

LASO

Expand Your Addressable Lending Market and Lower Your Costs with Proven Data Science and Technology that Bridges the Past with the Future



Financial Institutions spend as much as \$3,000 originating a small business loan while businesses spend up to 33 hours on loan paperwork. Marrying *smart* technology with *the right* data, LASO can help you deliver a better applicant experience and approve more borrowers at a lower cost.

What is LASO?

LASO is a small business lending platform powered by risk-based pricing, automated decisioning and servicing. LASO enables financial institutions to combine their low cost of funds with LASO's technology and data science to intelligently approve and quickly fund small business customers profitably.



Why Use LASO?

- Expand Product Offering
- Reduce Credit Risk
- Accelerate Application Process and Funding
- Retain Existing and Attract New Business Customers
- Lower Origination and Servicing Expenses
- Widen Profit Margins
- Eliminate Human Error and Bias in Underwriting

Create a Better Applicant Experience

- Eliminate Paper Applications
- Provide Automated Credit Decisions in Seconds
- Offer Instant, Adjustable Terms
- Expedite Funding for Existing Customers

Enable applicants to apply for a loan and receive funds in as little as 10 minutes

Expand Your Addressable Lending Market

- Increase the Size of Your Borrower Pool
- Offer Small Dollar Loans, Profitably
- Acquire New Business Customers Looking For Access to Capital

Make loans as small as \$5,000 and lend to customers that would otherwise be denied credit without right data

Lower Origination and Servicing Overhead

- Fully Automate Underwriting, Processing and Funding
- Enable Applicants to Digitally Adjust Terms and E-Sign Legal
- Reconcile Thousands of Payments Daily, Without Labor

Reduce origination, underwriting, and servicing costs by as much as 90%

"LASO will fundamentally alter the way financial institutions originate and service small business loans, enabling them to strengthen the bond with their existing customers and attract new ones. We're delighted for this solution to foster small business lending and drive top and bottom line growth for financial institutions."

- Greg Raab, Executive Director of FASI

How LASO Benefits Borrowers and Financial Institutions



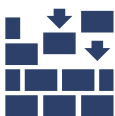
Improved Applicant Experience

- Allows adjustment of loan terms on screen to suit financial needs
- Accepts digital signatures for loan documentation, avoiding the typical wait for paperwork preparation
- Reduces time applying for a loan from an average of 33 hours to as little as 3 minutes



Mitigates Credit Risk

- Employs advanced machine learning to automatically analyze bank account transactions and data from trusted third parties to better predict small business credit risk
- Uses a custom-built small business risk score that has been validated by a major credit bureau to effectively rank-order default risk, enabling intelligent risk-based pricing



Preserves Customer Relationship

- Delivers needed capital directly to customers instead of referring them to 3rd party lenders, increasing a financial institution's profit while avoiding brand dilution
- Approves more loans using configurable loan terms, loan amounts and credit knockout criteria, preserving customer relationships while balancing risk appetite

Leverage the LASO Network to Increase Funding Capacity And Reduce Credit Risk

First Loss Capital

Obtain first loss capital on all loans originated through LASO, reducing credit exposure while increasing profitability

Off-Balance Sheet Loan Sales

Orchestrate sales of loans originated through LASO, retaining and monetizing customers

Network Effects

Adapt quickly to loan performance trends by incorporating data science aggregated from LASO's portfolio of clients

Tangible Benefits / Desired Outcomes

- Build or expand your digital lending business in less than 3 months
- Avoid costly, time consuming implementations and integrations with a plug and play solution
- Leverage a small business risk scoring product that more accurately predicts credit risk than other commercial cred scoring products
- Use real-time bank account transaction history to predict credit risk instead of variables that don't speak to a business' current financial health such as (i) owner credit history, (ii) aged financial statements, and (iii) financial ratios such as LTV

Laso and Equifax partnerships

- Equifax performed a validation study on the Laso Score – a small business risk score trained on over \$2B in loan decisioning. In it's study, Equifax found the Laso score to be a superior indicator of small business credit risk as compared to legacy scoring products.

Laso and Microsoft partnerships

- Laso and Microsoft joined forces to deliver a turnkey, fully automated small business lending platform. Using Microsoft Azure Machine Learning for cloud computing and predictive analytics, Laso has been used to profitably issue over 5,000 loans totaling \$450M in less than 4 years.

Choose a state-of-the-art small business lending solution that has a track record of driving top *and* bottom line growth.

