

Lending During a Crisis

May 28, 2020

Agenda

- > Introductions
- > Top 3 Lender Concerns
- > Covid-19 Lending Insights
- > 3 Key Actions
- > QA

Today's Speakers



Steve Krawczyk
Director R & D

“Optimized Raspberry Pi set up to smoke brisket in my BBQ”



Greg Coté
CEO

“Hit by 8 hockey pucks above my right eye!”



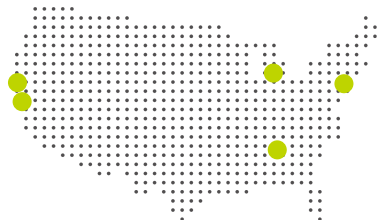
Jimmy Williams
SVP, Sales

“Stockpiling cardboard in case breakdancing makes a comeback”

Who We Are

ACCELITASTM
Reimagining Financial Access

WHO

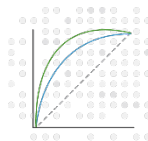


Delivering AI-powered data analytics and financial platform that enables **fast, fair and frictionless** ways to help businesses grow

WHAT



Confirm
Identity



Predict
Credit



Reconcile
Payments



Explainable
Predictive Models



Bank Grade
SOC Compliance



Deliver
Revenue/ROI

What lenders are saying?

Polling Question 1

Rate the impact Coronavirus has had on the way you do business today

Covid-19 Lending Insights

What We're Hearing and Seeing

Type of Client	Directional Feedback
Online Lending	Drastic increase in number of leads – appetites vary on risk
Storefront Lending	Softer volume due to physical store access and confusion Expect volume to increase as SIP is lifted
Dealer/Merchant Lending	Essential = strongly up and anxious to move forward Non-essential and their merchants are “closed” until SIP rules are lifted
Automotive Lending	Limited by SIP access, forcing rapid innovation for remote purchase
Credit Card Portfolios	Reduced the number of pre-approved offers they mail

Overall Volume is Down

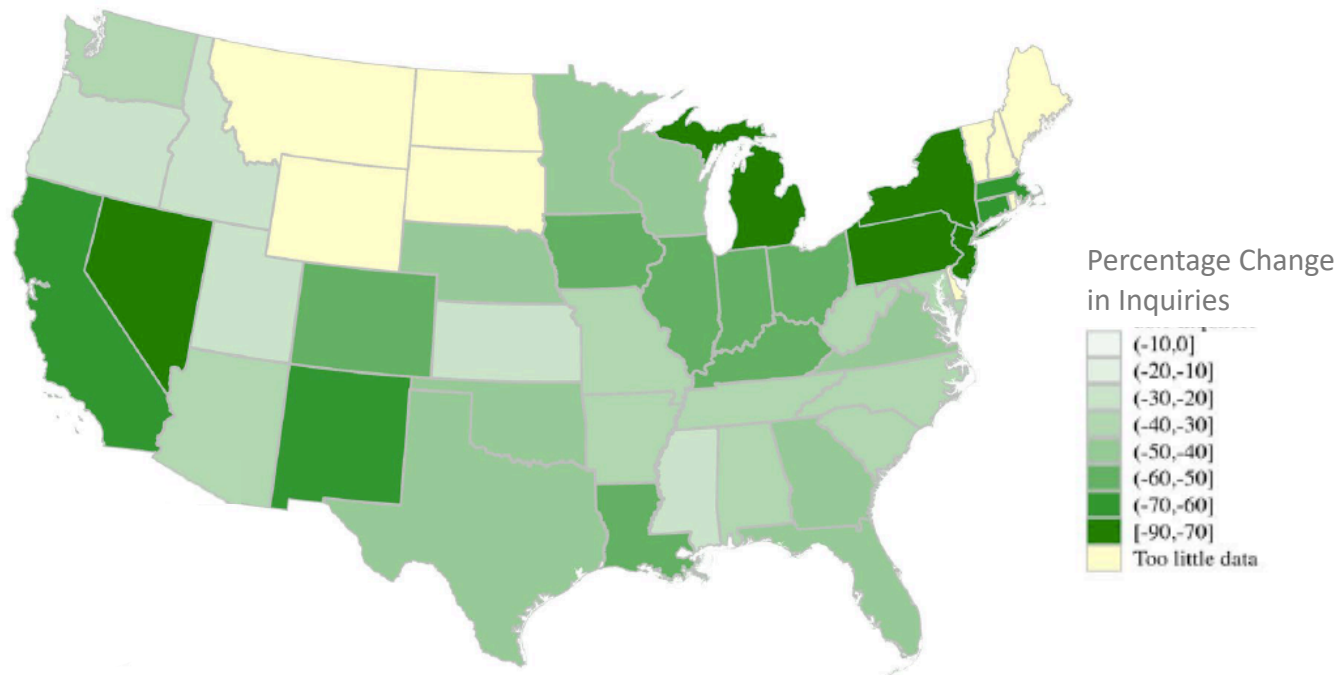


> Reasons for demand drop?

