



Management Information Pack
DataOI Segmentation Report

January 2018

Executive Summary

Risk Measures	Jan 18		Change	Change (%)
Total Processed Volume (\$m)	11,919	↓	-1,608	-12%
Sales Volume (\$m)	11,824	↓	-1,609	-12%
Returns Volume (\$m)	95	↑	0.4	0%
Chargebacks Volume (\$m)	6	↓	-0.66	-9%
Collections	Jan 18		Change	Change (%)
Total Outstanding Debt (\$m)	1.97	↓	-0.09	-4%
Debt 14+ Days (\$m)	1.23	↓	-0.04	-3%
Write Offs	Jan 18		Change	Change (%)
Write Offs (\$m)	0.17	↓	-0.16	-48%
Revenue Adjustments (\$m)	0.25	↑	0.08	46%
Transaction Risk	Jan 18		Change	Change (%)
Adverse Action Rate	8%	↓	-0.37%	-4%
Attrition	Jan 18		Change	Change (%)
Total Closures	3,782	↑	1,293	52%
Approved Applications	1,984	↑	289	17%
Onboarded Merchants	2,521	↑	387	18%

Sales volume decreased by \$1,609m (-12%) during January, this follows the same trend seen in 2016 and 2017. Year on Year sales growth is 6.25%, this is less than the increase in sales seen in the corresponding period from 2016 to 2017 despite the additional sales from the migration (see below). Sales volume increased by \$134m in Public Sector due to early tax filing but decreased by \$1,406m in Retail due to lower post-Christmas sales as expected coming out of the festive season.

Returns increased by \$392k in volume and by 10bps as a percentage of sales. Year on year returns volume is up 19.47% from 2017, increasing at a greater rate than the sales. As a result, return to sales is up by 9bps year on year.

Chargebacks decreased by \$659k in January but the percentage of sales increased by 0.2bps.

Debt decreased by \$86k to \$1.97m during January due to the total collection efforts increasing from \$941k to \$1m. The number of new rejects increased by \$657k to \$1.88m during January due to an annual fee that WP assessed on the whole of the portfolio with the primary cause of rejects being Insufficient Funds. The volume of debt cases decreased from 3,859 to 3,837 but the average balance increased from \$456 to \$513.

Write-offs decreased by \$158k during January, there were 9 write-offs with a value of over \$5k totalling \$136k. Fraud write-offs decreased in January from \$46k to \$32k. Revenue Adjustments increased by \$78k during January due to monthly billing rejects.

Transaction risk cases worked increased by 21.1k and the investigation rate increased to 3.3% due to pre-settlement post-Christmas sales refunds. The adverse action rate is down 0.37% from December 2017.

Attrition increased during January as the total closures increased by 1,293 to 3,782 and the number of merchants on boarded increased by 387 to 2,521. The net attrition for the month was 1261 merchants.

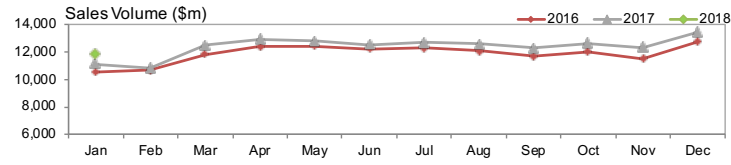
In January, the migrated merchants had \$245m in sales volume with the largest sectors being Retail \$108m, Insurance & Pensions \$44m, and Other Services \$39m. These merchants had \$4.9m in returns.

5 accounts were migrated in January. The majority of these have yet to begin trading; the impact will be seen in the next month's MI.

* Total Processed Volume = Lynk Processed Sales and Return volume including eCommerce and excluding ATM

