

strategycorps 

THE FUTURE OF OVERDRAFTS

SURVEY RESULT WEBINAR

THURSDAY, APRIL 11, 2PM ET

Presented by Mike Branton & Dave Crook
StrategyCorps Partners

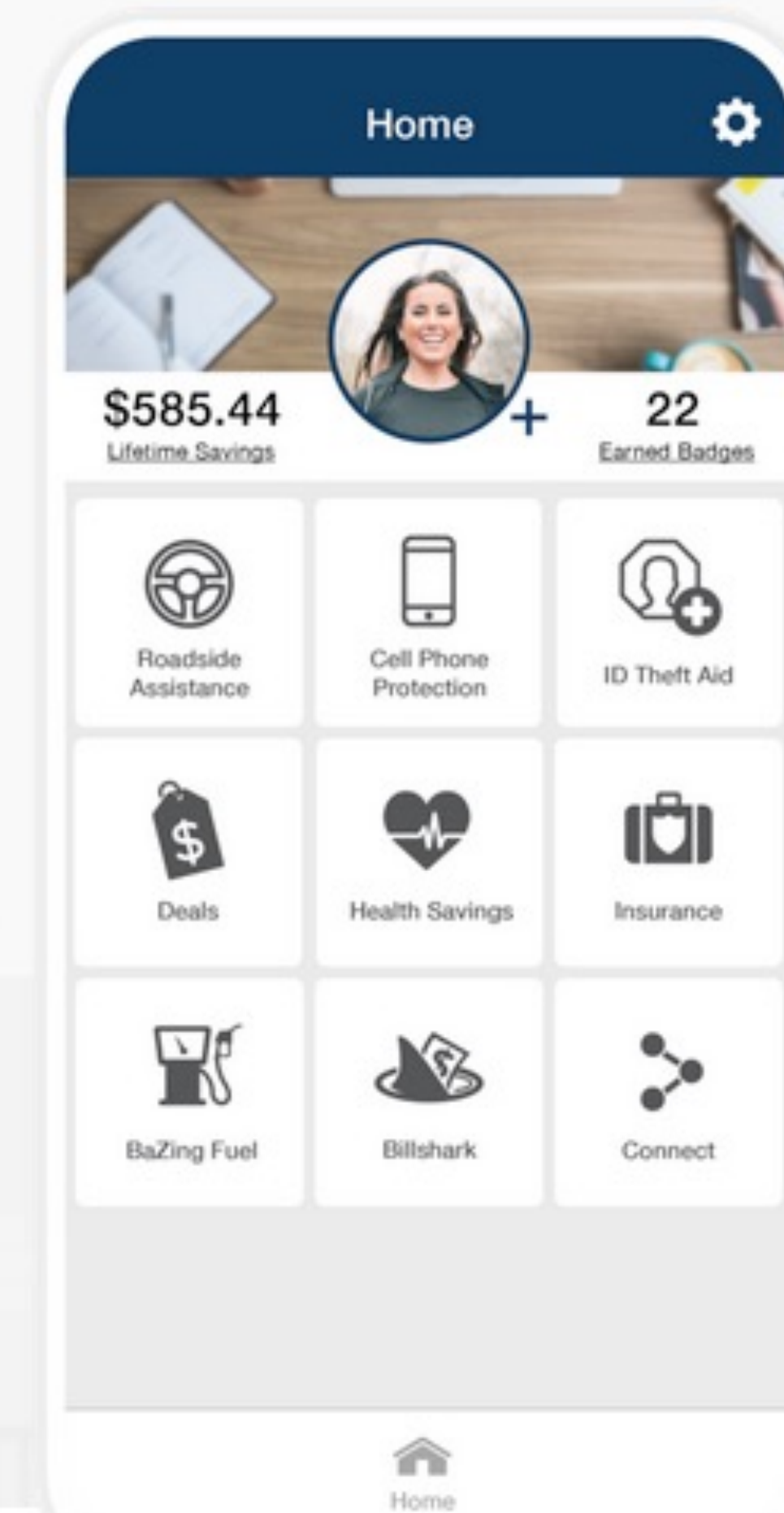


What StrategyCorps Does

Optimize Your Checking Performance

More financial productivity, better consumer and SMB engagement, increased primacy, less reliance on overdraft and penalty fees — all driven by actionable analytics and mobile-first products for retail and small business checking customers.

Retail and small business checking products are more important than ever in growing relationships, generating revenue, growing market share, and boosting or sustaining your earnings.



Our Solutions



CheckingScore

Identify who is a primary customer or member and who isn't. Benchmark your current checking performance. Discover actionable insights to implement a strategy to optimize checking performance and consumer connection.

[Learn More](#)



BaZing

Our customizable, white-label mobile rewards app brings modern, in-demand, mobile-first benefits to your checking account lineup. The result? Digital engagement like none you've ever seen and the ability to unlock the subscription revenue pricing customers prefer.

