



## IXI Launches Ability to Pay Index™, a New Measure of Household Financial Capacity Enabling Improved Collections, Loss Mitigation, and Debt Portfolio Valuation

August 17, 2008 – IXI Corporation announces the availability of Ability to Pay Index (ATP Index™), a new measure of a household's ability to meet its financial obligations. The ATP Index can help firms that offer mortgages, credit cards, HELOC, auto loans, student, and other consumer loans prioritize collections efforts, apply risk management resources, enhance credit decisioning, manage delinquent accounts, and develop appropriate payment plans. It can also help portfolio valuation firms, buyers of debt, insurance firms, and other institutions value debt portfolios.

Existing financial filters for enhancing collections, portfolio valuation, and revenue cycle management efforts that rely on credit scores and income and asset estimates can only provide a view of past behavior (i.e. historical tendency to pay on time). IXI's Ability to Pay Index enables firms to understand a customer's current ability to pay, as it projects a customer's existing financial resources.

The Ability to Pay (ATP) Index is a household-level scoring system that ranks households based on their ability to pay financial obligations. It enables firms to rank households using a household-level continuous score of 1 to 1,000.

IXI's Ability to Pay Index is modeled from multiple sources, including summary factors produced by IXI's proprietary database of consumer investable assets. The foundation of this database includes anonymized directly-measured assets gathered from over 95 leading banks, securities, and insurance firms.

Firms can use the index in a variety of applications including in their efforts to:

- *Understand financial capacity:* Supplement determination of credit, delinquency, and default risk by understanding which accounts in a portfolio are most likely to be able to pay their debt obligations
- *Examine concentration risk:* Identify the geographic risk within the portfolio based on the aggregate ability to pay within a certain market
- *Fill information voids:* Project a household's financial capacity without the use of personal identifiers, which are frequently unavailable and/or prohibited
- *Prioritize collections efforts:* Focus and prioritize efforts based on financial ability to pay
  - Segment and rank delinquent accounts
  - Identify accounts for which special programs can be developed or payment arrangements can be made
  - More quickly determine which accounts should be written off and/or sold to third parties
- *Value bad debt portfolios:* Value the portfolio prior to sale to third party collections firms, or prior to purchase.



For more information about how IXI's ATP Index can provide your company with powerful new insights into your customers' and portfolios' ability to pay, please email [info@ixicorp.com](mailto:info@ixicorp.com).

**About IXI Corporation ([www.ixicorp.com](http://www.ixicorp.com))**

IXI enables its clients to segment and target consumer households and neighborhoods based on wealth, income, spending, share of wallet, and share of market.

Through our exclusive consortium of more than 95 leading U.S. financial institutions, IXI measures nearly \$10 trillion in U.S. consumer assets and investments, comprising over 42% of all U.S. invested assets. For more than 15 years, IXI has utilized its patented process for collecting and classifying consumer asset data to create its proprietary financial assets database.

IXI works with the nation's leading financial services firms to segment their customers and prospects by affluence, product propensity, purchase behavior, and other characteristics. Our financial services clients use IXI's asset-based solutions to efficiently identify customers and prospects that are most likely to represent a profitable business relationship, minimize risk, identify growth markets, and deliver the right message to the right customer.

IXI is a privately held company headquartered in McLean, Virginia.

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