

**Appendix BB**

**Credit Reporting**

**CREDIT REPORTING**

THE PRAGMA CORPORATION 1

**USE OF CREDIT REPORTING**

- ❖ REPORTS PAYMENT HABITS
- ❖ EMPLOYMENT VERIFICATION
- ❖ LIEN AND LEGAL RECORDS SEARCH
- ❖ CRIMINAL RECORD SEARCH

THE PRAGMA CORPORATION 2

**CREDIT REPORTING**

- ❖ MUST HAVE LENDER SUPPORT
- ❖ MUST REPORT BOTH GOOD AND BAD CREDIT HISTORIES
- ❖ MUST HAVE PERIODIC REPORTING
- ❖ MUST BE OPERATED BY PARTY NOT CONTROLLED BY INDIVIDUAL INTERESTS.

THE PRAGMA CORPORATION 3

**PLANNING PROCESS**

1. SURVEY OF CREDIT GRANTORS AND PUBLIC IN GENERAL
2. PUBLIC OR PRIVATE OWNERSHIP?
3. FEASIBILITY STUDY AS TO PRIVATE SECTOR INTERESTS AND COSTS


THE PRAGMA CORPORATION 4

**LACK OF CREDIT REPORTING**

- ❖ WILL INHIBIT LENDING TO SMEs
- ❖ WILL RAISE THE RISK OF LENDING
- ❖ WILL FAVOR THOSE WITH POOR CREDIT HISTORIES OVER THOSE HAVING GOOD CREDIT HISTORIES

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**THANK YOU**



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