[Learn More](#)



CORNERSTONE
ADVISORS

REINVENTING CHECKING ACCOUNTS

RON SHEVLIN
Director of Research
Cornerstone Advisors

A WHITE PAPER COMMISSIONED BY
strategycorps

Cornerstone
ADVISORS

Reinventing Business Checking

The Key to Growing SMB Relationships

Ron Shevlin
Chief Research Officer
Cornerstone Advisors

Glenn Grossman
Director of Research
Cornerstone Advisors

Commissioned by
strategycorps

GETTING OVER AND BEYOND OVERDRAFTS

The Bankers' Perspective
2022

Banking Industry Research by
strategycorps

Revenue Recession Realities

The Bankers' Perspective

Banking Industry Research by
strategycorps

CORNERSTONE
ADVISORS

CREATING A FINTECH SUBSCRIPTION ENGINE

How Embedded Fintech Can Help Banks and Credit Unions Combat the Revenue Recession

Tristan Green, Director
Cornerstone Advisors

Ron Shevlin, Chief Research Officer
Cornerstone Advisors

COMMISSIONED BY
strategycorps

2023 Revenue Challenges What Bankers Are Planning

The Bankers' Perspective

Banking Industry Research by
strategycorps

Consumer and SMB Deposits

Outlook and Top Priorities for 2024

The Bankers' Perspective



THE FUTURE OF OVERDRAFTS

OVERDRAFTS IN THE REGULATORY CROSSHAIRS
WHAT'S YOUR PLAN?

CFPB Proposes Rule to Close Bank Overdraft Loophole that Costs Americans Billions Each Year in Junk Fees

English | [Español](#)

Rule would require nation's largest banks to apply longstanding consumer protections, including interest rate disclosures, to overdraft loans











JAN 17, 2024

Proposed Rule

The proposed rule would require very large financial institutions to treat overdraft loans like credit cards and other loans as well as to provide clear disclosures and other protections. Many banks and credit unions already provide lines of credit tied to a checking account or debit card when the consumer overdraws. The proposal provides clear rules of the road to ensure consistency and clarity.

The CFPB also is proposing to limit the longstanding exemption to overdraft practices that are offered as a convenience, rather than as a profit driver. The proposed rule would allow financial institutions to charge a fee in line with their costs or in accordance with an established benchmark. The CFPB has proposed benchmarks of \$3, \$6, \$7, or \$14 and is seeking comment on the appropriate amount.

