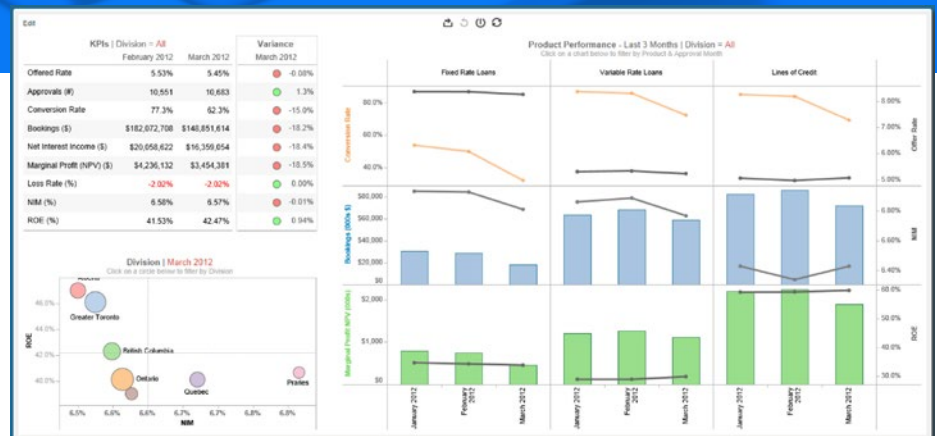


NPO for Unsecured Personal Lending

Achieve growth, profitability, and risk/stability goals for your portfolios through advanced software and a strategic, scientific, and closed-loop pricing process. Proven to deliver results, Nomis Price Optimizer™ allows managers at retail banks to analyze portfolios, run what-if scenarios, and develop pricing strategies that are optimized for their specific goals.

Unique Capabilities

Know what happened — and why — as you manage your unsecured personal lending portfolio using key metrics that drive your business.



Portfolio Reporting and Analytics

Tap into a rich suite of pre-defined, product-line-specific reports

- Monitor and analyze historical and ongoing portfolio performance.
- Track and review standard metrics, including your own rates, competitive rates, volume, expected losses, and profitability (e.g., marginal net income after taxes).
- Evaluate performance at a granular level by interactively slicing, filtering, and drilling down into the data.
- Analyze your data more deeply by exporting the views and associated data to other applications.

Understand what might happen as you forecast balances, margin, and other KPIs

Predictive Models: Forecast relevant customer behavior and the corresponding impact on volumes as a function of multiple key factors

- Build your view of customer behavior using price, competitive factors, and customer, market, and product characteristics.
- Leverage proven Nomis predictive models (booked-to-approval), and optionally, those built by your own analytics team.

Profit Model: Generate key cost/loss, income, and profitability metrics.

- Define your own inputs using industry-standard, parameterized, product-line specific profit models
- Analyze at any level, from individual customer accounts all the way up to your full portfolio

Global Assumptions Management: Manage input parameters and assumptions.

- Ensure that model assumptions are relevant to the underlying predictive and profit models.
- Maintain version control and make audits easy.
- Develop global assumptions and enforce them in all scenarios and pricing actions

- Support local assumptions that apply to user-specific scenarios.
- Easily manage assumptions by importing from and exporting to Excel.

Scenario Analysis and Reporting: Forecast the impact of proposed pricing tactics with various business, competitive, and market assumptions.

- Compare business-as-usual baselines to alternate scenarios.
- Project impact of decisions on volume and profitability KPIs.
- Calculate expected metrics across hundreds of thousands of micro-segments.
- Evaluate alternate pricing tactics and assumptions and understand the resulting expected KPIs.
- Analyze the results and drill down to understand the impact on individual micro-segments.
- Export results to Excel and PDF for pricing committee reviews.

	Scenario Compare - KPIs			Var vs. Volume Maximizing	
	Volume Maximizing	Midpoint	Profit Maximizing	Midpoint	Profit Maximizing
Published Rate	4.57%	5.56%	6.18%	● 1.02%	● 1.62%
Discretion	-0.49%	-0.49%	-0.49%	● -0.01%	● 0.00%
Offered Rate	4.08%	5.09%	5.70%	● 1.01%	● 1.62%
Approvals (#)	4,545	4,545	4,545	● 0.0	● 0.0
Bookings (#)	3,001	2,743	2,659	● -250	● -343
Conversion Rate	66.0%	60.4%	58.5%	● -5.7%	● -7.5%
Bookings (\$)	\$70,629,948	\$65,339,955	\$62,147,800	● -7.49%	● -12.01%
Avg Loan/Line Amount	\$23,535	\$23,819	\$23,376	● 1.21%	● -0.67%
Avg Monthly Balance	\$7,494	\$7,536	\$7,379	● \$42	● (\$115)
Avg Utilization	30.73%	30.52%	30.44%	● -0.21%	● -0.29%
Net Interest Income (\$)	\$8,164,951	\$8,852,894	\$9,159,597	● 8.42%	● 12.19%
Marginal Profit (NPV) (\$)	\$1,511,573	\$2,034,269	\$2,267,905	● 34.58%	● 49.90%
Annual Avg Loss Rate (Exp)	-1.81%	-1.78%	-1.78%	● 0.03%	● 0.03%
NIM (%)	5.69%	6.70%	7.31%	● 1.01%	● 1.62%
ROA (%)	1.82%	2.50%	2.88%	● 0.68%	● 1.06%
ROE (%)	50.37%	69.49%	80.25%	● 19.12%	● 29.88%

