30 Days Delinquent: This term refers to a situation where a borrower has failed to make a required payment within 30 days of the due date. It indicates that the borrower is behind on their payments and may be considered delinquent by the lender.

Account balance: The amount of money in a bank account.

ACH (Automated Clearing House): ACH is an electronic network used for financial transactions in the United States. It facilitates various types of transactions, including direct deposits, bill payments, and fund transfers between bank accounts.

Adverse letter: An adverse letter is a written communication sent to inform an individual or entity about a negative or unfavorable decision or outcome. It is often used in the context of loan applications, where it notifies the applicant that their request has been denied or that certain conditions cannot be met.

Amortization: The process of gradually paying off a debt over time through regular payments.

Approved Pending: This term is used when an application or request has been reviewed and meets the initial requirements for approval. However, it still requires additional steps or documentation before final approval can be granted.

APR: (Annual Percentage Rate) the cost of borrowing expressed as a yearly interest rate.

APY (Annual Percentage Yield): APY is a financial term that represents the annual rate of return on an investment, taking into account compound interest. It includes both the interest earned and the frequency of compounding over a year. APY provides a more accurate measure of the actual return on an investment compared to simple interest

Asset: Anything of value owned by an individual or organization, such as cash, property, or investments.

ATM fee: A charge for using an ATM that does not belong to the customer's bank.

ATM PIN: A personal identification number used to access an ATM or make debit card transactions.

ATM: Automated Teller Machine, a machine that allows customers to perform basic banking transactions.

ATM: Automated Teller Machine, a self-service machine that allows customers to perform basic banking transactions.

Automatic bill payment: The ability to have bills paid automatically from a bank account on a recurring basis.

Balance transfer: The process of moving an outstanding credit card balance from one card to another, often to take advantage of lower interest rates.

Bank statement: A document that shows all transactions and balances in a bank account.

Bank teller: An employee at a bank who assists customers with transactions.

Bankruptcy Navigator Index: The Bankruptcy Navigator Index is a statistical tool used to assess the financial health and bankruptcy risk of a company or individual. It combines various financial indicators and data points to provide a comprehensive measure of bankruptcy probability.

Bankruptcy Risk: Bankruptcy risk is the likelihood that a company or individual will be unable to meet their financial obligations and will be forced to file for bankruptcy. It is influenced by factors such as high debt levels, declining revenues, poor cash flow, and economic conditions.

Bankruptcy: A legal process in which individuals or businesses are unable to repay their debts and seek relief from their financial obligations.

Capital: Financial assets or the value of assets available for use in producing further assets.

Capital: The financial resources available to a company or an individual for investment or growth.

Cashier's check: A check issued by a bank, guaranteed by the bank's own funds.

CBR (Credit Bureau Report): CBR, or Credit Bureau Report, is a detailed record of an individual's credit history and financial behavior. It is compiled by credit bureaus and includes information such as credit accounts, payment history, outstanding debts, and public records (e.g., bankruptcies or tax liens). Lenders use CBRs to assess an individual's creditworthiness and determine the terms of credit or loans they can offer. A positive CBR with a good credit score can lead to more favorable loan terms, while a negative CBR may result in higher interest rates or loan rejections.

Certificate of deposit (CD): A time deposit with a fixed term and interest rate, usually higher than a regular savings account.

Check: A written order to pay a specific amount of money from one bank account to another.

Checking account: A type of bank account that allows frequent withdrawals and payments.

Collateral: An asset pledged by a borrower to secure a loan.

Collateral: Property or assets that are used as security for a loan.

Compound interest: Interest that is calculated on the initial principal and any accumulated interest.

Credit card: A card that allows customers to make purchases on credit, with the expectation of repayment later.

Credit limit: The maximum amount of credit a lender is willing to extend to a borrower.

Credit score: A numerical representation of a person's creditworthiness, used by lenders to determine loan eligibility and interest rates.

Credit union: A nonprofit financial institution owned and operated by its members, offering similar services to a bank.

Credit: The ability to borrow money or access goods or services with the promise of repayment in the future.

Debit card: A card that allows customers to make purchases and withdraw money directly from their bank account.

Debit: A deduction from a bank account or an increase in an expense account.

Default: Failure to fulfill the obligations of a loan or credit agreement.