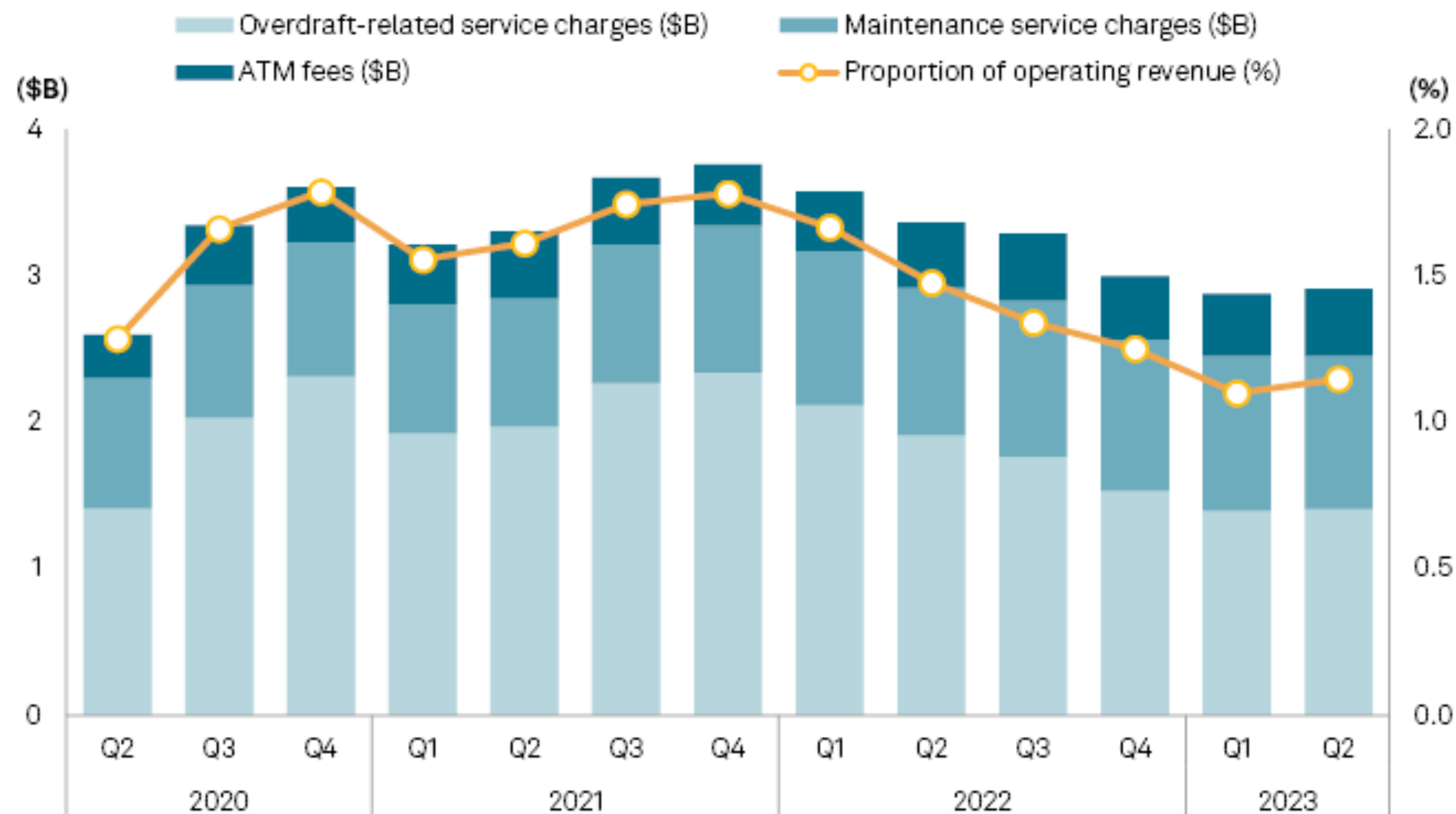


	OD Fee	max # per day	max \$ per day	Extended OD Fee	grace amount	grace period	2022 Changes
	\$34	3	\$102		\$50		\$0 for NSF; 1 day grace period; early direct deposit
	\$35	4	\$140		\$1		\$0 for NSF; reducing OD fee to \$10; \$0 OD transfer fee
	\$35	3	\$105			9 am next day	\$0 for NSF; early direct deposit
	\$34	4	\$136				eliminating all OD fees
	\$36	4	\$144	\$36 - 8 days			\$0 for NSF; \$50 grace amount; 24 hour grace period; smart alerts
	\$36	6	\$216	\$36 - 7 days	\$5		Truist one account with no OD fees; credit lines up to \$750; "alternative account" available with no OD Fees
	\$36	6	\$216	\$36 - 5 days			Truist one account with no OD fees; credit lines up to \$750; "alternative account" available with no OD Fees
	\$36	1	\$36		\$5	24 hours	\$0 for NSF. Low cash mode - alerts, grace periods, and transaction controls
	\$35	3	\$105		\$10		24 hour grace period; \$50 grace amount; balance alerts
	\$35	1	\$35		\$5	Next Day Grace	eliminating all OD Fees; will approve overdrafts up to unspecified amount if you've deposited \$250 in 2 out of previous 3 months; already had early direct deposit

Source: as of October 2021 per bank websites



Service charges and fees on consumer deposits



Data compiled Aug. 14, 2023.

Analysis limited to US commercial banks, savings banks, and savings and loan associations that disclosed in call reports that they offered consumer deposit products intended for individual, personal or household use. Only companies with more than \$1 billion in total assets are required to disclose the data, but some smaller institutions also disclose the information. Analysis excludes nondepository trusts and companies with a foreign banking organization charter.

Data based on regulatory filings.

Source: S&P Global Market Intelligence.

© 2023 S&P Global.



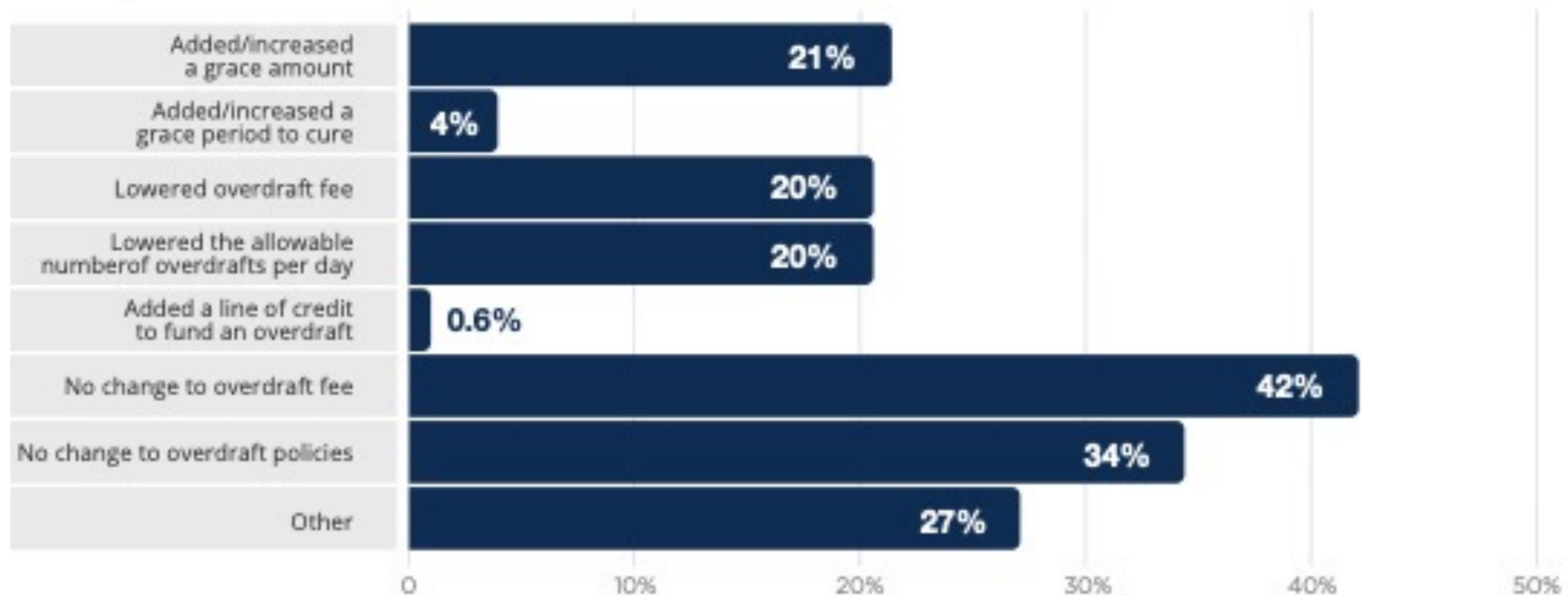
Spotlight Comparison

	Key Performance Metrics	Peer
1	Primary Accounts (Super/Mass)	65.38%
2	Non-Primary Accounts (Small/Low)	34.62%
3	Average Checking Balance	\$7,318
4	Annual Service Charges (Maintenance Fees)	\$10.58
5	Annual NSF/OD Fees	\$55.38
6	Annual Miscellaneous Fees	\$6.80
7	Annual Interchange Revenue Per Account	\$51.40
8	Monthly Debit Card Swipes Per Account	15.84
9	Percentage of Accounts with an E-Statement	43%
10	Percentage of Accounts that are Non-Interest Bearing	72%
11	Single Product Households	25%
12	% of Accounts with a Relationship Deposit	54%
13	% of Accounts with a Relationship Loan	23%
14	% of Accounts with Both Deposits and Loans	16%
15	Average Age of Primary Account Holder	51.58
16	% of Accounts with Primary Holder Over Age 50	54%