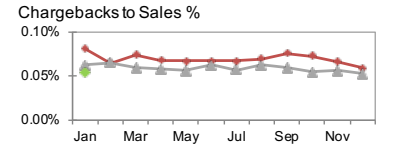
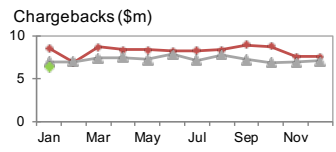
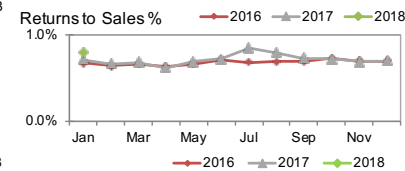
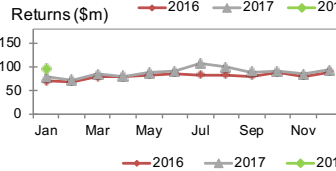
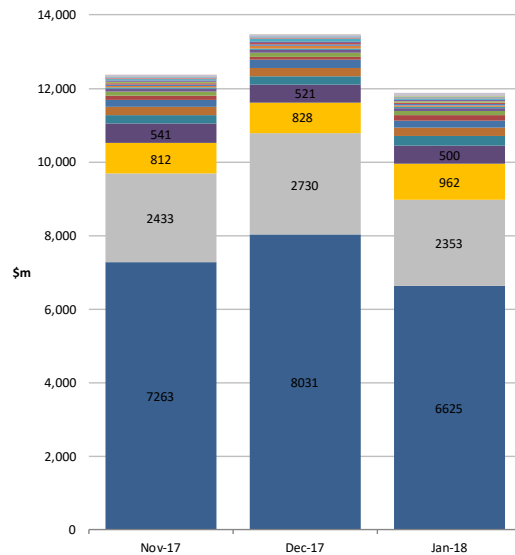
Risk Measures

Risk Measures	Nov 17	Dec 17	Jan 18	Current YTD	Previous YTD	YTD % Change
Sales Volume (\$m)	12,335	13,433	11,824	11,824	11,128	6.25%
Number of Sales (m)	317	329	301	301	301	0.05%
Return Volume (\$m)	85	94	95	95	79	19.47%
Number of Returns (m)	0.96	1.11	1.02	1.02	1.03	-1.73%
Return to Sales %	0.69%	0.70%	0.80%	0.80%	0.71%	12.44%
Chargebacks Volume (\$m)	6.9	7.1	6.5	6.5	7.0	-7.27%
Number of Chargebacks (m)	0.04	0.04	0.04	0.04	0.05	-15.14%
Chargeback to Sales %	0.06%	0.05%	0.05%	0.05%	0.06%	-12.73%



Sales Volume by Sector

- Lodging/Auto Rental
- Textiles
- Mining & Metals
- Land Transport
- Communications
- Gaming & Gambling
- Logistics
- Energy - Oil Gas & Nuclear Fuel
- Chemicals & Pharmaceuticals
- Engineering
- Shipping
- Charities
- Operators Of Apartment Buildings
- Information Technology
- Media & Publishing
- Agriculture & Fishing
- Insurance & Pensions
- Other Wholesale
- Utilities
- Building & Construction
- Professional Services
- Banks
- Other Services
- Travel
- Automotive
- Public Sector Health & Education
- Leisure
- Retail



Comments: Sales volume decreased by \$1,609m in January, but year to date is 6.25% higher than January 2017. Sales volume increased by \$134m in Public Sector;
 • \$31m Indiana Interactive due to early Tax Filing.
 • \$25m St of Indiana Dept Revenue due to early Tax Filing.

Sales volume decreased by -\$1,406m in Retail;
 • -\$135m Hy-Vee due to lower post-Christmas sales as expected coming out of the festive season.

Returns have increased by \$392k in volume and by 10bps as a percentage of sales. Year on Year volume is up by 19.47% and returns to sales is up by 9bps compared to 2017.
 Returns volume increased by \$3.8m in Travel;
 • \$3.3m Airbnb due to higher post-Christmas returns as expected coming out of festive vacation season.
 Returns volume increased by \$1.3m in Public Sector;
 • \$176k Actegy Health due to higher post-Christmas returns as expected coming out of the trial promotion.
 Returns volume increased by \$330k in Building & Construction;
 • \$45k Best Electric, Air Conditioning and Plumbing LLC.
 Returns volume increased by \$287k in Automotive;
 • \$83k Herb Chambers Companies due to higher post-Christmas returns as expected coming out of the trial money back guarantee.
 Returns volume increased by \$275k in Banks;
 • \$271k NRT Technologies.

This was partially offset by the decrease in Retail -\$6m (-\$1m Abercrombie & Fitch due to post-Christmas refunds).

Chargebacks decreased from the previous month by \$659k, driven by Retail -\$438k;
 • -\$46k Razer USA.

Following the migration of merchants, the additional merchants had \$245m in sales volume with the largest sectors being Retail \$108m, Insurance & Pensions \$44m, and Other Services \$39m. These merchants had \$4.9m in returns with the largest sector being Retail \$2.9m. Total chargebacks amounted to \$123k with the largest sector being Retail for \$38k.

