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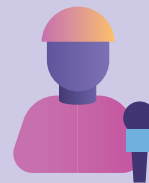
# Are Your Current Risk Models Missing Anything?



## Current Challenges

Same FICO, credit history and income, but very **different future employment risk profile.**

To profitably build acquisition volume in a dynamic economic environment of high inflation and uneven growth, more than ever lenders need **real time insights** accessible by their underwriting systems to take advantage of bright spots within the economy where the future employment risk is low.



### Robert

- 680 FICO
- 10 yrs credit history
- \$50K annually
- Los Angeles
- Off and on entertainer



### Marie

- 680 FICO
- 10 yrs credit history
- \$50K annually
- Atlanta
- Registered nurse

**This is a major blind spot in risk and response models today.**

The highly dynamic Employer, Geography and Industry (EGI) level data remains locked in silos, not accessible by prospecting, underwriting and account management systems for real-time use.

As a result, lenders miss out on growth opportunities in specific industry and geography or remain vulnerable to future losses from undetected microeconomic trends.



Employer



Geography



Industry

## Our Solution: Income Stability Indicators (ISI)

Close future employment risk blind spots in credit scores to get 360° view of customers and prospects in rapidly changing economic environment.

- **Unlock previously siloed contextual data** on employer, industry and geography with Spring's proprietary entity resolver
- **Custom and generic scores** that respond to dynamic economic conditions unlike credit scores
- **300+ macro and microeconomic indicators** delivered in real time through ISI API



We offer a simple API integration, with no PII needed. Spring Labs offers a free retroactive data study to test ISI data offline. Optionally, additional indicators of possible income misrepresentation and peer lender verified income and employment fields can be added to the ISI API response.

“ISI not only **helps us identify blind spots** in our existing models where there may be an imminent risk of loss of employment and income based on signals around employer, industry and geography, but it will also help us to **safely serve new segments** that we have historically been unable to. That is exactly what we need right now.”

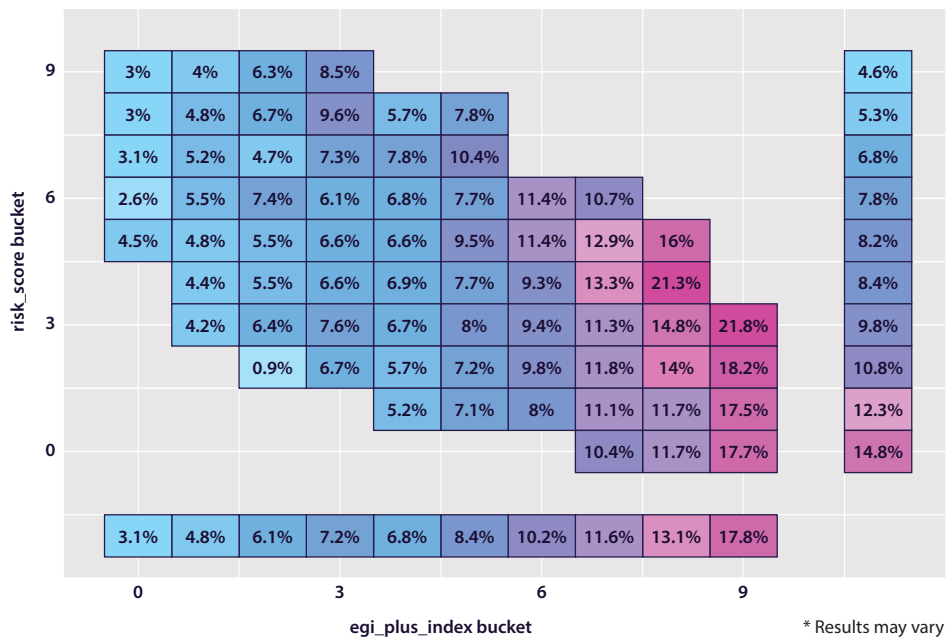


— **Director of Risk** for a large, online unsecured lender in “near prime to prime” space

## Outcomes

ISI data has demonstrated significant lift over credit bureau’s and lender’s internal risk scores.

### Delinquency Rate—ISI data (EGI+) separates risk (2x to 3x) within lender’s Internal Score Deciles\*



“Congratulations, you have something really special and unique with this product.”

— **Head of Credit Risk** for one of the largest online lenders



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## Use Cases

ISI data complements traditional credit data for many use cases from underwriting to account management:



### Pre-screening Leads

Add to existing filters to optimize direct mail campaigns. Reduce cost per account by swapping out high-risk leads and/or increase conversion by swapping in low-risk leads.



### Eligibility Decisions (Approval-Decline)

Increase approval rates keeping same loss levels and/or reduce losses with similar approval rates to drive profitable growth in any economic environment.



### Income/Employment Stipulation Management

Adapt income/employment verification strategy based on real-time indicators of emerging unemployment risk. Reduce borrower friction and increase funding rate by skipping manual verifications on low-risk populations.



### Pricing

Adequately price loans for risk based on future unemployment risk.



### Credit Line Assignment

Adjust credit lines (not applicable for auto or mortgage) using ISI data as income qualifier.



### Account Management

Leverage ISI for credit line management or customer assistance programs using real-time insights delivered by ISI data.



### Collections

Optimize early collection contact strategy and improve promise to pay, conversion rate and/or better utilize contact center resources to reduce costs.



### Loss Forecasting

Improve both origination and portfolio loss forecasting methodologies by incorporating ISI data into segmentation.

## Proven Business Builders, Backed by Industry Leaders

### Leadership & Funding



**Adam Jiwan**

Co-founder  
Executive Chairman



**John Sun**

Co-founder  
CEO



**Anna Fridman**

Co-founder

With Experience Building: AMOUNT climb enova.

AVANT DIGITAL FUTURE+FINANCE

### Active Advisors (incl. former roles)

#### Sheila Bair

**Fannie Mae**  
Chair  
FDIC Chair

#### Nigel Morris

**Capital One**  
Co-founder and  
President

#### Bobby Mehta

**TransUnion**  
CEO and  
Board Member

#### Gary Cohn

**Goldman Sachs**  
President

#### Ray Lane

**Oracle** President  
**HP** Chairman

#### Manolo Sanchez

**BBVA Compass**  
Chairman and CEO

#### Raj Date

**CFPB**  
Deputy Director

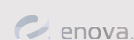
#### Brian Brooks

**OCC**  
Comptroller

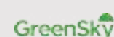
#### Steven Chaouki

**TransUnion**  
President

### Strategic Partners & Investors



GM FINANCIAL



**\$63M**

Total equity funding raised to-date  
(Series B closed Aug 2021)