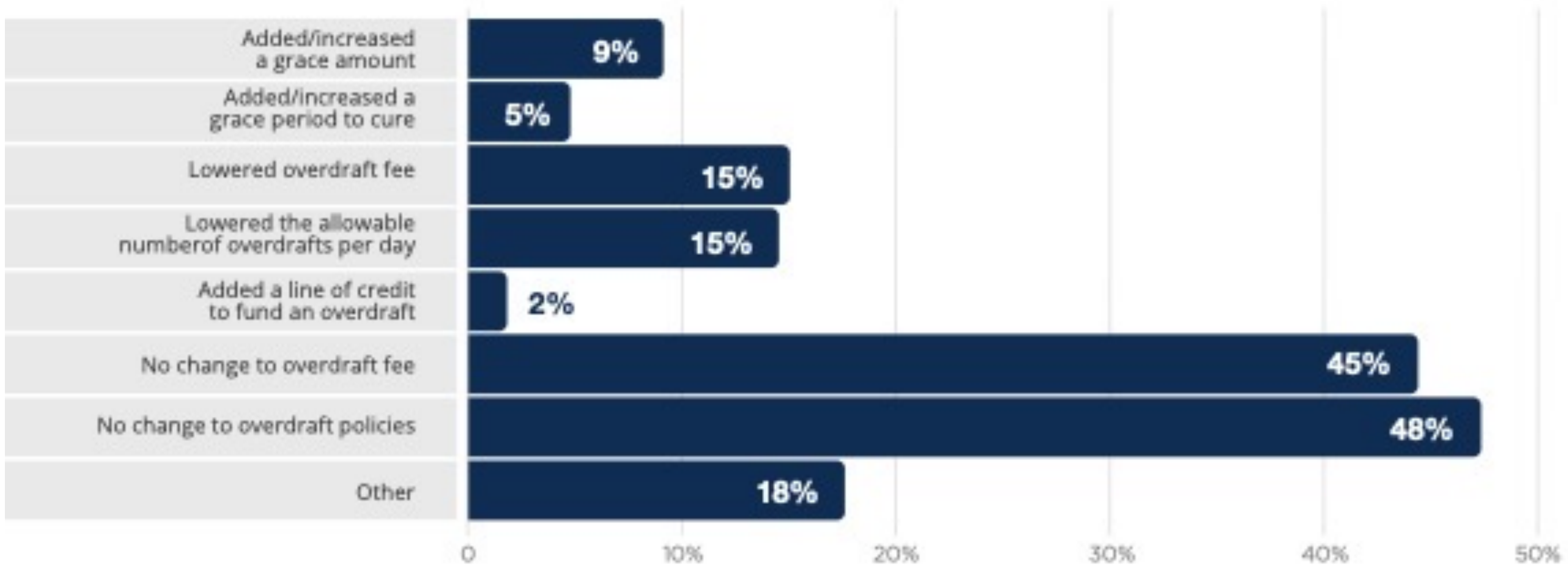
Question #2

What changes has your FI already made to its overdraft fee pricing and policies in the last 24 months for retail checking products?
(check all that apply)



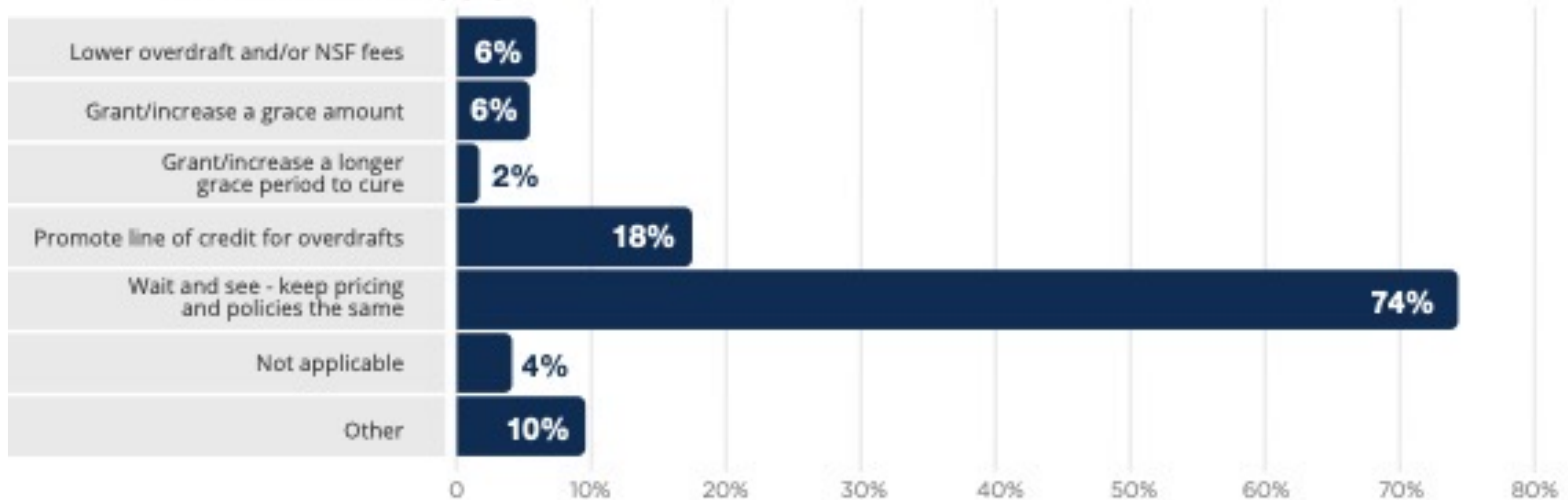
Question #3

What changes has your FI already made to its overdraft fee pricing and policies in the last 24 months for small business checking products? (check all that apply)



