

People, planet, prosperity: Verity Credit Union's journey towards inclusive lending



The Zest Effect

235%

AVERAGE LIFT IN APPROVALS ACROSS PROTECTED CLASSES

84%

INCREASE IN INSTANT CREDIT CARD APPROVALS

100%

INCREASE IN INSTANT AUTO APPROVALS

Generic scoring models weren't enough

Verity Credit Union's slogan is "People, Planet Prosperity," demonstrating their commitment to inclusive and sustainable lending. Their unique loan products, such as solar panels and bicycles, allow their community to access credit and save money on utilities. As a Community Development Financial Institution (CDFI), Verity also works with grant funds to develop even more unique lending opportunities to serve underserved communities.

However, relying on generic scoring models ensured that qualified members were left out. Biased and inaccurate methods led to unreliable decisioning, and Verity needed a solution that would stop inconsistencies and bias in their tracks. In their search for AI vendors, Zest AI's commitment to inclusive lending and ability to seamlessly integrate with their LOS made it their best bet for AI-automated underwriting.

Verity Credit Union

ASSETS

\$859M

MEMBERS

40k

LOS

meridianlink

CREDIT BUREAU

experian™

PRODUCTS

auto, credit card, personal loan, Zest Lending Intelligence Reports

Out with bias, in with AI

With Zest AI's fast, inclusive technology integrated into their lending ecosystem, Verity was able to approve more protected class borrowers and those within middle-lower credit tiers. This included a raise in approvals by **271% for individuals aged 62+, 177% for African Americans, 375% for Asian Pacific Islanders, 194% for women, and 158% for Latinos.**

Expanding CDFI opportunities

Because Verity can confidently lend across the credit spectrum, they have been able to qualify for even more CDFI-funded opportunities. They now offer no-minimum CDs, Sharia-compliant loans, and a microgrant program aimed at lending to historically marginalized businesses with an asset size of under \$250,000.

Faster lending for member delight

In addition to inclusivity gains, Zest AI's technology has also allowed Verity to bring their members fast, instant decisions. Verity increased their automated approvals by **100% for auto loans, 69% for personal loans, and 84% for credit cards.** Members who may have been historically denied access to credit can instantly start their journey towards financial success.

Harnessing insights for sustainable growth

For every credit decision that Verity makes, they can gain deeper insights into loan performance using Zest AI's Lending Intelligence Portfolio reporting solution. They can proactively tackle delinquencies, monitor credit migration, and adjust credit policy for an optimized lending process.

"Partnering with Zest AI empowers us to lend deeper with confidence, allowing us to maintain our CDFI funding and pursue new grants to develop unique loan products such as no-minimum CDs and our limited equity co-op program. Zest AI's technology paves the way for us to continue serving the underserved, find even more ways to support our members, and amplify our community impact."

Elisabeth Hayes,
Director of Lending

Trusted and mission aligned

Since 2009, Zest AI has been innovating and perfecting AI credit underwriting technology. A CUSO and pioneer in the field, with over 500 active models, Zest AI aims to make best-in-class AI underwriting technology available and accessible to all credit unions.