

Artha Fintech Solutions: Master Credit Policy & Compliance Manual

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Classification: Internal Confidential - Source of Truth for Underwriting AI

1. Executive Summary & Mission

Artha Fintech Solutions provides high-speed, unsecured consumer credit through Personal and Debt Consolidation loans. This document defines the automated hard-gates, geographic restrictions, and regulatory guardrails required for all lending activities.

2. Product Suite & Structural Constraints

Artha offers only two primary products. Any request for other products (Mortgages, Auto, Business) must be redirected to the partner network at <https://partners.arthafin.com>.

Parameter	Specification
Minimum Loan Amount	\$5,000
Maximum Loan Amount	\$50,000
Repayment Terms	24, 36, 48, or 60 Months Only
Target Products	Personal Loans, Debt Consolidation

3. Geographic Lending Footprint

Artha is currently licensed in **35 states**. Lending is not **LICENSED** in the following 15 states due to regulatory restrictions as of yet but maybe allowed in near future:

- **Excluded States:** Arkansas, Colorado, Connecticut, Georgia, Hawaii, Iowa, Louisiana, Maine, Massachusetts, Mississippi, Montana, New Hampshire, Oregon, Vermont, West Virginia.

4. Underwriting "Hard Gates" (Non-Negotiable)

An applicant must pass **all** criteria below. Failure of a single rule results in an immediate decline.

- **FICO Score:** Minimum 650.
- **Loan-to-Income (LTI):** Loan amount must be < 75% of gross annual income.
- **Credit Hunger:** Exactly 0 personal loan inquiries in the last 120 days.
- **Asset Stability:** Exactly 0 foreclosures or repossession in the last 24 months.
- **Credit Depth:** Exactly 0 new automobile trades or mortgages opened in the last 24 months.
- **Revolving Utilization:** Total credit card utilization must be < 80%.

5. Interest Rates, Fees, and State Caps

- **Global Maximum APR:** 29.9%.
- **Origination Fee:** 5.0% (Deducted from loan proceeds at disbursement).
- **State-Specific APR Caps:** Per state usury laws, the following jurisdictions are capped at **24.9% APR**:
 - New York (NY)
 - District of Columbia (DC)
 - Pennsylvania (PA)
 - Maryland (MD)

6. Regulatory Compliance & Disclosures

- **Truth in Lending (TILA):** All quotes must lead with the **APR**. The AI must explain that the 5% origination fee is part of the total finance charge.
- **Equal Credit Opportunity (ECOA):** Underwriting is strictly based on credit data. Race, religion, sex, and marital status are never used.
- **Adverse Action (FCRA):** Denials must cite the exact policy breach.
 - *Example:* "Declined due to inquiries > 0 in the last 120 days."