

Lender*VP

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Enhanced Decision Model

Powered by a partnership between CUA and Experian

 **CUA*ANSWERS**
Management Services



What is the model?

CU*Answers has partnered with Experian, a recognized consumer credit bureau leader in consumer and expert in credit risk management and modeling to bring an additional decision model to the network. Using data from thousands of both performing and delinquent credit union loans, Experian has created three unique decision templates to suit the lending needs of your credit union.

This model, similar to the 247 Lender model is bureau agnostic. You can feel free to work with the vendor of your choice – the model can support TransUnion, Equifax or Experian, whatever is best for your geographic location.



How is this different?

This model offers flexibility unmatched to what has been seen before. We know that member and non-members can be evaluated differently from an underwriting stand point – it makes sense as we have more details on members. We also know that various loan types are looked at differently – a credit card and a auto loan for example. That is the same way this tool work. Three templates are given which offer different scoring criteria to help you quick sort through applications. The three templates are:

1. Unsecured or Credit Cards
2. Direct member automobile
3. Indirect member automobile

The individual templates are great and will suit many CUs needs. But, in addition to that, you now could have the option to adjust the parameters within those templates. If you have a specialized need or attribute within your membership that is key to your underwriting, you may have the ability for the decision model to focus in on that. Lastly, if you choose, you can work with Experian to build your own custom decision model. You can have unlimited templates and attributes.

What will is cost?

Option 1: \$2500 one time fee + \$2 per app

Option 2: \$5000 one time fee + \$2 per app

Option 3: \$25K minimum one time + \$2 per app

Pricing Proposal for end-clients of CU*Answers		Updated on: 02/05/2016
Decisioning initiative:	Instant credit decisioning for clients of CU*Answers	
Decision area(s):	Acquisition Credit underwriting	
Line(s) of business:	Vehicle finance; credit card; consumer unsecured loans	
Channel(s):	Web, call center and/or branch	
Client calling system:	CU*Answers	
Interface method:	NetConnect	
Functionality in-scope:	Inquiry:	Personally identifiable information and up to 10 application-elements on inquiry.
	Data:	Experian, TransUnion or Equifax credit data
	Attributes:	Premier Attributes (up to 50 used in criteria, returned with response and/or analytical file)
	Scores:	FICO scores
	Decisioning:	Up to 15 pending policies and 3 approval policy (in total for all lines of business , assuming 1 approval policy for each template), use of attribute functions are in-scope.
	Response:	Decision, credit data and score(s) returned with online response; analytical batch file for "client-defined thresholds" and "full customized criteria" only
Functionality excluded:	Excludes custom attributes; custom models: Strategy Design Studio and mortgage line of business	
Infrastructure duration:	12-15 weeks after requirements approved to user acceptance testing	
End-client Implementation for templated criteria:	2 weeks after onboard request to user acceptance testing	
Monthly minimum fee:	\$200 per month (for decisioning)	
Contract term:	3 year term	
Price Expiration Date:	3 months from delivery of Pricing Proposal	

Price Summary

Base pricing (templated criteria*):	One-time setup fees	Transaction fees
Decisioning fee (Strategy Management, Attribute Toolbox and hosting services)	---	\$2.00
Premier Attributes (up to 50 returned with response)	---	\$0.25
Experian set-up fees – per bureau, per template implemented	\$2,500	---

*Decisioning criteria is based on the pre-defined criteria by Experian's Global Consulting Practice.

Base pricing (client-defined thresholds on templated criteria**):	One-time setup fees	Transaction fees
Decisioning fee (Strategy Management, Attribute Toolbox and hosting services)	---	\$2.00
Premier Attributes (up to 50 returned with response)	---	\$0.25
Experian set-up fees – per bureau, per template implemented	\$5,000	---

**Decisioning criteria is based on the pre-defined criteria created by Experian's Global Consulting Practice but threshold changes are applied per client definition.

Base pricing (Full customized criteria):	One-time setup fees	Transaction fees
Decisioning fee (Strategy Management, Attribute Toolbox and hosting services)	---	\$2.00
Premier Attributes (up to 50 returned with response)	---	\$0.25
Experian set-up fees ⁶ minimum	\$25,000	---

Experian Ancillary products and services:

Experian credit bureau and score (FICO Score) ¹	---	current price
Income Insight and Debt-to-income Insight (available as an option with full customized solution) ²	---	\$0.30
EIRC for Auto (available as an option with full customized solution) ²	\$2,500	\$0.25
Analytical file (available as an optional product in client-defined threshold or full customized solutions)	\$1,500	\$0.00

Additional comments and assumptions:

1. Pricing for Tarns Union/Equifax credit profiles and ancillary products will be contracted and invoiced direct from other bureau and NOT through Experian.
2. Income Insight, DTI and EIRC for Auto are only available with Experian credit data access.
3. CU*Answers will be considered an 'agent' and Experian will contract directly with end-clients.
4. Experian's Global Consulting Practice will build up to 3 products/risk-level strategies, limitations for strategies listed in top section.
5. Assumes output of score and attributes used in decisioning.
6. End-client requesting full customized criteria will receive a separate pricing proposal based on their specific requirements.

Are decisions pulled for every app?

You may choose each time an application is submitted if you want to run a decision model or not and you also may choose what delivery channels are set up to run the decision model. The system also looks at your configured retention setting to avoid pulling a new report and decision if there is already a current one on file.

How does it work?

You will partner with Experian to set up the template(s) of your choice and the potential customization. When an online app is submitted or when an employee requests a new credit report, CU*BASE calls out to Experian for a credit report, it is at time the decision model is run. Or if you are using another bureau, Experian will call out to that bureau and then run the application through the model. The application with credit report are returned to the credit union, where this decision is indicated. The decisions of 'pass', 'fail' or 'review' will be visible in your lending queue (tool #2).

Do I have to configure the model?

Your input and views on lending will be necessary but you will partner with an Experian product expert and they will complete the set up for you. Depending on the strategy you choose, the Lender*VP team may assist with some configuration as well. Overall, minimal effort is needed on the part of the credit union. The whole idea is to give you a proven, sound decision model that was ready to hit the ground running.

What's the next step?

Contact Lender*VP at lendervp@cuanswers.com for more info or to get started!

Who We Are

Lender*VP delivers to your credit union a team of experienced lending professionals that will work with you to drive the success of your loan department. The Lender*VP team has years of on-the-street credit union lending experience, combined with an intimate knowledge of CU*BASE tools. We can make sure you know what products you need, get them off the ground quickly, and drive them to success.

Discover More

Visit us online at: lendervp.com to learn more about our offered products and services, or call 800-327-3478 and ask to speak with the Lender*VP team today!

Lender*VP

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