- Lack of purchase opportunity due to SIP
- Limited access to in-store lenders
- Lack of online channels
- Reduced lead generation
- Fear of being rejected
- CARES Stimulus

Source CFPB: Percentage change in credit inquiries relative to the first week of March 2020 by week by inquiry category

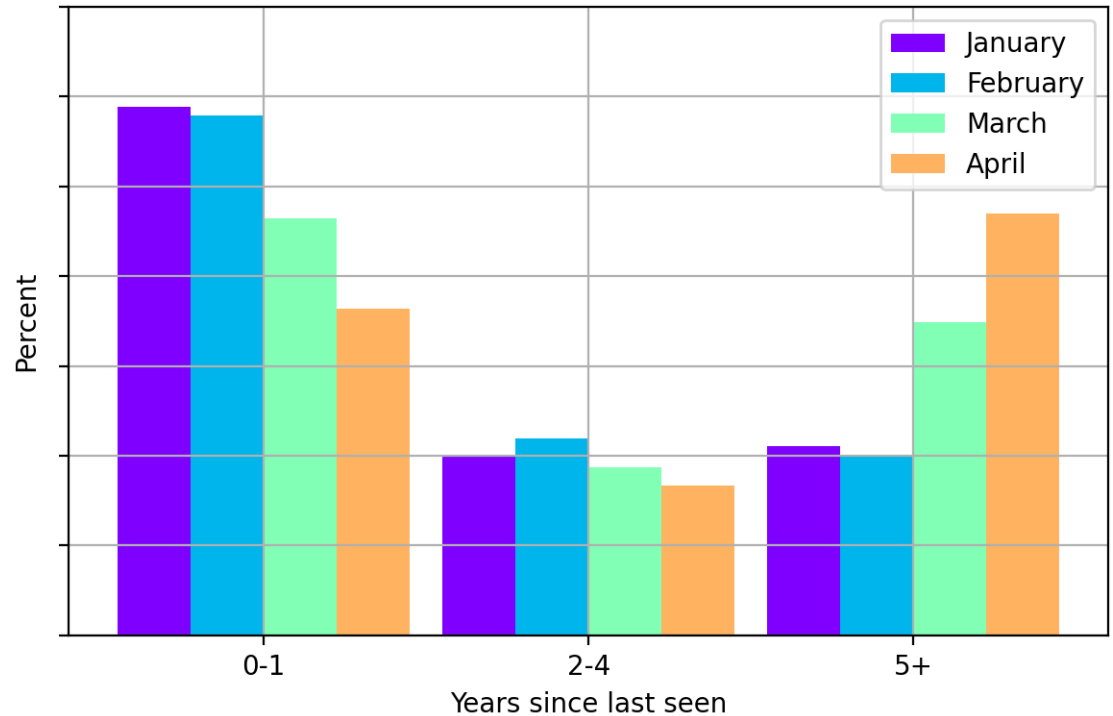
Demand for Loans is Inconsistent



Source CFPB: Percentage change in auto loan inquiries between the first and last week of March 2020 by state

