



NEWS RELEASE

DecisionLogic Announces 100 Million Consumers Empowered With Its Pioneering Bank Account & Identity Verification Solutions

2/21/2024

Reporting Borrowers' Real-Time Transactional Data is Far Superior to Latent Credit Score & Reveals Fascinating Consumer Spending Trends

SAN DIEGO--(BUSINESS WIRE)-- DecisionLogic, a trailblazing FinTech company specializing in advanced bank account and identify verification solutions, today announced it has surpassed the 100 million consumers serviced mark. This achievement spotlights San Diego-based DecisionLogic's success at revolutionizing the financial services industry with its state-of-the-art Software-as-a-Service platform, which enables lenders to instantly qualify borrowers using their real-time banking histories rather than relying on the traditional credit score.

Since its inception in 2011, DecisionLogic has been at the forefront of FinTech, revolutionizing the landscape of alternative financial data with its disruptive instant account verification. By providing real-time access to comprehensive financial transaction data and analytics, DecisionLogic empowers lenders to make informed decisions, reduce risk, and enhance the overall customer experience. DecisionLogic's 100 million customers include consumers of merchant lenders, consumer finance companies, tenant verification servicers, auto lenders, mortgage brokers, payday and cash installment lenders, retailers, and financial institutions in Australia, Canada, United Kingdom, United States and New Zealand.

"We are so proud to have reached 100 million consumers. It's personal — we set out to help lenders bring access to capital to consumers across the financial landscape because we've all been in that awkward position where credit

scores don't sufficiently represent income. That has now changed forever," said David Evans, CEO of DecisionLogic. "When we started DL, clients first questioned if what we said we could do was even possible. Now, no one disputes that real-time banking data is hugely powerful for modeling and underwriting. As the only company that stands behind every bank statement it processes, we have also enjoyed helping grow small businesses that borrow as well as all our clients who depend on us every day to optimize their portfolios. We all navigate the complex regulatory landscape and Open Banking has been huge, and our DL user experience has made that smooth and easy for everyone to participate."

"Our partnership with DecisionLogic has been vitally important in advancing the availability of open banking opportunities for consumers and small businesses in a secure and transparent way. We've found true collaboration with the team at DecisionLogic and have worked closely to further enhance our products and features," said Behram Panthaki, Akoya Chief Operating Officer.

"Over the course of the five years that DecisionLogic has been a Fiserv data aggregation client, our shared emphasis on data reliability and stability has enabled DecisionLogic to deliver user-friendly asset verification functionality that is efficient, quick and reliable, helping millions of consumers gain timely access to funds they need through a variety of lenders," said Kevin Hughes, Aggregation and Information Services Director at Fiserv.

"Congratulations on this milestone! We appreciate DecisionLogic's support for and efforts in FDX and the Open Finance/Open Banking community these last five years. We look forward to many more," said Don Cardinal, FDX Managing Director.

DecisionLogic's ability to accurately evaluate and report on borrowers spending histories in real-time can provide a fascinating glimpse into consumer spending behavior:

- **Income Stability Scores:** DecisionLogic's proprietary scoring system examines the trajectory of the Average Income Stability Score which fell 4 points in 2022. This is the equivalent of an astonishing 37-point decline to an individual's credit score. Consumers' income stability took a huge hit following COVID and has never completely recovered. In 2023, this number has only grown back up by 1 point. This paints a picture of how individuals employment conditions are impacted by macro-economic factors beyond the usual reported metrics.
- **Tsunami of Overdraft Fees:** In 2015 DL reported an already hefty average of \$188 in overdraft burden per borrower per year, but it only got more expensive from there. The average overdraft in 2023 grew to an alarming \$429, sending consumers running for alternative banking solutions. The why could be regulatory action which has cracked down on interest rates on short-term loans in states like California and Illinois. This has caused a significant rise in consumers using overdrafts to cover fund shortages, and with that comes exorbitant service fees. Banks are not required to disclose the APR on one-day overdraft fees.

- **The Rise of Digital Banking Apps:** Moving beyond traditional banking, the surge in the use of non-traditional banking and digital banking apps was inevitable growing from .014% usage in 2018 with a staggering 750% growth to 1.19% in 2023.
- **Amazon Purchasing Patterns:** Amidst the burgeoning e-commerce landscape, the staying power of Amazon purchasing habits have prevailed. In 2019 the average transaction on the web-based behemoth was a mere \$142.50 whereas the new normal finds that has escalated to \$218.47 in 2023.
- **Streaming Services Overload:** In 2015 the multi-verse of subscribers to streaming services reported only using one service (most commonly Netflix), with conventional cable TV services starting their precipitous decline. “Skip intro” to 2023 and streaming entertainment has doubled in consumption along with the long list of subsequent fees, while cable television subscriptions have nosedived. From 2015 through 2023 we saw Prime Video growing from 6% to 35% reach across DL consumers, with Netflix holding steady in the 25%-29% range and Apple TV exploding from almost nowhere to 27% reach. DirectTV has gone from 8% to less than 2% over the same timeframe.

Evans says, “In addition to passing 100 million consumers our database has passed 9 billion transactions. This massive trove of data continuously strengthens our ability to identify and categorize income and expenses, and develop better analytics for our clients, while the trends help reveal financial behavior better than ever. We are excited to continue to work responsibly with machine learning and AI to bring these insights to practical applications in the marketplace.”

About DecisionLogic

DecisionLogic is a San Diego-based leading provider of advanced bank and identify verification software enabling lenders to instantly verify a potential borrower’s banking information online and in real-time. DecisionLogic’s SaaS platform addresses multiple pain points for both lenders and borrowers, solving for inefficiency and fraudulent reports while improving accuracy. DecisionLogic aims to improve the loan process and increase economic opportunity by offering disruptive technologies, a commitment to data quality and superior customer support. For more information, visit <https://www.decisionlogic.com>

Kim A. Merrill, Merrill Marketing Communications, 619-857-2782, kim@merrillmarcom.com

Source: DecisionLogic