Onboarding

	Jan 17	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18
Applications Received*	2,352	1,946	2,455	2,150	2,453	2,467	2,122	2,606	2,156	2,479	2,220	1,902	2,250
Auto Approved	1,149	947	1,209	1,145	1,384	1,257	1,067	1,361	1,089	1,257	1,053	992	1,155
Refer to Underwriting	1,203	999	1,246	1,005	1,069	1,210	1,055	1,245	1,067	1,222	1,167	910	1,095
Manual Accept	994	814	1,020	825	822	985	841	965	877	986	937	703	829
Cancelled / Lapsed	84	60	86	61	71	78	60	101	74	94	126	94	110
Declined	125	125	140	119	176	147	154	179	116	142	104	113	156
Approval Rate	94%	93%	94%	94%	93%	94%	93%	93%	94%	94%	95%	94%	93%

	Jan 17	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18
Sales Channel													
Bank Alliance	278	190	300	242	308	289	201	299	224	236	253	172	239
Central Sales	375	336	421	345	389	403	505	645	565	667	549	512	602
Cross Sales	4	1	0	0	0	0	0	0	0	0	0	0	0
LynkCorporate	0	0	0	0	0	0	0	0	0	0	0	0	0
LynkPartner - Cash Advance	1	1	0	2	0	0	0	1	0	0	0	1	0
National	473	368	465	466	524	591	455	480	375	461	452	330	430
Regional	354	279	329	257	258	260	242	283	237	331	240	204	264
Regional ISO	867	771	940	838	974	924	719	898	755	784	726	683	715

*The figures reported in the onboarding MI are based on the applications received by underwriting in AUS (Application Underwriting System). One application can however cover multiple locations which are counted as individual merchants when boarded into CIS (Customer Information System). While the onboarding MI will count an application with multiple locations as 1, the number of merchants boarded will count each location individually.

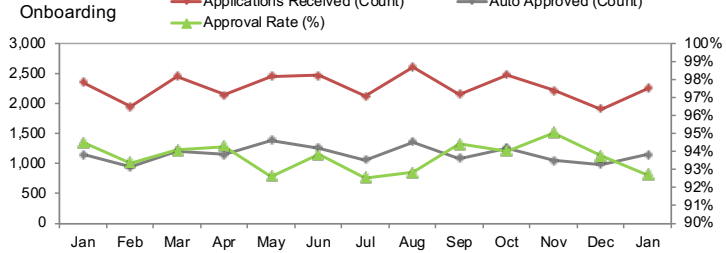
Based on this, in January we approved 1984 applications for 2521 locations. Please see the attrition slide for more detail.

Top 10 Onboarding by State - Current Month

STATE	COUNT
TX Texas	278
CA California	201
FL Florida	157
NY New York	148
PA Pennsylvania	144
MA Massachusetts	102
GA Georgia	91
MI Michigan	88
OH Ohio	71
NC North Carolina	57

Top 10 Onboarding by SIC - Current Month

SIC	DESCRIPTION	COUNT
5812	RESTAURANTS	351
7538	AUTO SERVICE, REPAIR	211
5814	FAST FOOD RESTAURANTS	156
5499	MISC FOOD STRS, CONV.SPEC	100
5999	MISC. RETAIL STORES	96
7542	CARWASHES	85
5411	GROCERY STORES, SUPERMKTS	68
7230	BEAUTY SHOPS AND BARBER	53
5541	SVC STA, WITH/WITHOUT OTH	39
7298	HEALTH AND BEAUTY SPAS	38



Month (\$k)	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
Avg MPL Approved Appl	\$14	\$7	\$14	\$6	\$8	\$9	\$10	\$8	\$10	\$8	\$9	\$11

Comments:

The number of applications received increased by 348 during January to 2,250. The volume of cases auto-approved (+163) and referred to underwriting (+185) both increased, but the auto-approved rate decreased from 54.87% to 53.97%.

The overall acceptance rate decreased from 93.75% to 92.71%, with a total of 1,984 applications approved totaling 2,521 merchants boarded*, an increase of 387 merchants boarded from December 2017.

The average MPL of the merchants boarded increased from \$9K to \$11K. The average monthly volume of the merchants boarded increased during January from \$71k to \$83k. One notable account was a new account "Moe's Home Collection" with an MPL of \$274K (National).

We added one new National account (Golden Pantry Food Stores) with an average monthly volume of \$6.8m.