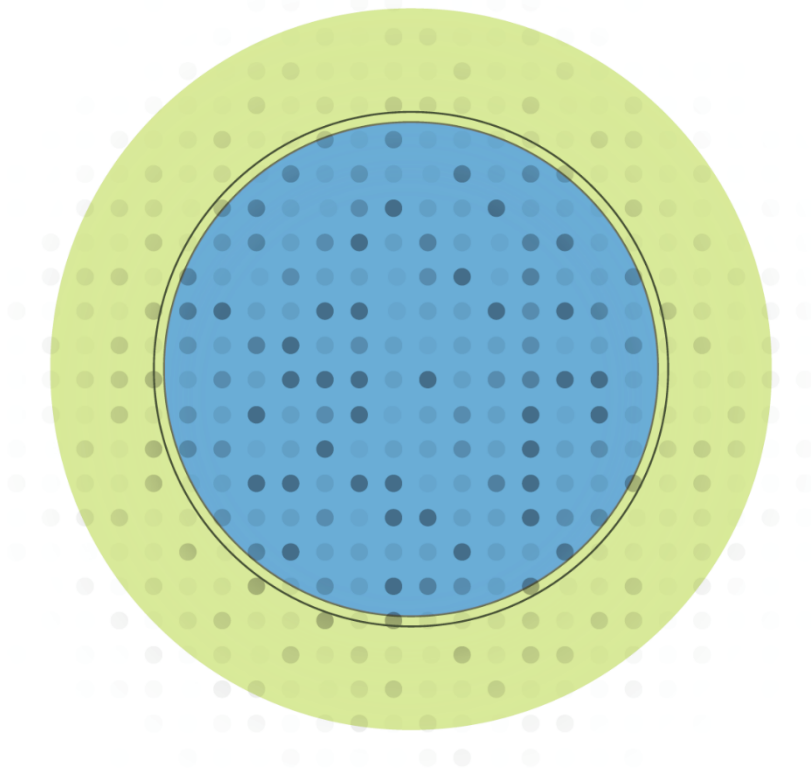
But Volume has Increased in Some Areas

200% increase in segment of customers that have not been active for 5 years



New Segment is Profitable

These populations
were 30% more
profitable for our
lenders than the
average customers



Green Shoots - Lending

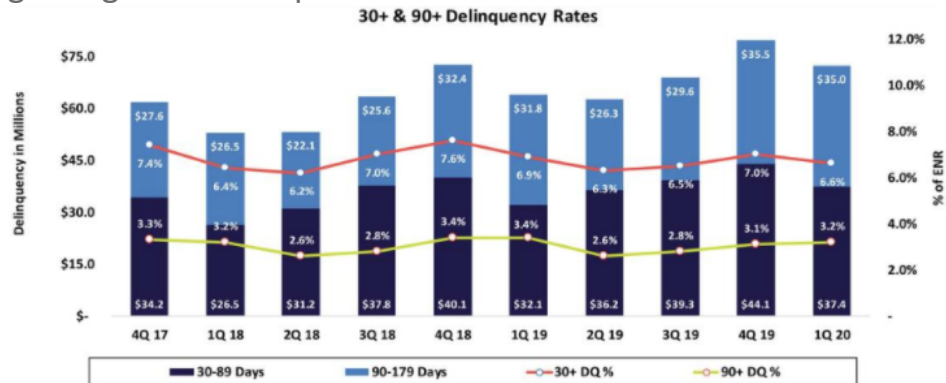


> Regional Management (RM; 5/8/20)

- Branch ↓ 20% in March and ↓ 62% in April; stabilizing in May
- Digital ↓ 80+%; paused digital lead generation; testing again at high end

> World Acceptance (WRLD; 5/7/20)

- ↓ 80% in new and returning; ↓ 50% in refinance;
- “Opening marketing channels again in the past few weeks in specific geographic areas. beginning to see an uptick in demand in those areas”



