Equifax Insight Score™ for Personal Loans empowers FinTech lenders to approve a full spectrum of consumer loans

New credit score optimized for personal loan originations combines alternative data, AI, trended consumer credit data and more to help lenders expand credit offers

ATLANTA, April 8, 2019 /PRNewswire/ --Equifax has developed Insight Score™ for Personal Loans, a risk score optimized to help lenders evaluate applicants seeking unsecured personal loans. According to consumer credit data from Equifax, a global data, analytics and technology company, personal loan originations in 2018 were $95 billion, an increase of 15 percent as compared to 2017.

Insight Score for Personal Loans uses advanced modeling techniques by combining Equifax unique data assets from telecommunications, utility and trended data and artificial intelligence to help cover a broad spectrum of consumer profiles with respect to personal loans. In addition, to help with predictive power, the model uses Equifax's patented NeuroDecision™ Technology, a machine learning technique that has the ability to identify consumers of various credit profiles to help align with a company's risk tolerance. Notably, the neural network model improves performance and accuracy as compared to older modeling methods. Therefore, it gives financial institutions the ability to make faster credit decisions when reviewing unsecured loan applicants.

Insight Score for Personal Loans does not require consumer-contributed financial data, which allows lenders to extend credit offers without requiring applicants to submit financial account credentials.

"A consumer's credit risk is multi-dimensional and requires more assessment than a traditional credit score can provide," said Sharla Godbehere, Online and AtlFi Financial Services leader at Equifax. "Insight Score for Personal Loans can help lenders develop greater predictive power and improve accuracy when evaluating applicants that are considered credit invisible or underbanked. Consumers will appreciate the frictionless experience."

In an early analysis of Insight Score for Personal Loans, application portfolios for a prime personal loan lender and a subprime consumer finance lender both experienced significant results. The prime lender had a 14 percent performance lift, meaning it could have approved $580 million of incremental loans without incremental loss rate. The subprime consumer

finance lender had a 16 percent performance lift, resulting in more than $100 million in additional loan volume without incremental loss rate.

Also, to help FinTech lenders attract more customers, Insight Score for Personal Loans can be configured to help lenders provide relevant credit offers to qualified applicants.

"Ultimately, we want to help lenders say 'yes' to more applicants, more often," said Godbehere.

The Equifax Model Risk Management Group following the Equifax Model Risk Management Policy and the Supervisory Guidance on Model Risk Management (i.e. OCC 2011-12 or FRB SR 11-7) independently validated this model.

About Equifax
Equifax is a global data, analytics, and technology company and believes knowledge drives progress. The Company blends unique data, analytics, and technology with a passion for serving customers globally, to create insights that power decisions to move people forward. Headquartered in Atlanta, Equifax operates or has investments in 24 countries in North America, Central and South America, Europe and the Asia Pacific region. It is a member of Standard & Poor's (S&P) 500® Index, and its common stock is traded on the New York Stock Exchange (NYSE) under the symbol EFX. Equifax employs approximately 11,000 employees worldwide. For more information, visit Equifax.com and follow the company's news on Twitter and LinkedIn.

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