5 applications for 5 merchants boarded* were migrated over in January 2018.

Collections

Total Debt (\$m)	Nov 17	Dec 17	Jan 18
Recoverable Cases	1.20	1.43	1.41
Unlikely Recovery Cases	0.58	0.62	0.56
Total Outstanding Debt	1.78	2.06	1.97

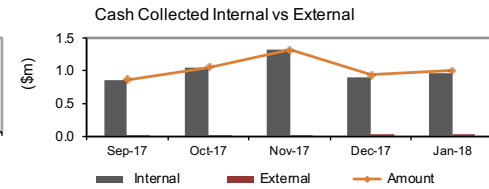
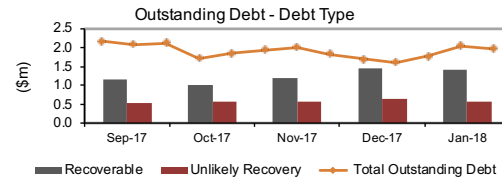
Collection Channel (\$m)	Nov 17	Dec 17	Jan 18
Internal - Debt	1.07	1.41	1.43
External - Debt	0.71	0.65	0.54

Debt by Merchant Annual Sales (\$m)	Nov 17	Dec 17	Jan 18
\$0 - <\$0.5m	1.43	1.74	1.57
\$0.5m - <\$1m	0.19	0.19	0.26
\$1m - <\$2.5m	0.06	0.04	0.04
\$2.5m - <\$5m	0.08	0.07	0.08
\$5m+	0.03	0.02	0.03

Debt by Time on Book (\$m)	Nov 17	Dec 17	Jan 18
Less than 1 Year	0.76	0.87	0.71
1 Year - <2 Years	0.23	0.29	0.37
2 Years - <3 Years	0.19	0.24	0.24
3 Years +	0.61	0.66	0.65

Age of Outstanding Debt (\$m)	Nov 17	Dec 17	Jan 18
Days Outstanding:			
0-14	0.76	0.79	0.74
15-30	0.69	0.77	0.92
31-60	0.11	0.19	0.13
61-90	0.04	0.09	0.09
Total	1.78	2.06	1.97

Age of Outstanding Debt - Merchant Distribution	Nov 17	Dec 17	Jan 18
Days Outstanding:			
0-14	529	1,275	518
15-30	1,986	1,573	2,511
31-60	342	386	278
61-90	166	281	198
91+	197	344	332
Unknown	0	0	0
Total	3,220	3,859	3,837



TOP 10 Debt by State

STATE	DEBT VALUE (\$K)	NBR OF MERCHANTS
FL Florida	177	255
PA New Hampshire	166	257
CA California	161	336
TX New York	134	347
MA Texas	128	193
GA Massachusetts	118	192
NC Georgia	113	83
NY Pennsylvania	107	306
NJ North Carolina	105	104
WA New Jersey	64	30

TOP 10 Debt by SIC Code

SIC	DESCRIPTION	DEBT VALUE (\$K)	NBR OF MERCHANTS
5812	RESTAURANTS	219	553
5814	FAST FOOD RESTAURANTS	129	487
5533	AUTOMOTIVE PARTS, ACCESSORIES	96	33
5411	GROCERY STORES, SUPERMKTS	75	325
780	LANDSCAPE AND HORTICULTURL SVC	64	19
5499	MISC FOOD STRS. CONV,SPEC,VEND	53	185
5999	MISC. RETAIL STORES	51	117
5941	SPORTING GOODS STORES	50	17
5972	STAMP AND COIN STORES	50	1
5541	SVC STA. WITH/WITHOUT OTH SVC	43	166

Comments:

Overall debt decreased by \$86k to \$1.97m during January due to the total collection efforts increasing from \$941k to \$1m.

The number of new rejects increased by \$657k to \$1.88m during January due to an annual fee that WP assessed on the whole of the portfolio with the primary cause of rejects being Insufficient Funds.

The number of debt cases decreased from 3,859 to 3,837 but the average balance increased from \$456 to \$513.

Largest New Debt;

- American Kar - \$71k, balance increased from \$8k to \$79k due to Chargebacks
- Woodlands Landscaping - \$39k, balance increased from \$21k to \$60k due to Chargebacks

There were;

- 1576 merchants who exited collection from October to November (-\$1.7m)
- 141 merchants where the balance decreased from December to January (-\$78.3k)
- 877 merchants where the balance didn't change from December to January (+\$375.4k)
- 1659 merchants where the balance increased from December to January (+\$383.5k)
- 1160 merchants new in debt from December to January (+\$392k)

Definitions

Recoverable Cases (90 Days Write Off) - Any case where the bank account rejection reason was not "Bank Account Close". These merchants are written off after 90 days have passed.