Green Shoots - Payments

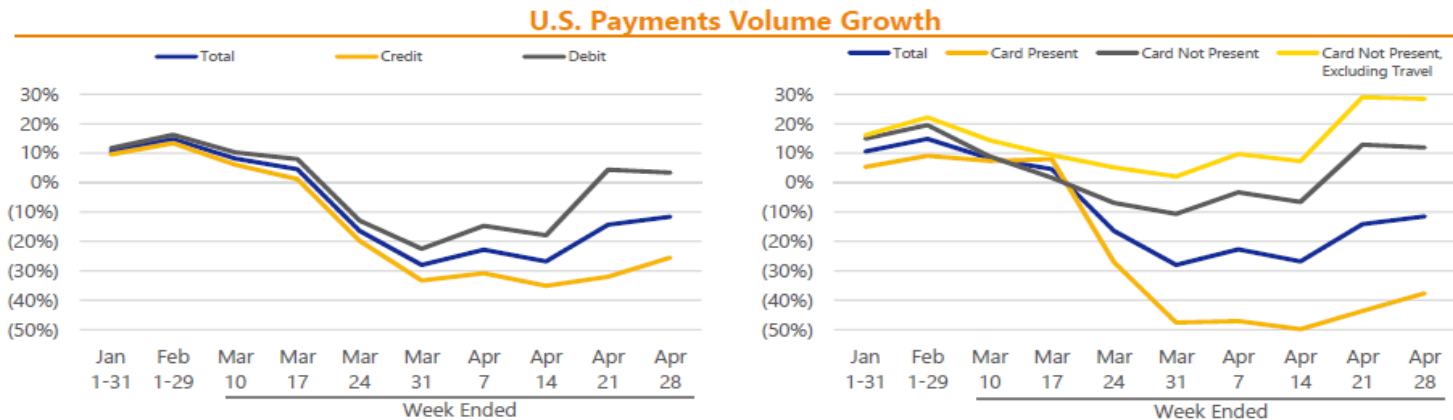


> Fiserv (FISV; 5/7/20)

- Last 2 weeks in March ↓ 30%; improving to ↓ 12% in April & May

> Visa (V; 5/4/20)

- Debit transaction recovered more quickly than credit
- Card not present (ex travel) never down and now up 30% year over year



Polling Question 2

Which of these is your top concern right now?

3 Concerns

- > Rapid increase in volume of unknown borrowers
- > Challenges with channels and markets
- > Adapting to market fluctuations

Relevant and Timely Data

Unique Real Time Retail Data Source

- > Data is sourced from almost 400k merchants and updated daily
- > Includes data from essential retail businesses
- > A proxy for employment based on continued spending and velocity



FICO and traditional credit tools provide historical perspective.
Ai Lift provides data on the customer shopping at the grocery store 15 minutes ago.

Essential Real-Time Data Resource

➤ Account data is unmatched in the industry:

