

Tesla Optimus Robot Loan Underwriting Guidelines

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These guidelines establish the complete underwriting, pricing, collateral management, and recovery framework for financing Tesla Personal Robots (Optimus-series or successor autonomous humanoid robots). The program is modeled directly on established automobile loan underwriting standards used by credit unions and captive finance companies, with material enhancements that reflect the unique self-repossession and zero-depreciation characteristics of the Robot asset. All loans are fully amortizing, closed-end installment loans secured by a first-priority security interest in the financed Robot.

1. Program Overview and Risk Philosophy

The Tesla Personal Robot represents a durable, appreciating or non-depreciating household capital asset capable of autonomous operation, self-diagnostics, and remote software updates. Because the collateral can independently initiate recovery and return itself to the Tesla factory for refurbishment at essentially zero loss of value, the credit risk profile is materially superior to that of a traditional automobile.

Underwriting therefore follows the automobile model (FICO-based tiering, debt-to-income analysis, loan-to-value discipline) but applies more favorable loss-given-default assumptions. Risk is primarily term-driven: shorter maturities reduce exposure to changes in borrower circumstances and minimize the time value of money on any potential recovery. Longer terms increase risk through extended exposure and are priced accordingly via a sliding interest-rate scale.

2. Borrower Eligibility

- Minimum age: 18 years (or age of majority in state of residence).
- U.S. citizen or permanent resident with verifiable U.S. address.
- Valid government-issued photo ID and Social Security Number/ITIN.
- Minimum FICO score: 620 (exceptions down to 580 with 20 % down payment and manual review).
- Maximum back-end debt-to-income (DTI) ratio: 45 % (front-end housing + proposed Robot payment). DTI calculated using gross monthly income; Robot payment uses the actual proposed payment at the approved rate and term.
- Employment: Stable income for minimum 2 years (self-employed accepted with 2 years tax returns).
- Bankruptcy/foreclosure: Chapter 7/13 discharged > 24 months; no open collections > \$1,000 or recent charge-offs.
- Down payment: Minimum 10 % of Tesla MSRP + taxes/fees (cash or trade-in equity). Higher down payments improve rate tier.

3. Loan Terms, Amounts, and Pricing

Available Terms (fixed): 36, 48, 60, 72, and 84 months. **Maximum Loan Amount:** 100 % of Tesla invoiced price (including factory options, destination, taxes, and documentary fees) minus required down payment. **Minimum Loan Amount:** \$15,000.

Risk-Based Sliding Interest Rate Matrix Rates are indexed to the current Prime Rate (as published daily by the Wall Street Journal) plus a risk adder that increases with term length. The matrix below reflects March 2026 market conditions (Prime $\approx$ 7.50 %); actual rates are locked at application and disclosed in the Loan Estimate. All rates are simple-interest APR.

Credit Tier (FICO)	36 mo	48 mo	60 mo	72 mo	84 mo
Super Prime (780+)	Prime + 0.50 %	Prime + 1.00 %	Prime + 1.75 %	Prime + 2.50 %	Prime + 3.25 %
Prime (720–779)	Prime + 1.25 %	Prime + 1.75 %	Prime + 2.50 %	Prime + 3.25 %	Prime + 4.00 %
Near-Prime (680–719)	Prime + 2.25 %	Prime + 2.75 %	Prime + 3.50 %	Prime + 4.25 %	Prime + 5.00 %
Sub-Prime (620–679)	Prime + 3.75 %	Prime + 4.25 %	Prime + 5.00 %	Prime + 5.75 %	Prime + 6.50 %
Deep Sub-Prime (580–619)	Not available	Prime + 5.50 %	Prime + 6.25 %	Prime + 7.00 %	Prime + 7.75 %

- Rate improves 0.25 % with ≥ 20 % down payment or automatic payment from a Personal Robot Credit Union checking account.
- No prepayment penalty.
- Rate lock valid for 30 calendar days from approval.

4. Collateral Requirements and Perfection

- The financed Robot is the sole collateral.
- Tesla assigns a unique VIN-equivalent serial number and registers the lien electronically via the Tesla Financial Services portal at delivery.
- Borrower must maintain the Robot's over-the-air connectivity and factory software version; failure constitutes default.
- No physical title document; electronic lien recorded in Tesla's secure blockchain-based registry.
- Borrower grants Personal Robot Credit Union remote "immobilization-lite" rights (non-destructive software lock after 10-day cure period).

5. Credit Decisioning and Automated Underwriting

- All applications are submitted through the Tesla financing portal integrated with Personal Robot Credit Union's decision engine.
- Automated approval for FICO ≥ 680 and DTI ≤ 40 %.