Direct deposit: The electronic transfer of funds directly into a bank account.

Dividend: A payment made by a corporation to its shareholders, usually as a share of profits.

DTI (Debt to Income): DTI, or debt to income ratio, is a financial metric used by lenders to assess an individual's ability to manage their debt. It is calculated by dividing the total monthly debt payments by the individual's gross monthly income. A lower DTI ratio indicates a healthier financial situation, as it suggests that the borrower has a lower debt burden relative to their income.

Endorsement: The signature or stamp on the back of a check, indicating the payee's acceptance of the payment.

Equity: The value of an asset after deducting any liabilities or debts associated with it.

Escrow: Funds held by a third party in a transaction until certain conditions are met.

Estatements: A document that provides a summary of all transactions and balances in a bank account over a specific period.

FDIC: Federal Deposit Insurance Corporation, a government agency that insures deposits in banks.

FICO score: A credit score developed by the Fair Isaac Corporation, widely used by lenders to assess creditworthiness.

Financial Health: Financial health refers to the overall financial well-being and stability of a company or individual. It considers factors such as profitability, cash flow, debt levels, and liquidity to determine the ability to meet financial obligations and withstand economic downturns.

Financial institution: A company that provides financial services to customers, such as banks, credit unions, and investment firms.

Financial literacy: The knowledge and understanding of financial concepts and skills necessary to make informed decisions.

Fixed rate: An interest rate that remains the same throughout the term of a loan or savings account.

Foreclosure: The legal process by which a lender takes possession of a property due to the borrower's failure to repay the mortgage.

Foreign exchange: The conversion of one currency into another for financial transactions.

FTB (First Time Borrower): FTB, or first-time borrower, refers to an individual who is applying for credit or a loan for the first time. Lenders often have specific programs or considerations for first time borrowers, as they may have limited credit history or no credit score. FTBs may face more stringent requirements or higher interest rates due to the lack of credit history, making it important for them to establish a positive credit record.

Grace period: A period during which no interest or fees are charged on a credit card balance.

HELOC (Home Equity Line of Credit): HELOC is a type of revolving credit that allows homeowners to borrow against the equity in their homes. It functions similarly to a credit card, where borrowers can access funds up to a predetermined limit and repay the borrowed amount over time.

Identity theft: The unauthorized use of someone's personal information for fraudulent purposes.

Inactive Account: A bank account in which there have not been any transactions for an extended period of time. If your account is inactive for 12 months it's considered dormant or inactive.

Indicators: Indicators are specific financial metrics or data points that are used to assess the financial performance and health of a company or individual. These can include ratios like debt-to-equity ratio, current ratio, profitability ratios, and other relevant financial measures.

Indirect dealer: An indirect dealer is a third-party entity, such as a car dealership, that acts as an intermediary between a lender and a borrower. They facilitate the financing process by connecting borrowers with lenders and assisting in the loan application and approval process.

Indirect loan: An indirect loan is a type of loan that is obtained through a third-party intermediary, typically a dealer or a broker. In this arrangement, the borrower does not directly approach the lender but instead works with an intermediary who helps secure the loan on their behalf.

Inflation: The general increase in prices over time, reducing the purchasing power of money.

Inheritance: Money, property, or assets received from a deceased person's estate.

Interest rate: The percentage charged or earned on a loan or investment.

Interest: The money earned or paid for the use of money.

IRA: Individual Retirement Account, a tax-advantaged account that individuals can use to save for retirement.

Loan: Money borrowed from a bank that is expected to be paid back with interest.

Loan-to-value ratio: The ratio of a loan amount to the appraised value of the property being financed.

Maturity Date: The date that a CD term ends, the finanical institution stops paying the agreed-upon interest and you can choose to take the money deposited or renew the term.

Merchant account: A bank account that allows businesses to accept payments from customers via credit or debit cards.

MICR Mismatch (Magnetic Ink Character Recognition Mismatch): MICR is a technology used to print characters on checks and other banking documents. A MICR mismatch occurs when there is an inconsistency or error in the encoded information on a check, such as the routing number or account number, leading to potential issues during processing.

Minimum balance: The minimum amount of money required to be kept in a bank account to avoid fees.

Mobile banking: The ability to access and manage bank accounts through a mobile device.