- Financial Institution Data
- Checkwriter Data
- Collection Data

1.2M

Daily database updates

\$93B

Total payment volume

419M

Total transactions

193K

Electronic check
acceptance locations

363K

Total active locations

\$35B

Non-Storefront
payments handled

\$193B

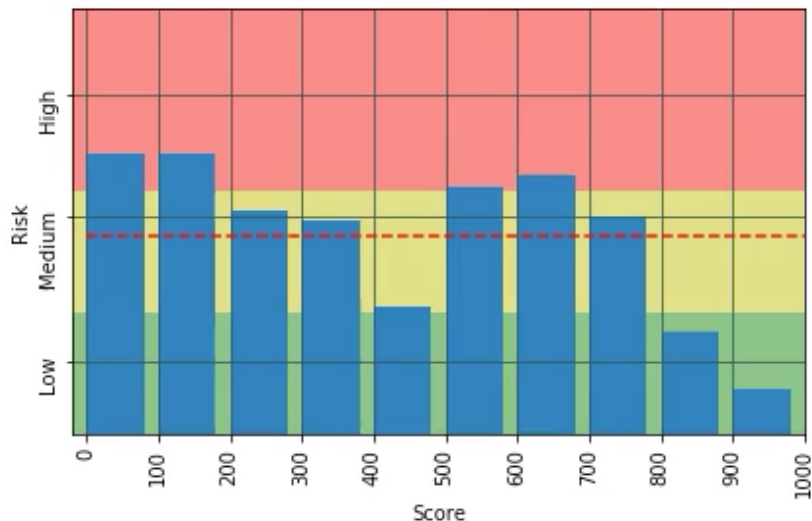
Funds moved

1.1B

Consumer DDA & IDs
in database

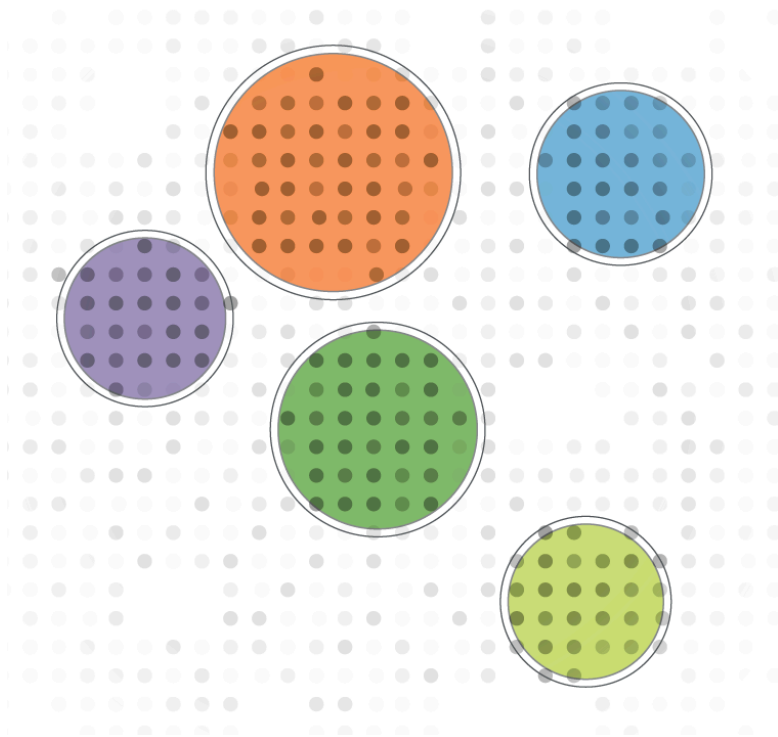
Custom Credit Scores

Predictive Analytics Techniques



- Multi-disciplinary AI approach
- Machine trained classifiers to maximize the separation of data
- Explainable for fair credit and lending decisions
- AI models are customized to business and improve over time

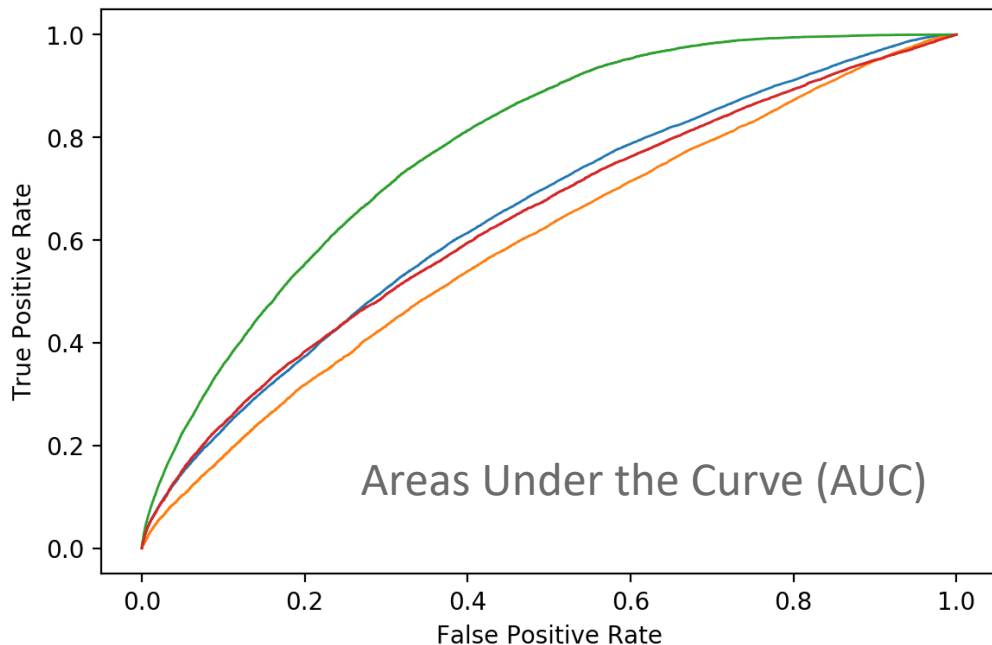
Microclimate™ Credit Scores



Predictive analytics
customized to your:

- GEOGRAPHY
- CHANNEL
- SEGMENT
- PRODUCT

Predictive Lift Through Customization



The predictive measure of how many creditworthy applicants are correctly identified as creditworthy.

Marrying Machine and Human Expertise

Quickly custom tailor credit models to changing market conditions, and your business needs.



Navigating the New Essentials

1



Relevant and
Timely Data

2



Custom Scores by
Market, Channel
and Segment

3



Ability to Move
Quickly in a
Dynamic Market

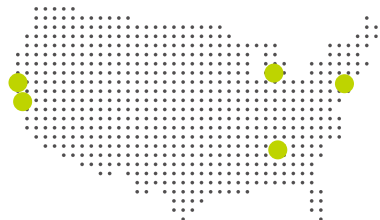
Attendee Questions

What's on your mind?

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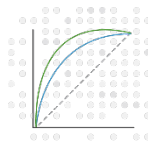


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Thank You

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