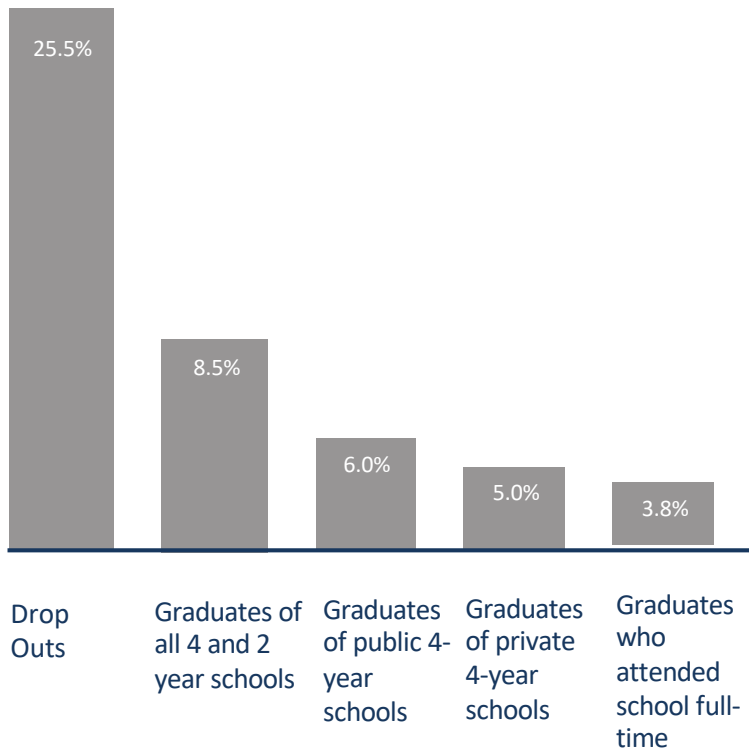




SMaRT™ (Student Merit and Risk Test) Behavioral Underwriting Identifies Low Risk Borrowers

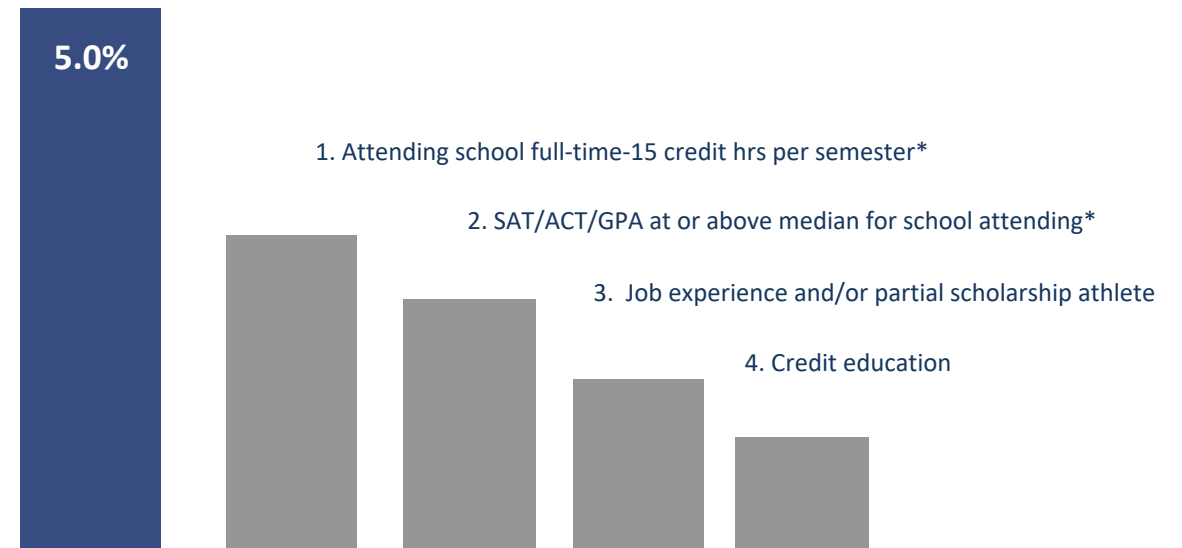
Student Loan Default Rates

Default rates over the past 25 years are tightly correlated to degree completion, type of school, and full or part time status. **The average loan default rate of graduates of 4-year not-for-profit colleges is 5.0%.**



Further Default Risk Reduction

FundingU’s automated credit model pre-selects for student behavior that predicts on-time graduation and employment. The Company’s credit model uses additional behavioral and academic markers that further reduce risk.



* Default Risk and Private Student Loans: Finance and Economics Discussion Series, Felicia Ionescu and Nicole Simpson, Federal Reserve Board, Washington, D.C., December 15, 2015 and other sources.