Unrecoverable Cases (30 Days Write Off) - Any case where the bank account rejection reason was "Bank Account Closed". These merchants are assumed to be insolvent and less likely to be recovered. These accounts are written off after 30 days have passed.

Write Offs

Total Value (\$m)

Write Offs	0.12	0.33	0.17
Revenue Adjustments	0.23	0.17	0.25
Total Written Off	0.35	0.50	0.42

Number of Merchants

Write Offs	68	48	50
Revenue Adjustments	701	526	736
Total	769	574	786

Write Offs by Time on Book (\$m)

Less than 1 Year	0.09	0.24	0.09
1 Year - <2 Years	0.01	0.01	0.03
2 Years - <3 Years	0.00	0.03	0.00
3 Years +	0.02	0.05	0.05

Revenue Adjustments by Time on Book (\$m)

Less than 1 Year	0.06	0.04	0.07
1 Year - <2 Years	0.04	0.04	0.05
2 Years - <3 Years	0.03	0.03	0.03
3 Years +	0.10	0.05	0.09

Debt vs Provision (\$m)

Total Outstanding Debt (\$m)	1.78	2.06	1.97
Total Provision(\$m)	1.44	1.67	1.57

Nov 17	Dec 17	Jan 18
0.12	0.33	0.17
0.23	0.17	0.25
0.35	0.50	0.42

Nov 17	Dec 17	Jan 18
68	48	50
701	526	736
769	574	786

Nov 17	Dec 17	Jan 18
0.09	0.24	0.09
0.01	0.01	0.03
0.00	0.03	0.00
0.02	0.05	0.05

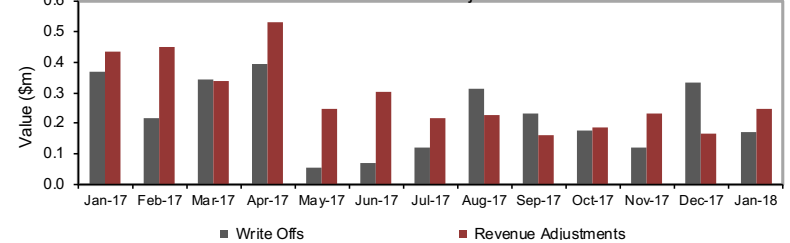
Nov 17	Dec 17	Jan 18
0.06	0.04	0.07
0.04	0.04	0.05
0.03	0.03	0.03
0.10	0.05	0.09

Nov 17	Dec 17	Jan 18
1.78	2.06	1.97
1.44	1.67	1.57

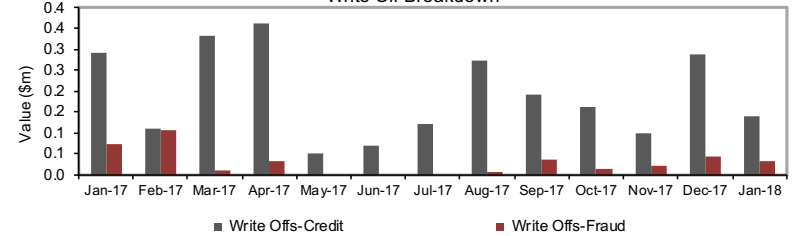
Top 10 Write Offs by SIC Code - Current Month

SIC	DESCRIPTION	DEBT VALUE (\$K)	NBR OF MERCHANTS
5732	ELECTRONIC SALES	33	1
5940	BICYCLE SHOP	31	1
1711	PLUMBING, HEATING, A/C SERVICE	18	2
5712	FURNITURE STORES	16	2
5521	AUTO DEALERS-USED ONLY,SLS	14	2
5499	MISC FOOD STRS, CONV,SPEC,VEND	10	2
8931	ACCOUNTING AND AUDIT SERVICE	7	1
8099	MED SVC./HEALTH PRAC. NOT ELSE	7	2
7299	MISCELLANEOUS PERSONAL SVC	6	1
5999	MISC. RETAIL STORES	5	2

