



## myEliteProducts Trade Line of Credit Program Frequently Asked Questions (FAQ)

### 1. What credit score does my business need to qualify for the myEliteProducts Trade Line of Credit Program?

- Credit will be evaluated based on your corporate CreditSafe Risk Score. A corporate score between 30–50 (**moderate**) is required to qualify for the program. The Creditsafe Risk Score works on a scale of 1–100. It predicts the likelihood that a business’s payment performance will become seriously delinquent (defined as 90-plus days beyond terms within the next 12 months) or that the business will go bankrupt.

#### Score Definition

US Score Description	US Risk Score
Very Low Risk	71–100
Low Risk	51–70
Moderate Risk	30–50
High Risk	21–29
Very High Risk	1–20

### 2. Is my business credit score the only information evaluated to determine if I qualify?

- Applicants will need to meet specific requirements, including business credit score as well as the following areas during the evaluation and qualification process:
  - ✓ **Company Risk Score:** Risk Score works on a scale of 1–100. It predicts the likelihood that a business’s payment performance will become seriously delinquent (defined as 90-plus days beyond terms within the next 12 months) or that the business will go bankrupt.
  - ✓ **Enhanced Score:** The Enhanced Rating works on a scale of 1–100. It predicts the likelihood that a business payment performance for both financial and non-financial trade accounts will become seriously delinquent (defined as 90-plus days beyond terms) or that the business will fail in the next 12 months.
  - ✓ **Derogatory Legal:** The number and value of tax liens and judgments filed in the last six years and nine months plus bankruptcies filed in the last nine years and nine months with the total dollar value reported.
  - ✓ **Days Beyond Terms (DBT):** DBT is the dollar-weighted average number of days beyond the invoice due date that the business pays its non-financial accounts.
  - ✓ **Possible OFAC:** Indicates whether the business is likely to appear on a list of sanctioned businesses the US government prohibits US businesses from trading with under the Patriot Act.
  - ✓ **Payment Trend:** Indicates whether the business payment performance measured by DBT trend is improving or worsening.
  - ✓ **Inquiries Trend:** Indicates whether the number of people viewing the company’s credit report is increasing or decreasing.
  - ✓ **Financial Past Due:** The total delinquent dollars (not including charged-off) on open and closed financial accounts.



**3. Is the trade line of credit I receive for my business backed by personal credit?**

- Yes. The managing members of the business receiving the trade line of credit must serve as personal guarantors on the account. Personal credit will only be impacted if the company defaults on the account.

**4. Does myEliteProducts trade line of credit report to the credit bureaus?**

- The account status and payment history are reported to all three credit bureaus: Equifax, Trans Union, and Experian, should the company default and the personal guarantor default on payments.

**5. Do I need an Employee Identification Number (EIN)?**

- Applicants must include an Employee Identification Number (EIN) to qualify for the program.

**6. Do I need proof of identity?**

- A state-issued driver's license or a state-issued identification card is required to complete the trade line of credit application.

**7. How long do I need to be in business to apply for the myEliteProducts trade line of credit program?**

- Companies will need six months of business history to qualify for this program.

**8. Is there a minimum annual business revenue requirement?**

- There is no minimum annual business revenue required. However, the managing members of the business must serve as personal guarantors of the trade line of credit and for all purchases.

**9. What are the minimum and maximum approval amounts for the myEliteProducts trade line of credit?**

- The minimum approval amount is \$500. The maximum approval amount is \$2,500.00.
  - ✓ **Credit Limit:** The recommended credit limit is calculated using information from a company's payment record and the payment records of similar companies. The company credit limit is our recommendation of the total maximum amount of credit that should be outstanding at any time.
  - ✓ **Enhanced Credit Limit:** The enhanced credit limit is calculated using information from a company's Financial and Non-Financial payment records and the payment records of similar companies. The company credit limit is our recommendation of the total amount of credit that should be outstanding at any time.

**10. What is the Annual Percentage (APR) rate?**

- The APR is 20.24%.



### 11. How will interest charges be calculated?

- Interest charges are calculated each billing period as follows:
  - ✓ The daily outstanding balance is multiplied by its daily periodic rate. This is done for each day in the billing period. To get a daily periodic rate, the APR is divided by 365.
  - ✓ All daily interest charges are added up to determine the sum. The sum is the total interest charge for the billing period.
  - ✓ Based on rounding or a minimum interest charge, the interest calculation may vary from the interest charge assessed.
  - ✓ If the outstanding balance is less than \$25.00, the minimum amount due is \$25.00 before interest is accrued.

### 12. How does my business avoid incurring interest charges on purchases?

- Interest charges are imposed on transactions and fees from the day they are added to the daily balance. Interest charges will continue until the total amount owed on the account is paid. Businesses can avoid paying interest on purchases if the balance is paid in full within 15 days of the order.
- If you pay the new balance on your current bill within 15 days of purchase, interest charges will not be imposed on the new balance. Interest will accrue daily on the remaining balance after day 15.

### 13. How are late fees assessed?

- If the minimum payment due is not paid by the payment due date, the account will be charged a late fee. The fee would be \$30 if you were not charged a late fee during any of the prior six billing periods. Otherwise, the fee is \$41. This fee will never exceed the minimum payment due immediately before the date on which the fee was assessed.

### 14. What is considered a default?

- A company is in default if:
  - ✓ The company fails to comply with the terms of myEliteProducts or an affiliate, including failing to make a required payment when due, exceeding your account trade line of credit, or using your card or account for an illegal transaction.
  - ✓ A bankruptcy or other insolvency proceeding is filed by the company.
  - ✓ We reasonably believe the company is unable or unwilling to repay the balance owed.
  - ✓ We are given misleading, false, incomplete, or incorrect information, or you fail to give us any information we deem necessary
  - ✓ You die or are legally declared incompetent or incapacitated.
- If you default, myEliteProducts trade line of credit program may declare the entire balance of your account due immediately and payable without notice.



**15. What is the fee for returned payments?**

- If your account payment is not honored by your financial institution, you will be charged a returned payment fee even if payment is honored after re-submission. The fee would be \$30 if you were not charged a returned payment fee during any of the prior six billing periods. Otherwise, the fee is \$41. This fee will never exceed the minimum payment due immediately before the date the payment was returned.

**16. Will I receive a card, or is this an all-digital trade line of credit?**

- Your myEliteProducts trade line program card with your member identification number will be sent in your welcome packet to the mailing address on the application.

**17. Can my business have additional authorized users on the account?**

- No. Additional authorized users are not permitted on any tradeline of credit program accounts at this time.

**18. How does myEliteProducts tradeline of credit program collect my personal information?**

- Personal information is collected when:
  - ✓ You use your myEliteProducts trade line of credit account.
  - ✓ Open a third-party account or affiliate account.
  - ✓ Provide myEliteProducts with your contact information or pay your invoices.

We also collect information from others, such as credit bureaus, affiliates, or other companies.

**19. How does myElite Products protect my personal information?**

- We use security measures that comply with federal law to protect your personal information from unauthorized access and use. These measures include computer safeguards, secured files, and buildings.