



## NXTsoft and Upstart Partner to Streamline Delivery of AI-Based Lending Platform to Banks and Credit Unions

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BIRMINGHAM, Ala. & SAN MATEO, Calif.--(BUSINESS WIRE)--Jun. 23, 2021-- NXTsoft ([nxtsoft.com](https://nxtsoft.com)), the market leader in secure, comprehensive and complete API connectivity, and Upstart (NASDAQ: UPST), a leading AI lending platform provider, today announced a partnership that will enable Upstart to more efficiently implement its all-digital AI lending platform to any U.S.-based financial institution.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20210623005369/en/>



Quote from David Brasfield, CEO of NXTsoft, on the partnership with Upstart, a leading AI lending platform partnering with banks and credit unions to expand access to affordable credit.(Photo: Business Wire)

Upstart's AI model leverages over 1,000 variables and advanced machine learning algorithms to enable more accurate risk-based pricing and greater automation. With Upstart, bank and credit union

partners can approve up to 3x the number of borrowers at the same loss rates as traditional FICO score-based models<sup>1</sup> with near-zero default rates<sup>2</sup>. In addition, Upstart offers an all-digital lending experience to borrowers allowing them to apply from any device at any time with over 70%<sup>3</sup> of funded loans being fully automated with no human interaction.

As a result of integration with NXTsoft's APIs, financial institutions will now be able to more quickly integrate Upstart's AI platform into their existing services. NXTsoft's OmniConnect has established API connectivity to 99% of all U.S.-based core systems and can provide API connectivity between these core systems and any ancillary fintech solution. NXTsoft has been in the API marketplace for over 25 years and has numerous partners and over 1,000 financial institutions that currently utilize its OmniConnect secure API solution to transmit data real-time between core systems and ancillary applications.

"We want to help our bank and credit union partners quickly and successfully deploy Upstart to lend to more creditworthy borrowers through a modern, all-digital experience," said Michael Lock, senior vice president of lending partnerships for Upstart. "NXTsoft offers Upstart-powered banks and credit unions a proven approach to integrate our AI lending platform into their existing core systems and workflow to accelerate time to value and be in market with a new offering for their customers."

Upstart was created to help solve the massive inefficiencies in the credit market. For thirty years, the industry has relied on credit scores and a handful of variables to make lending decisions, resulting in very inaccurate assessments of a borrower's true credit worth. As a result, only 48%<sup>4</sup> of consumers in the U.S. have access to prime credit even though 80% of them have never defaulted on a loan. This disparity is a direct result of the limited information available to financial institutions to make better credit assessments.

"Upstart's mission is to enable effortless credit based on true risk, and NXTsoft's mission is to enable effortless connectivity between Fintech and financial institutions," said David Brasfield, CEO of NXTsoft. "NXTsoft is excited to partner with Upstart to streamline and scale their ability to onboard new partners to their smarter, AI-based credit decisioning that facilitates a modern, all-digital lending experience."

### About NXTsoft

NXTsoft is headquartered in Birmingham and has offices in Orlando, Atlanta, and Denver. NXTsoft is the market leader in secure, comprehensive, and complete workflow API connectivity, connecting Fintech companies to banks and credit unions throughout the United States. NXTsoft's other solutions include data security, data analytics, data management and data migration. NXTsoft's products and services help businesses secure, connect and optimize their data to maximize revenue opportunities, enhance profitability, and mitigate cybersecurity risk. For more information visit [nxtsoft.com/why\\_nxtsoft](https://nxtsoft.com/why_nxtsoft) or email [info@nxtsoft.com](mailto:info@nxtsoft.com) or call 1-800-915-3381.

### About Upstart

Upstart (NASDAQ: UPST) is a leading AI lending platform partnering with banks to expand access to affordable credit. By leveraging Upstart's AI platform, Upstart-powered banks can have higher approval rates and lower loss rates, while simultaneously delivering the exceptional digital-first lending experience their customers demand. More than two-thirds of Upstart loans are approved instantly and are fully automated. Upstart was founded by ex-Googlers in 2012 and is based in San Mateo, California and Columbus, Ohio.

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[1] In an internal study, Upstart replicated three bank models using their respective underwriting policies and evaluated their hypothetical loss rates and approval rates using Upstart's applicant base in late 2017. Such result represents the average rate of improvement exhibited by Upstart's platform against each of the three respective bank models.

[2] Based on an internal Upstart data analysis of personal loans first payment defaults as of 9/30/2020.

[3] Percentage of Loans Fully Automated. As of 03/31/2021. We define Percentage of Loans Fully Automated as the total number of loans in a given period originated end-to-end (from initial rate request to final funding) with no human involvement divided by the Number of Loans Transacted in the same period.

[4] According to an Upstart retrospective study completed in December 2019.

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