Optimize Prices and Set Constraints Based on your Specific Business Goals

- Portfolio Price Optimization: Simultaneously determine a complete set of prices that will optimally achieve your desired business goals while satisfying constraints and operational pricing rules.
- Maximize performance by analyzing hundreds of thousands of segments.
- Leverage our industrial-grade, constrained, non-linear optimization solver through a businessfriendly UI.
- Create pricing scenarios with a primary portfolio objective to maximize net income after taxes.
- Include secondary goals or limits such as to maintain current forecasted volume levels.
- Limit the extent of price changes with operational pricing rules (constraints); impose a specific relationship between the rates of different segments (for example, rates increase with risk and decrease with amount).
- Lock prices for cells where prices cannot or should not be changed.
- View optimized rates and recommended changes, along with the corresponding results, in detailed scenario reports.
- Override prices post-optimization, blending science, art, and experience to produce a nuanced pricing strategy proposal.

Strategic Efficient Frontier Analytics

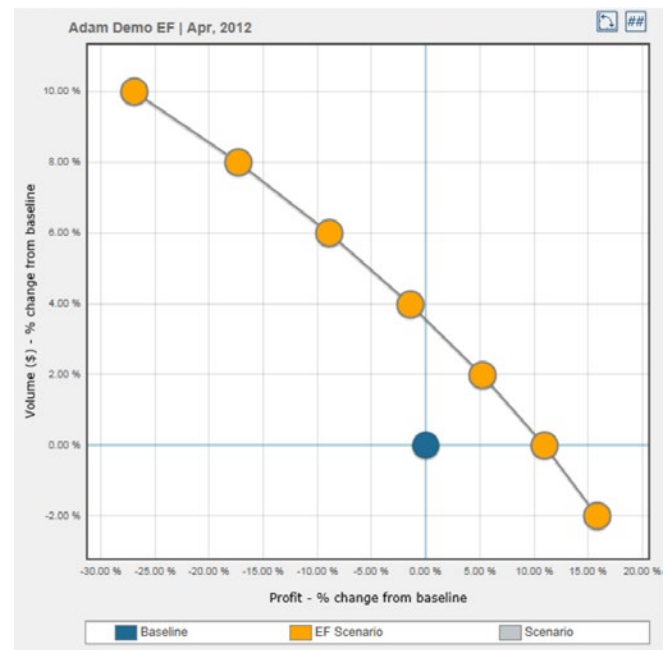
Visualize a series of optimized pricing scenarios that achieve the optimal trade-off between volume and profits

- Generate multiple efficient frontiers based on varying sets of assumptions.
- Support strategic conversation about what is achievable through pricing and the opportunity and cost of each scenario.
- Access the detailed pricing and results underlying each scenario.

Price List Management

Create and publish price lists from pricing scenarios.

- Export approved final price lists to import into your rate distribution or core systems.



NPO for UPL also offers: Performance monitoring to track actual portfolio performance against expectations, with actual-vs-forecast reports to identify segments that have a high variance and to understand the reasons why; strategy analysis to compare and analyze the actual performance of alternate in-market pricing strategies between test and control markets or champion and challenger strategies (a key component of a closed-loop test and learn process); and secure big-data management, with a

variety of primary and third-party data feeds that are processed through Nomis' data and analytics. NPO for UPL is a part of a comprehensive suite of advanced decision-support and frontline pricing solutions for retail bank deposits, mortgage, and lending. If you are responsible for the UPL portfolio in a retail bank and would like to leverage NPO for UPL to help you and your bank reach your goals, please contact Nomis at (650) 588-9800 or info@nomissolutions.com



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About Nomis

Nomis is a fast-growing FinTech focused on ensuring on-going value creation for the world's smartest financial institutions through optimized, end-to-end, customer-centric pricing capabilities. Institutions of all sizes leverage Nomis' unparalleled domain expertise and their market-leading Nomis Platform™ to operationalize cutting-edge Big Data and AI to understand and anticipate customer demands, competitor actions, and market dynamics.

Nomis has a proven track record of increasing customer and stockholder value, returning nearly \$800 million to its partner banks every year.

[Learn more](#)

