



THE INTERSECT FUND

Rohan Mathew

Executive Director

Goals

Establish multiple lines of credit

Easy to underwrite

Facilitate transition with commercial credit

Use as decline and pre-business loan product

Link with business training

Why secured card?

Relationship with a commercial bank

Small, manageable credit limit

Longer-term relationship

Easier to obtain for clients with poor credit

Transactional flexibility



\$29 annual fee

22.9% APR

\$200-3,000 credit limit

Graduation to unsecured card

Approval and funding can be done instantly online

Partially-secured deposit based on risk (25%-100%)

Credit Inform

Sources

\$200

line of credit

\$400

installment loan

Uses

\$400

check to borrower

\$200

secured card deposit

Terms

0% interest

\$75 closing fee

12-month term

\$56.25 monthly
payment via ACH

Requirements

Over 18

No adjustable rate mortgage

No active bankruptcy

No child support or tax arrears

No late rent or mortgage payments in last 12 mos.

At least \$1,000 in monthly income

Bank account

Application

Takes 2-3 minutes

Requires only off-hand figures (i.e. no docs)

Can be completed using intake form

Paperless

The image shows a tablet displaying a 'Loan Application' form. The form is titled 'Loan Application' and has a 'Cancel' button on the left and a 'Done' button on the right. The form is divided into several sections:

- Contact Information:** A table with fields for Name (Rohan Mathew), Street Address (109 Church Street), City (New Brunswick), State (NJ), Zip Code (08901), Home Phone (732-447-1324), Cell Phone (XXX-XXX-XXXX), and E-mail address (if applicable).
- Financial Information:** Fields for Household Size (2), Do you have a checking account? (ON), Do you have a savings account? (OFF), Total Bank Balances (\$200), and Monthly Income.
- Loan Request:** Fields for Loan Purpose (Credit Builder) and Loan Amount (\$600).
- Use of Funds:** A text input field.

Underwriting

Instant pre-approval using scorecard

50-60% pre-approval rate

Required documents: *Photo ID, Proof of Address, Proof of Income, 4 references*

Average turnaround time is 48 hours

Loan Request & Terms

15% Interest Rate
Compounding Interest
12 month Term

\$600
loan amount requested

\$54
monthly payment

The loan will be used for savings.

Household Summary

1 adults
0 children
1 household size

n/a
current ratio
12.5%
payment coverage

44.1%
housing ratio
0.0x
leverage ratio

Income & Expenses

Monthly Income

Wage Income	\$1360
Business Income	0
Other Income	0

Monthly Expenses

Housing	\$600
Food	145
Transportation	50
Cell Phone	50
Miscellaneous	84
Debt Payments	0

Total Monthly Income **\$1360**

Total Monthly Expenses **\$929**

Disposable Income — \$431

Assets & Liabilities

Assets

Cash	\$350
Car 1	0
Car 2	0
Real Estate	0
Other Assets	0
Total Assets	\$350

Liabilities

Credit Cards	\$0
Car Loans	0
Student Loans	0
Mortgage	0
Other Liabilities	0
Total Liabilities	\$0

Net Worth — \$350

Credit History

Last collection

Closing

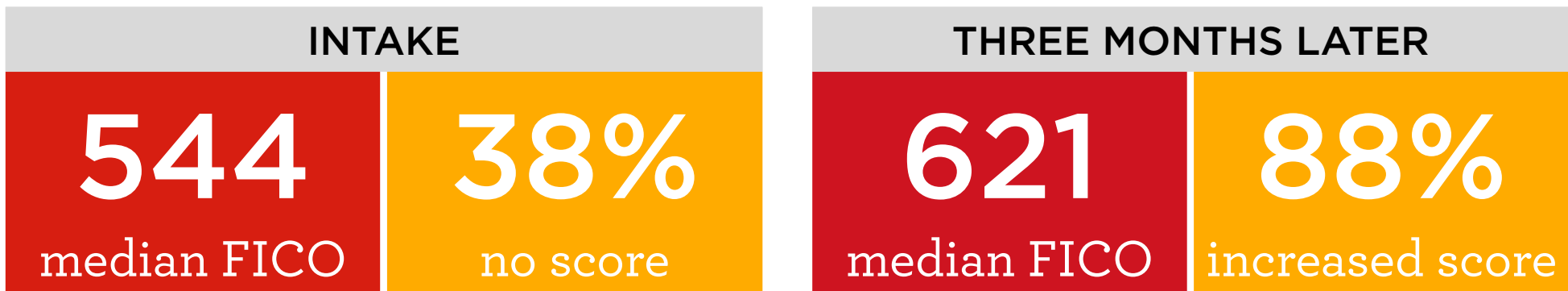
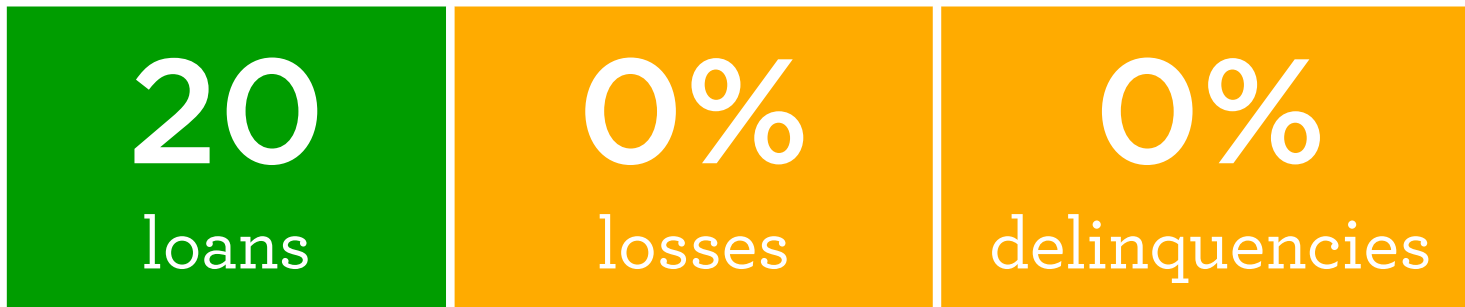
Closing docs automatically generated

Borrower applies online for Capital One card

If approved, deposit is submitted online via ACH

Results

Launched product in August 2010



Problems/Issues

Borrower does not get approved for secured card

Accounts frozen for fraud because many deposits coming from single bank account (ours)

“Know your customer” regulations

Language barrier