Mobile Deposit: Mobile deposit is a feature offered by banks that allows customers to deposit checks into their accounts using a mobile device, such as a smartphone or tablet. Users can simply capture an image of the check and submit it through the bank's mobile app for processing.

Money market account: A type of savings account that typically offers higher interest rates and limited check-writing abilities.

Mortgage: A loan used to finance the purchase of a property, with the property serving as collateral.

Mutual fund: A professionally managed investment fund that pools money from multiple investors to invest in various securities.

NSF: Non-sufficient funds, a situation where a bank account does not have enough money to cover a transaction.

Online banking: The electronic management of banking services through the internet.

Overdraft fee: A fee charged when a customer withdraws more money than they have available in their account.

Overdraft: When a customer withdraws more money from their bank account than they have available, resulting in a negative balance.

P2P: P2P stands for Peer-to-Peer payments, which refers to the transfer of funds between individuals using digital platforms. P2P payment services enable users to send money directly to friends, family, or acquaintances using their mobile devices or online banking accounts, eliminating the need for cash or checks

Pending: A term used to describe a situation or status where a decision or action is yet to be finalized or completed. It refers to something that is awaiting further action or confirmation.

PIN: Personal Identification Number, a numeric code used to authenticate cardholders during transactions.

Pre-approval: A lender's conditional commitment to provide a loan based on an initial evaluation of a borrower's creditworthiness.

Prepaid card: A card that is loaded with a specific amount of money and can be used for purchases until the balance is depleted.

Principal: The original amount of money borrowed or invested, excluding interest.

Probability: Probability refers to the likelihood or chance of a particular event occurring. In the context of the Bankruptcy Navigator Index, it represents the estimated likelihood of a company or individual filing for bankruptcy based on the analysis of various financial indicators and data points.

PTI (Payment-to-Income): PTI is a financial ratio that measures the percentage of a borrower's income that goes towards their monthly loan payments. It is calculated by dividing the total monthly loan payment by the borrower's monthly income and multiplying the result by 100. Lenders use PTI as a tool to assess the borrower's ability to manage their loan payments based on their income level.

Refinance: The process of replacing an existing loan with a new loan, often to obtain better terms or lower interest rates.

Remote Deposit Capture (RDC): Remote Deposit Capture (RDC) is a technology that enables individuals and businesses to deposit checks remotely without physically visiting a bank branch. It involves scanning or photographing the check and transmitting the image to the bank for processing and depositing the funds electronically

Risk tier: Risk tier refers to the categorization of borrowers based on their creditworthiness and the level of risk they pose to lenders. Lenders typically assign borrowers to different risk tiers, such as prime, subprime, or high-risk, based on factors like credit score, income stability, and past borrowing history.

Routing number: A unique nine-digit number assigned to a bank or credit union, used to identify it in financial transactions.

Routing number: A unique nine-digit number used to identify a specific bank or credit union.

Savings account: A bank account that allows individuals to deposit and withdraw money while earning interest.

Savings account: A type of bank account that earns interest on deposited money.

Stock market: A marketplace where buyers and sellers trade shares of publicly traded companies.

Stock: A share in the ownership of a company, representing a claim on its assets and earnings.

Trust account: A bank account held by one party for the benefit of another, often used for estate planning or managing funds.

Underwriting: The process of evaluating a borrower's creditworthiness and determining the terms of a loan.

Unsecured Ratio: Unsecured ratio refers to the proportion of a borrower's debt that is not backed by collateral. It is calculated by dividing the total amount of unsecured debt (such as credit card debt or personal loans) by the borrower's total debt. Lenders use this ratio to evaluate the borrower's creditworthiness and assess the level of risk associated with lending to them. A higher unsecured ratio may indicate a higher risk for lenders.

Variable rate: An interest rate that can change over time based on market conditions or other factors.

Wire transfer: The electronic transfer of funds from one bank account to another.

Workout and Extension: In the context of loans, a workout refers to a negotiation or agreement between a lender and borrower to modify the terms of a loan in order to avoid default. It often involves adjusting the repayment schedule, interest rate, or other loan terms. An extension, on the other hand, refers to granting additional time to the borrower to repay the loan beyond the original maturity date.

Yield: The return on an investment, expressed as a percentage of the amount invested.