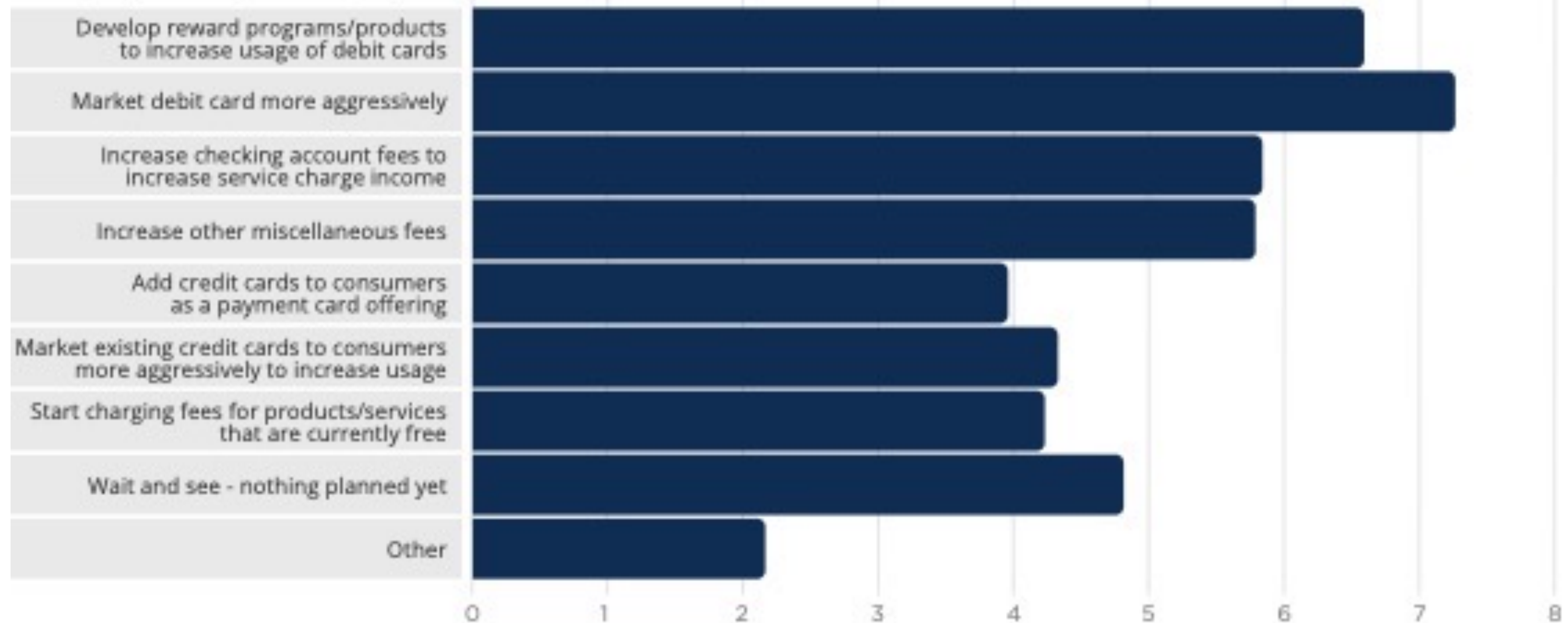
Question #6

If your FI is less than \$10 billion in assets, what's your next preemptive move in terms of overdraft pricing and policies given the CFPB proposal?
(check all that apply)