Write Offs & Revenue Adjustments



Write Off Breakdown



Top 10 Revenue Adjustments by SIC Code - Current Month

SIC	DESCRIPTION	DEBT VALUE (\$K)	NBR OF MERCHANTS
5812	RESTAURANTS	72	204
5499	MISC FOOD STRS, CONV,SPEC,VEND	12	37
7538	AUTO SERVICE, REPAIR (GENERAL)	9	29
5999	MISC. RETAIL STORES	8	25
5411	GROCERY STORES, SUPERMKTS	6	30
5732	ELECTRONIC SALES	6	5
7230	BEAUTY SHOPS AND BARBER SHOPS	5	25
5814	FAST FOOD RESTAURANTS	5	18
8011	PHYSICIANS	5	16
8099	MED SVC./HEALTH PRAC. NOT ELSE	5	13

Comments:

Write-offs decreased by \$158k during January, of the total balance of \$420k there were 9 write-offs with a value of over \$5k totalling \$136k.

Top 3 write-offs over \$5k with classifications

- Kaynan Electronics
 - o \$32.8k, Fraud
- Blaq Design
 - o \$31.2k, Credit
- All-Star home services
 - o \$18.2k, Credit

Revenue Adjustments increased by \$78k during January due to Monthly billing fee rejects. Provisions decreased by \$96k during January due to debt balance decreasing.

Definitions

Write Off - This represents true loss and is usually in the form of Chargebacks or loss of rented equipment.

Revenue Adjustments - This represents lost income as opposed to a true loss, this is the reversal of monthly service charges.

Top 25 MPL Limits

RANK	MERCHANT NAME	Credit Grade	SECTOR	MPL UTIL (\$m)	LIMIT (\$m)	0%	50%	90%	100%
1	SimpliSafe Inc.	16	Other Services	1.8	3.8	■	■	■	■
2	TicketNetwork, Inc	17	Leisure	2.1	2.3	■	■	■	■
3	Triple Peaks, LLC	13	Public Sector Health & Education	0.8	2.1	■	■	■	■
4	Bemie & Phyl's Furniture	16	Retail	1.6	2.0	■	■	■	■
5	University of Kentucky	17	Public Sector Health & Education	0.5	2.0	■	■	■	■
6	CTD, Inc.	16	Retail	0.9	1.8	■	■	■	■
7	Rose Tours and Travel	16	Retail	1.2	1.7	■	■	■	■
8	New York Institute of Technology	13	Public Sector Health & Education	1.5	1.7	■	■	■	■
9	Fastenal Company Purchasing	17	Retail	1.1	1.6	■	■	■	■
10	Reportech, LLC	14	Retail	0.5	1.5	■	■	■	■
11	American Disposal Services, Inc.	15	Utilities	1.9	1.4	■	■	■	■
12	Utica College	13	Public Sector Health & Education	0.8	1.4	■	■	■	■
13	Nutting Company,The Inc.	15	Media & Publishing	1.2	1.3	■	■	■	■
14	Hunt Enterprises of Illinois, Inc.	15	Retail	1.1	1.2	■	■	■	■
15	Benedictine University	13	Public Sector Health & Education	0.5	1.2	■	■	■	■
16	CPO Commerce, LLC - Essendant	16	Retail	0.7	1.1	■	■	■	■
17	Natural Partners Inc	16	Retail	0.3	1.1	■	■	■	■
18	C and H Clubs USA, Inc.	13	Retail	0.9	1.1	■	■	■	■
19	Holiday AL Holdings LP	16	Retail	0.3	1.0	■	■	■	■
20	Snowmass Aquisition Company LLC	13	Leisure	0.0	1.0	■	■	■	■
21	Choate Rosemary Hall	17	Public Sector Health & Education	0.2	1.0	■	■	■	■
22	NOBEL LEARNING COMMUNITIES INC	20	Public Sector Health & Education	0.1	0.9	■	■	■	■
23	UNIVERSITY OF BRIDGEPORT	17	Public Sector Health & Education	0.2	0.9	■	■	■	■
24	Vector Security, Inc	19	Other Services	0.7	0.9	■	■	■	■
25	Cosemblant, LLC	16	Retail	0.1	0.9	■	■	■	■

Utilization over 90% MPL Limit

MERCHANT NAME	Credit Grade	MPL UTIL (\$m)	LIMIT (\$m)	LIMIT UTIL
American Disposal Services, Inc.	15	1.9	1.4	135%
TicketNetwork, Inc	17	2.1	2.3	95%
Nutting Company,The Inc.	15	1.2	1.3	95%
Hunt Enterprises of Illinois, Inc.	15	1.1	1.2	93%

