credit Capital Guidance

Most Common Risk Rating is 4 and first "watch" risk rating is 6

### Risk Ratings

2020 PrecisionLender Standard

4-6

1	Minimum	0.02%	6.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.02%	0.9%	17%
	60	0.09%	9.4%	27%
	120 & For all	0.21%	24.5%	30%

2	Minimum	0.05%	7.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.07%	2.4%	25%
	60	0.20%	15.5%	31%
	120 & For all	0.34%	31.5%	33%

3	Minimum	0.10%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.26%	6.0%	53%
	60	0.42%	23.2%	59%
	120 & For all	0.62%	39.8%	59%

4	Minimum	0.15%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.60%	9.7%	100%
	60	1.07%	34.9%	97%
	120 & For all	1.29%	49.2%	94%

5	Minimum	0.25%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	1.16%	12.2%	100%
	60	1.85%	38.3%	98%
	120 & For all	1.88%	48.9%	97%

6	Minimum	0.50%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	2.00%	16.0%	100%
	60	3.03%	43.5%	100%
	120 & For all	2.76%	48.6%	100%

7	Minimum	1.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	8.00%	26.5%	100%
	60	6.98%	41.1%	100%
	120 & For all	4.94%	37.5%	100%

8	Minimum	3.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	24.80%	30.7%	100%
	60	11.87%	26.3%	100%
	120 & For all	6.92%	22.9%	100%

9	Minimum	3.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	50.00%	36.9%	100%
	60	19.20%	4.0%	100%
	120 & For all	9.89%	1.1%	100%

## PrecisionLender Standard Credit Capital Guidance

Most Common Risk Rating is 4 and first "watch" risk rating is 7

### Risk Ratings

2020 PrecisionLender Standard

4-7

1	Minimum	0.02%	6.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.02%	0.9%	17%
	60	0.09%	9.4%	27%
	120 & For all	0.21%	24.5%	30%

2	Minimum	0.05%	7.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.07%	2.4%	25%
	60	0.20%	15.5%	31%
	120 & For all	0.34%	31.5%	33%

3	Minimum	0.10%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.26%	6.0%	53%
	60	0.42%	23.2%	59%
	120 & For all	0.62%	39.8%	59%

4	Minimum	0.15%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.60%	9.7%	100%
	60	1.07%	34.9%	97%
	120 & For all	1.29%	49.2%	94%

5	Minimum	0.25%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	1.16%	12.2%	100%
	60	1.07%	34.9%	97%
	120 & For all	1.29%	49.2%	94%

6	Minimum	0.50%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	1.50%	13.7%	100%
	60	1.85%	38.3%	98%
	120 & For all	1.88%	48.9%	97%

7	Minimum	0.75%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	2.00%	16.0%	100%
	60	3.03%	43.5%	100%
	120 & For all	2.76%	48.6%	100%

8	Minimum	1.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	8.00%	26.5%	100%
	60	6.98%	41.1%	100%
	120 & For all	4.94%	37.5%	100%

9	Minimum	3.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	24.80%	30.7%	100%
	60	11.87%	26.3%	100%
	120 & For all	6.92%	22.9%	100%

10	Minimum	3.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	50.00%	36.9%	100%
	60	19.20%	4.0%	100%
	120 & For all	9.89%	1.1%	100%

## PrecisionLender Standard Credit Capital Guidance

Most Common Risk Rating is 5 and first "watch" risk rating is 6

### Risk Ratings

2020 PrecisionLender Standard

5-6

1	Minimum	0.02%	6.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.02%	0.9%	17%
	60	0.07%	8.0%	25%
	120 & For all	0.11%	16.9%	28%

2	Minimum	0.05%	7.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.07%	2.4%	25%
	60	0.18%	14.7%	29%
	120 & For all	0.28%	28.5%	30%

3	Minimum	0.07%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.15%	4.2%	37%
	60	0.29%	19.2%	40%
	120 & For all	0.40%	33.2%	40%

4	Minimum	0.10%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.35%	7.2%	67%
	60	0.53%	25.7%	67%
	120 & For all	0.62%	39.3%	65%

5	Minimum	0.15%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.60%	9.7%	100%
	60	0.88%	31.7%	92%
	120 & For all	0.94%	44.2%	88%

6	Minimum	0.50%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	2.30%	16.7%	100%
	60	2.29%	38.3%	100%
	120 & For all	1.87%	44.8%	100%

7	Minimum	1.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	14.00%	33.6%	100%
	60	8.21%	39.8%	100%
	120 & For all	5.01%	36.9%	100%

8	Minimum	3.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	30.00%	40.6%	100%
	60	12.16%	31.6%	100%
	120 & For all	6.75%	27.5%	100%

9	Minimum	5.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	50.00%	36.9%	100%
	60	19.23%	3.9%	100%
	120 & For all	9.91%	0.9%	100%

## PrecisionLender Standard Credit Capital Guidance

Most Common Risk Rating is 5 and first "watch" risk rating is 6

### Risk Ratings

2020 PrecisionLender Standard

5-7

1	Minimum	0.02%	6.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.02%	0.9%	17%
	60	0.07%	8.0%	25%
	120 & For all	0.11%	16.9%	28%

2	Minimum	0.05%	7.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.07%	2.4%	25%
	60	0.18%	14.7%	29%
	120 & For all	0.28%	28.5%	30%

3	Minimum	0.07%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.15%	4.2%	37%
	60	0.29%	19.2%	40%
	120 & For all	0.40%	33.2%	40%

4	Minimum	0.10%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.35%	7.2%	67%
	60	0.53%	25.7%	67%
	120 & For all	0.62%	39.3%	65%

5	Minimum	0.15%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	0.60%	9.7%	100%
	60	0.88%	31.7%	92%
	120 & For all	0.94%	44.2%	88%



6	Minimum	0.50%	8.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	1.28%	12.5%	100%
	60	1.44%	34.4%	95%
	120 & For all	1.31%	44.5%	93%

7	Minimum	1.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	2.30%	16.7%	100%
	60	2.29%	38.3%	100%
	120 & For all	1.87%	44.8%	100%

8	Minimum	3.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	21.38%	24.8%	100%
	60	9.06%	24.6%	100%
	120 & For all	5.09%	27.3%	100%

9	Minimum	5.00%	12.00%	
	Duration (mons)	Annual Loss	Credit Capital	Guarantee Factor
	12	50.00%	36.9%	100%
	60	19.23%	3.9%	100%
	120 & For all	9.91%	0.9%	100%