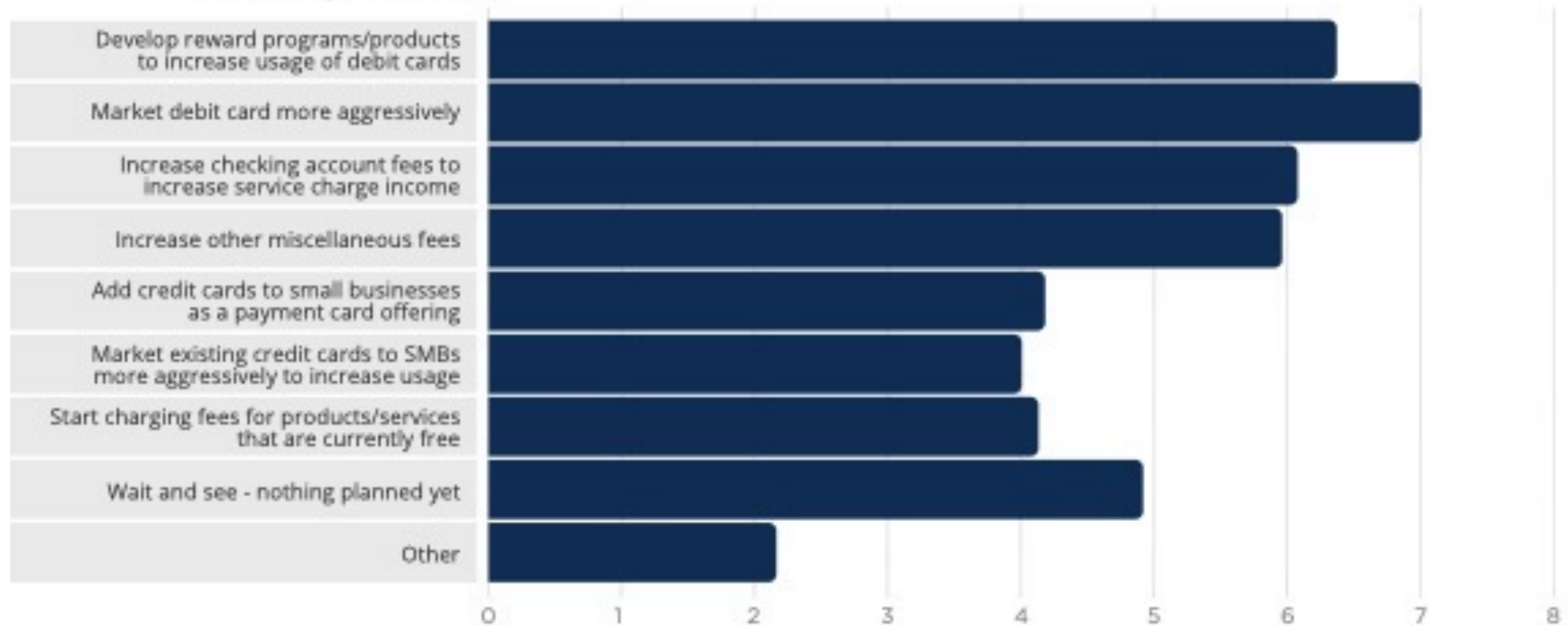
Question #8

What are your top 5 (in rank order) replacement fee revenue plans for the potential negative impact of the CFPB's overdraft proposal on retail checking revenue?



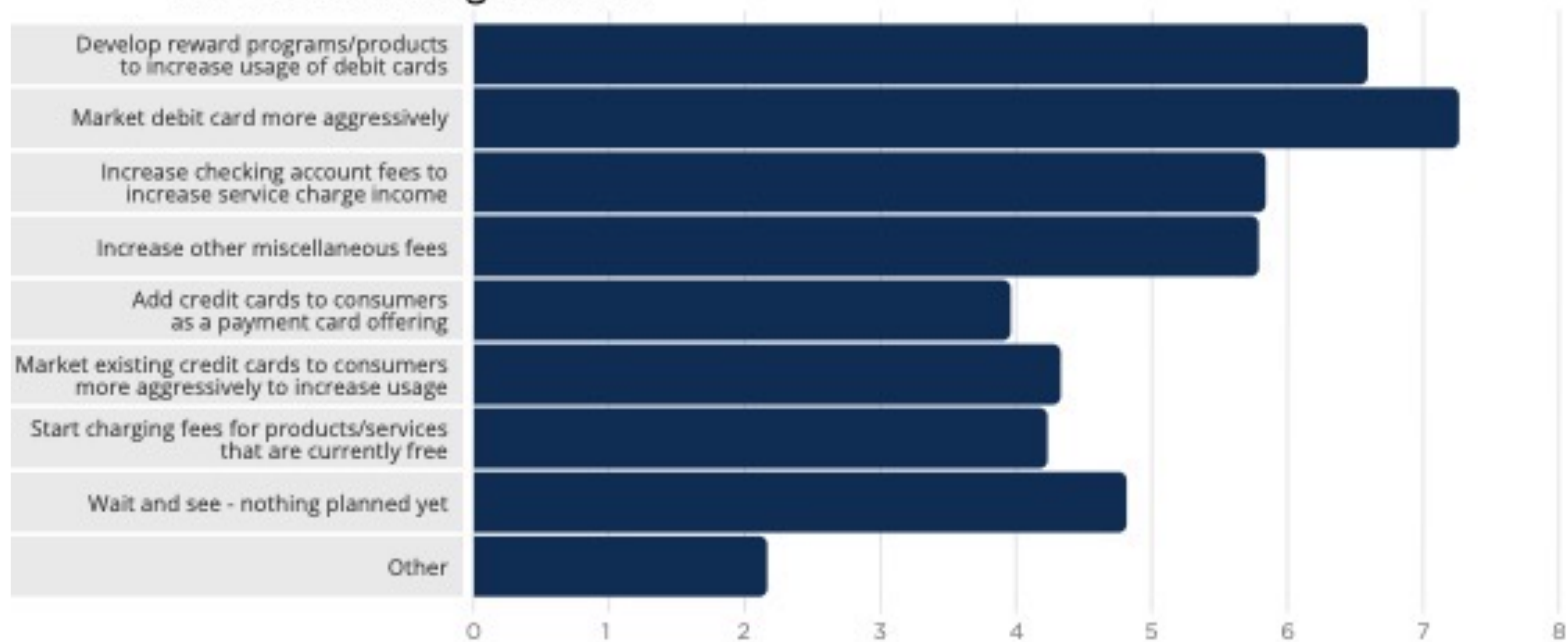
Question #9

What are your top 5 (in rank order) replacement fee revenue plans for the potential negative impact of the CFPB's overdraft proposal on small business checking revenue?



Question #8

What are your top 5 (in rank order) replacement fee revenue plans for the potential negative impact of the CFPB's overdraft proposal on retail checking revenue?