Credit Grade Guide

BEST						WORST					
1	4	8	11	14	17	21	24	27			

Credit Watch

1. Reportech has (2) MIDS; 1)RPT MYSCORE obtains credit information used to prepare Credit Reports from the three national credit repositories (Equifax, Experian, Trans Union, collectively), 2) SVCRT.COM. RPT MYSCORE frequents the Early Warning Chargeback Report. The chargeback reason codes were given usually include fraudulent transaction, card not processed and no cardholder authorization. The action plan will be to continue to monitor trading and chargeback activity along with financial performance. Reportech is included in the PM periodic review cycle. Mo/Mo turnover shown declines. Chargeback at 93bps in mos. Apr, May, June, July. Declining turnover may have impacts on business cash flows. Aug volumes remain stable Returns and chargebacks were stable slightly lower at 91bps vs last 90 days.

2. Lady Grace Stores CID-476959: Lady Grace stated they were in the process of closing most of their stores. We anticipate dwindling volumes in Mail order, We have established a holdback reserve at \$25k to cover our potential liability for the mail order terminal with intentions to monitor volumes and return & chargeback activity going forward. If Lady Grace elects to migrate the mail order terminals to another processor it will eliminate our need for a reserve. The Jan.2018 MOTO activity at 1/23/18 was \$91,582.

Comments:

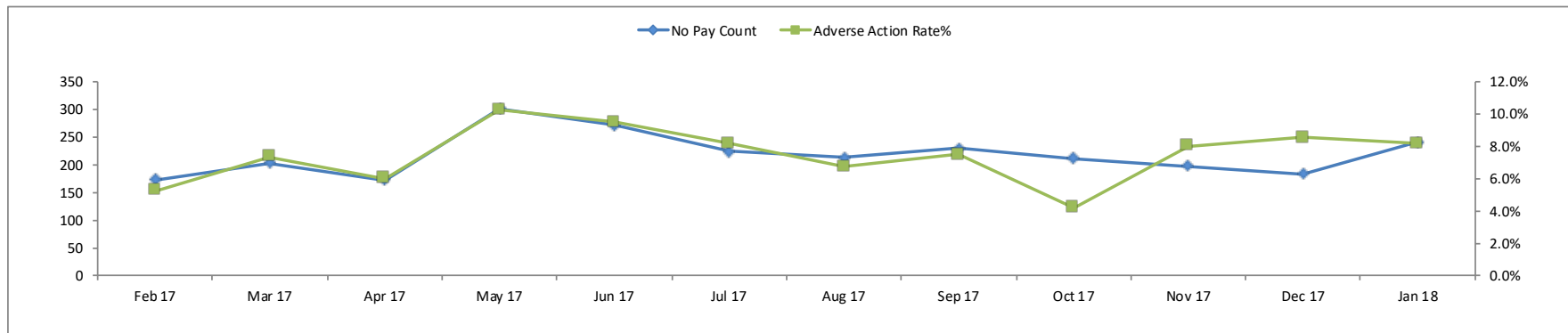
New merchants: None.
Removed merchants: None.

Over the 90% limit - No issues or concerns at this time as per Brandon Hunt.
Portfolio Management's Credit watch items (New Merchant - Lady Grace Stores): Reportech LLC (Limit Util 32%), Lady Grace Stores (Limit Util 15%).

Transaction Risk

Risk Viewer

	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18
Cases Worked	59,666	64,540	64,117	58,090	59,984	60,548	66,199	62,984	70,345	60,877	69,182	90,315
Sent to Investigation	3,281	2,767	2,889	2,934	2,871	2,746	3,164	3,053	5,049	2,455	2,142	2,947
Investigation Rate%	5.5%	4.3%	4.5%	5.1%	4.8%	4.5%	4.8%	4.8%	7.2%	4.0%	3.1%	3.3%
No Pay Count	172	203	173	301	272	224	213	229	211	197	183	241
Adverse Action Rate%	5.2%	7.3%	6.0%	10.3%	9.5%	8.2%	6.7%	7.5%	4.2%	8.02%	8.54%	8.18%



Comments:

The Number of cases worked increased by 21.1k and the investigation rate increased to 3.3% due to pre-settlement post-Christmas sales refunds. The No Pay counts increased from 183 to 241 but the Adverse Action rate is down 0.37% from December 2017.

