

Quiz: Lending Club Credit Modeling

Due Feb 17 at 3:30pm

Points 2

Questions 2

Time Limit 10 Minutes

Instructions

This is an individual quiz with a 10 minutes limit.

Attempt History

	Attempt	Time	Score
LATEST	Attempt 1	2 minutes	2 out of 2

Score for this quiz: **2** out of 2

Submitted Feb 5 at 8:32pm

This attempt took 2 minutes.

Question 1

1 / 1 pts

What is the trend over time of average interest rates that Lending Club charges to its borrowers?

Correct!

- ☒ It has been going up over the years, especially for low credit borrowers
- ☐ It has been steady over time.
- ☐ None of the answers are correct.
- ☐ It has declined over time, especially for weak-credit borrowers.

Question 2

1 / 1 pts

Is the credit model used by Lending Club a state-of-the-art algorithm?

Correct!



No. Other external investors can make extra return by cherrypicking the best loans among the ones within the same rating level.



Yes. Lending Club hires the best data analytics experts.



No. Lending Club algorithm has a mistake in the code.



Yes. Lending Club uses a wealth of proprietary data, incorporates more data points for each borrower, uses best-in-class modeling techniques, and uses dozens of new custom attributes that are predictive in assessing risk.

Quiz Score: **2** out of 2