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# The Enhanced Due Diligence Index (DDI)

## Minimizing the risk of doing business with a Russian 'shell' company

In the Russian economy, the risk of coming across a 'shell' or untrustworthy company is very high. These shell companies are a threat to legitimate businesses through fraud and default. More seriously, doing business with these companies can result in sanctions from Russian tax authorities.

D&B and its Worldwide Network partner, Interfax Group, first introduced the Due Diligence Index in 2011 to provide greater transparency on Russian businesses. The DDI is specifically tailored to the Russian commercial and regulatory context. The enhanced DDI, available on 3.9 million businesses in Russia, provides greater precision in assessing the likelihood that a Russian business was not created for legal purposes or exists as a 'transactional entity' with no significant assets or operations. The insight the DDI provides, will allow D&B's customers to minimize their risk when dealing with Russian entities.

### Up to 38 factors combined into a single index to assess risk

The predictive characteristics of the DDI have been enhanced and the model now incorporates up to 38 factors. Newly added factors include: number and value of commercial contracts won, arbitration court cases (plaintiff & defendant) and collection cases.

The DDI is offered through the D&B Business Information Report and Comprehensive Report. It can also be delivered in batch upon request. It is available on 3,919,790 businesses in Russia. The exceptions are banks and credit bureaus to which oversight bodies use license rules, not-for-profit organizations, and state institutions.

#### About D&B

D&B (NYSE:DNB) is the world's leading source of commercial information and insight on businesses, enabling companies to Decide with Confidence® for more than 173 years. Today, D&B's global commercial database contains more than 225 million business records. The database is enhanced by D&B's proprietary DUNSRight® Quality Process, which provides our customers with quality business information. This quality information is the foundation of our global solutions that customers rely on to make critical business decisions. For more information visit [www.dnb.com](http://www.dnb.com)

#### About Interfax Group

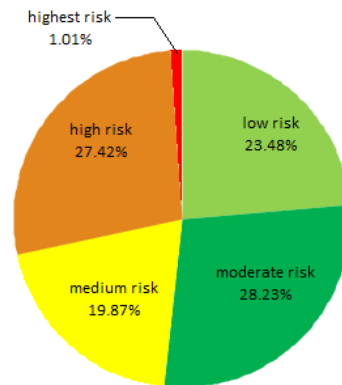
In 2008, D&B and Interfax Group entered into a joint venture, making Interfax D&B's Worldwide Network partner in Russia and CIS. Interfax Group is a leading provider of critical information on Russia, China and emerging markets of Eurasia. Interfax provides about 100 specialized information services, weekly and daily intelligence reports with industry analysis, business information, real-time news, market data and ratings and credit reports. For more information visit [www.dnb.ru](http://www.dnb.ru)

#### AT A GLANCE - THE DUE DILIGENCE INDEX

The Due Diligence Index is calculated using statistical methods to assign each business entity a score representing the likelihood that a company was created (or exists) to carry out just one transaction and has no real assets or operations. The score takes on values 0 - 99 which represent the probability of being a 'shell' company. The higher the Index value, the more likely the entity is a 'shell' company.

DDI Value	Risk Assessment & Recommendation
0-29	Low risk – proceed with transaction
30-49	Moderate risk – proceed with transactions
50-69	Medium risk – proceed with transaction but monitor closely
70-89	High risk- take suitable assurance
90-99	Highest Risk – Caution

#### Distribution of the DDI across Russian Business Universe



For more information on the Due Diligence Index, contact your D&B representative.