Definitions

*No pay cases labelled as No Pay represent transactions where the funds have not been settled to the merchant pending review by the Transaction Risk team.

Attrition

	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18
Total Closures	3,523	3,933	3,017	3,276	2,993	2,615	3,597	3,404	3,087	2,889	2,489	3,782
Time on Book												
Less than 30 Days	71	74	68	100	55	106	123	124	93	83	81	100
30Days - <1 Year	530	528	366	466	572	331	571	535	557	505	387	626
1 Year - <2 Years	665	730	527	695	585	480	726	559	565	505	411	697
2 Years - <3 Years	538	557	494	462	427	382	533	426	510	486	391	653
3 Years - <4 Years	367	468	377	372	356	274	387	326	328	391	308	407
4 Years - <5 Years	251	339	342	225	235	225	346	219	279	245	219	290
5 Years +	1,101	1,237	843	956	763	817	911	1,215	755	674	702	1,009
Merchant Traded												
YES	506	567	489	533	558	414	495	456	465	497	443	504
% of Closures Have Traded in January 2018	14%	14%	16%	16%	19%	16%	14%	13%	15%	17%	18%	13%
NO	3,017	3,366	2,528	2,743	2,435	2,201	3,102	2,948	2,622	2,392	2,046	3,278
% of Closures Never Traded in January 2018	86%	86%	84%	84%	81%	84%	86%	87%	85%	83%	82%	87%
Outlets Boarded												
	2,158	2,931	2,477	2,637	2,695	2,706	3,162	2,323	2,647	2,346	2,134	2,521

Top 10 Closures by Reason - Current Month

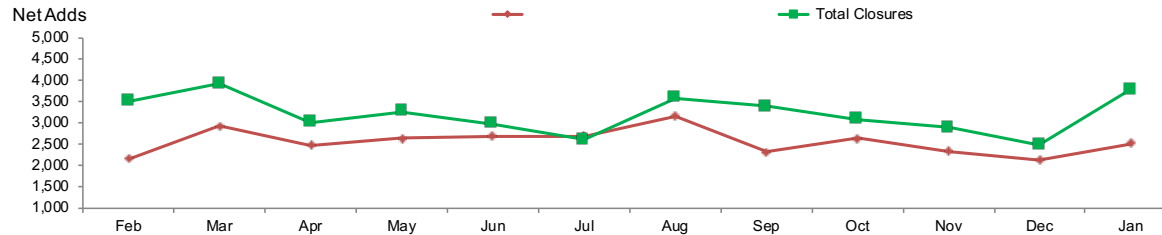
REASON	COUNT
Other	1,055
Closed Collections-DON'T REACT	786
Deactivate/Reactivate	421
Business Failure	304
Customer Care Inquiry	169
Not Enough Credit Card Volume	150
Transaction Rates Too High	141
RISK: Risk Issues	132
Fixed Monthly Fees Too High	72
NULL	62

Top 10 Closures by SIC - Current Month

SIC	DESCRIPTION	COUNT
5812	RESTAURANTS	670
5814	FAST FOOD RESTAURANTS	255
6513	REAL ESTATE AGENTS & MGRS	183
7230	BEAUTY SHOPS AND BARBER	164
5999	MISC. RETAIL STORES	151
8011	PHYSICIANS	127
5499	MISC FOOD STRS, CONV,SPEC	118
7538	AUTO SERVICE, REPAIR	107
5411	GROCERY STORES, SUPERMKTS	100
8099	MED SVC./HEALTH PRAC. NOT	95

Top 10 Closures by State - Current Month

STATE	COUNT
TX Texas	374
MA Massachusetts	362
CA California	301
PA Pennsylvania	265
NY New York	257
FL Florida	212
GA Georgia	180
OH Ohio	146
MI Michigan	137
IL Illinois	106



Comments:

Attrition is calculated at the merchant/outlet level. We may close an outlet, but the company itself may remain open. When boarding merchants; the onboarding stats are calculated at an application level. One single application for a company may have many outlets attached.

Total closures increased by 1,293 to 3,782 and the number of merchants on boarded increased by 387 to 2,521. The net attrition for the month was 1261 merchants.

Of all the merchants closed in January, there were 786 closures by collections with a combined write off value of \$53k, an increase of 786 merchants closed from December 2017.

Of the merchants closed, 3,278 were dormant in January, 1863 had not traded for 3 or more months and 573 had never traded.