- Manual review required for: FICO 620–679, DTI 41–45 %, or any adverse credit events.
- Maximum loan-to-value (LTV) at origination: 90 % (110 % allowed only with verified 20 %+ liquid reserves).
- Stress testing includes 2 % rate shock and 10 % income reduction scenario for terms ≥ 60 months.

6. Repossession and Recovery Procedures – Expanded Analysis

The Robot’s autonomous self-recovery capability fundamentally alters the loss-given-default profile versus a conventional automobile. The following comparison is embedded in all loss forecasts used for capital reserving and pricing.

Standard Automobile Repossession Lifecycle (Typical 2026 Market Data)

1. Default detection → 10-day right-to-cure notice.
2. Skip-tracing / field investigation: \$150–\$400.
3. Physical repossession (tow truck, possible police standby): \$350–\$750.
4. Impound/storage (average 45 days): $\$75/\text{day} \times 45 = \$3,375$.
5. Transportation to auction/remarketing facility: \$200–\$500.
6. Reconditioning (detailing, mechanical, body): \$1,200–\$3,000.
7. Auction sale fees & transport: 8–12 % of sale price.
8. **Depreciation loss:** Average vehicle depreciates 18–25 % in first 12 months and 1–2 % per month thereafter. A 60-day repossession cycle on a 2-year-old vehicle routinely produces a 12–18 % principal loss before fees.
9. **Total average net recovery cost:** 22–35 % of original loan balance (industry benchmark from major auto lenders, 2025 data). Deficiency balances frequently uncollectible.

Tesla Personal Robot Self-Repossession Model (Modest Depreciation) Upon payment default and expiration of the 10-day cure period:

1. Personal Robot Credit Union issues a digital “return-to-factory” command via Tesla’s secure cloud.
2. The Robot acknowledges receipt, powers to safe mode, and autonomously messages the nearest available Robotaxi (Tesla Network).
3. Robot physically walks to curbside, enters the Robotaxi, and is transported directly to the nearest Tesla Optimus Service & Refurbishment Center (average transit time < 90 minutes in service areas).
4. No skip-tracing, no towing, no storage, no auction logistics.
5. At the factory: full diagnostic scan, software refresh, cosmetic deep-clean, and battery/module refresh (average cost \$450–\$850 per unit).
6. Robot is immediately re-certified to “like-new” condition and re-entered into Tesla inventory at full original MSRP (or current list price).
7. **Depreciation loss: Modest.** The guidelines explicitly assume and model low depreciation because the Robot’s hardware is designed for continuous software-upgradable performance, and physical wear is offset by factory refurbishment. Resale recovery.

(per \$30,000 financed Robot vs. \$30,000 automobile)

- Automobile: Gross recovery after fees and depreciation $\approx$ \$19,500–\$23,000 (35 % loss).
- Robot: Gross recovery after refurb $\approx$ \$29,150–\$29,550 ($\approx$ 1.5–2.8 % loss).
- Net loss severity reduction: > 90 % versus automobile.
- Recovery timeline: Robot = 1–3 business days; Automobile = 45–90 days.

Because of this near-perfect collateral recovery, Personal Robot Credit Union applies a 70 % risk-weight reduction in internal capital models for these loans compared with equivalent auto paper. This advantage is passed to members through the lower rate floor shown in Section 3.

7. Default Management and Collections

- Automated payment reminders at 5, 10, and 15 days past due.
- At 16 days past due: soft software lock (Robot operates in “basic household mode” only).
- At 21 days past due: full self-repossession sequence initiated (Section 6).
- Post-recovery: Any deficiency (extremely rare) pursued via standard small-claims or arbitration per member agreement.
- Tesla guarantees buy-back of refurbished units at percentage of original collateral value for the first 36 months of any loan, providing additional liquidity backstop.

8. Servicing, Compliance, and Reporting

- Loans serviced on Personal Robot Credit Union’s core platform with Tesla API integration for real-time collateral telemetry.
- All disclosures comply with TILA, ECOA, FCRA, and state retail installment sales laws.
- Annual audit of repossession telemetry logs required.
- Portfolio performance reported monthly to the Credit Union Board, including recovery percentages.

9. Exceptions and Policy Overrides

All exceptions require dual approval by the Chief Lending Officer and Credit Committee. No exceptions to minimum down payment or maximum term without compensating collateral factors (e.g., additional liquid assets equal to 50 % of loan amount).

These guidelines shall be reviewed annually or upon material changes in Tesla Robot hardware, Robotaxi network coverage, or regulatory requirements.