Organizing the Retail Checking Relationship Segments

Super

More than \$5,000
Annual Revenue

Mass

\$350 to \$5,000
Annual Revenue

Small

\$250 to \$350
Annual Revenue

Low

Less than \$250
Annual Revenue

11%

54%

9%

26%

Protect & Grow the Best Primary Customers by Providing Best of Class Product

Fix & Grow by Re-engaging the Non-Primary

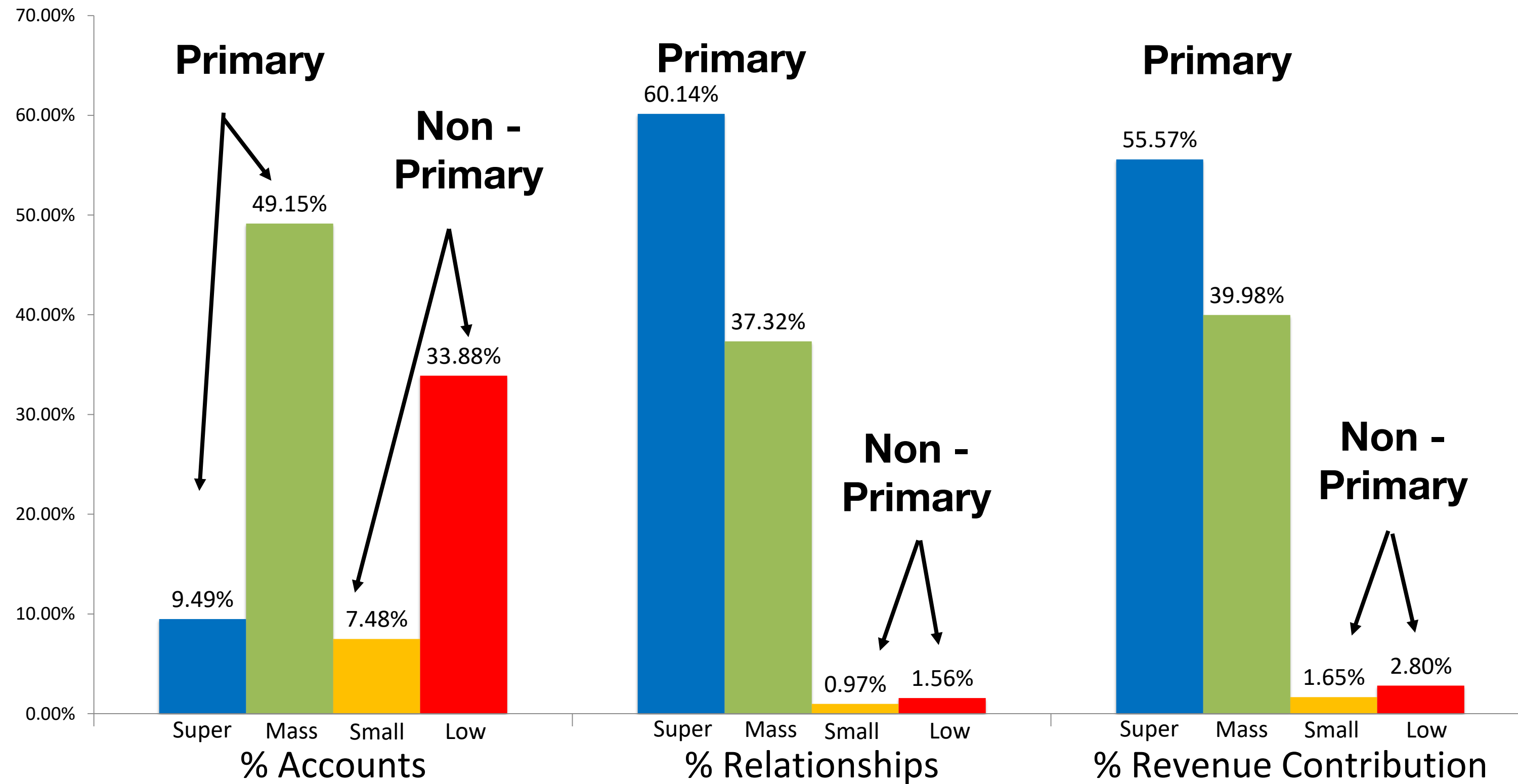
Primacy Line:

\$350 Annual

Revenue



A1 - Relationship Spotlight

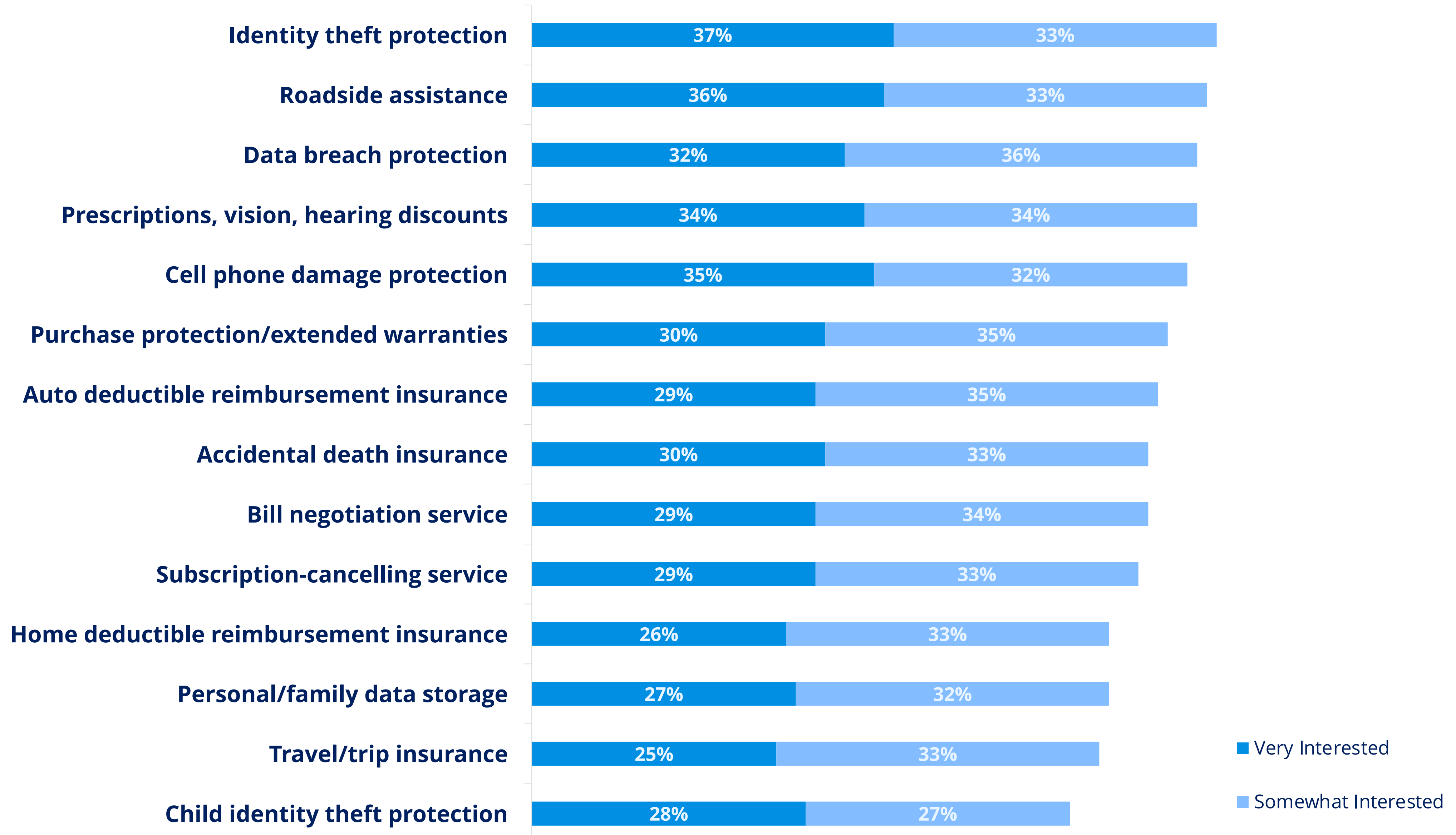


Column #	A	B	C	D	E	F	G	H	I
Segment	# Accounts	% Accounts	Peer Comparison	\$ Relationships	% Relationships	Peer Comparison	\$ Revenue Contribution	% Revenue Contribution	Peer Comparison
Super	18,701	9.49%	11.23%	\$3,665,599,260	60.14%	67.89%	\$98,416,794	55.57%	59.49%
Mass	96,861	49.15%	53.22%	\$2,274,847,153	37.32%	30.46%	\$70,801,219	39.98%	37.45%
Small	14,743	7.48%	8.40%	\$59,242,171	0.97%	0.69%	\$2,922,883	1.65%	1.32%
Low	66,777	33.88%	27.15%	\$95,067,309	1.56%	0.97%	\$4,966,609	2.80%	1.74%
Totals	197,082	100.00%	100.00%	\$6,094,755,894	100.00%	100.00%	\$177,107,505	100.00%	100.00%



How interested are you in getting services bundled with a checking account?

(A monthly fee, dependent on the number of services you choose, could apply)



Discover the money-saving benefits of your new **Checking Account.**

Here's what you'll get with each account:



Online Banking

Access your account anytime, from any computer with Internet access.



Mobile Banking

Check balances, make transfers, pay bills, and deposit checks with your phone.



Bill Pay

Decide which bills you want to pay and when.



Debit Card

A debit card in your name gives you the power to decide when to buy - and when to save.



eStatements

Skip the paper statement and go paperless with eStatements.



Member FDIC 
firstnationalbank.com

Lower your bills with BaZing.

Save money on the things you're already paying for.



Billshark³

Let our team of experts negotiate your internet, TV, cell phone, and home security services on your behalf, or cancel subscriptions you no longer want or need.



Roadside Assistance

Available 24/7 and free to use, covers up to \$80 in covered service charges.



Health Savings Card

Save money on prescriptions, eye exams, frames, lenses and hearing services.



Cell Phone Protection^{1,2}

Pay your cell phone bill with your BaZing checking account, and you're covered. We'll pay to have it repaired or replaced, up to \$400 per claim (maximum of \$800 per year).



ID Theft Aid^{1,2,3}

Identity Restoration and Payment Card Resolution: Identity restoration specialist works on your behalf to restore your identity, and cancel payment cards.

Personal Identity Theft Benefit: Receive \$2,500 reimbursement for covered expenses you incur to restore your identity.

Credit Monitoring and Credit Report: Monitor changes and new activity on your credit report and review your credit report quarterly.

Credit Score and Score Tracker: View your credit score online and track trends on your dashboard.

Score Simulator: Estimate how much impact one particular action could have on your credit health.

Identity Monitoring: Monitors the dark web to identify activity associated with your identity, including public records, change of address, social security, and non-credit loans.



\$10,000 Travel Accidental Death Coverage²

Peace of mind for the unexpected.



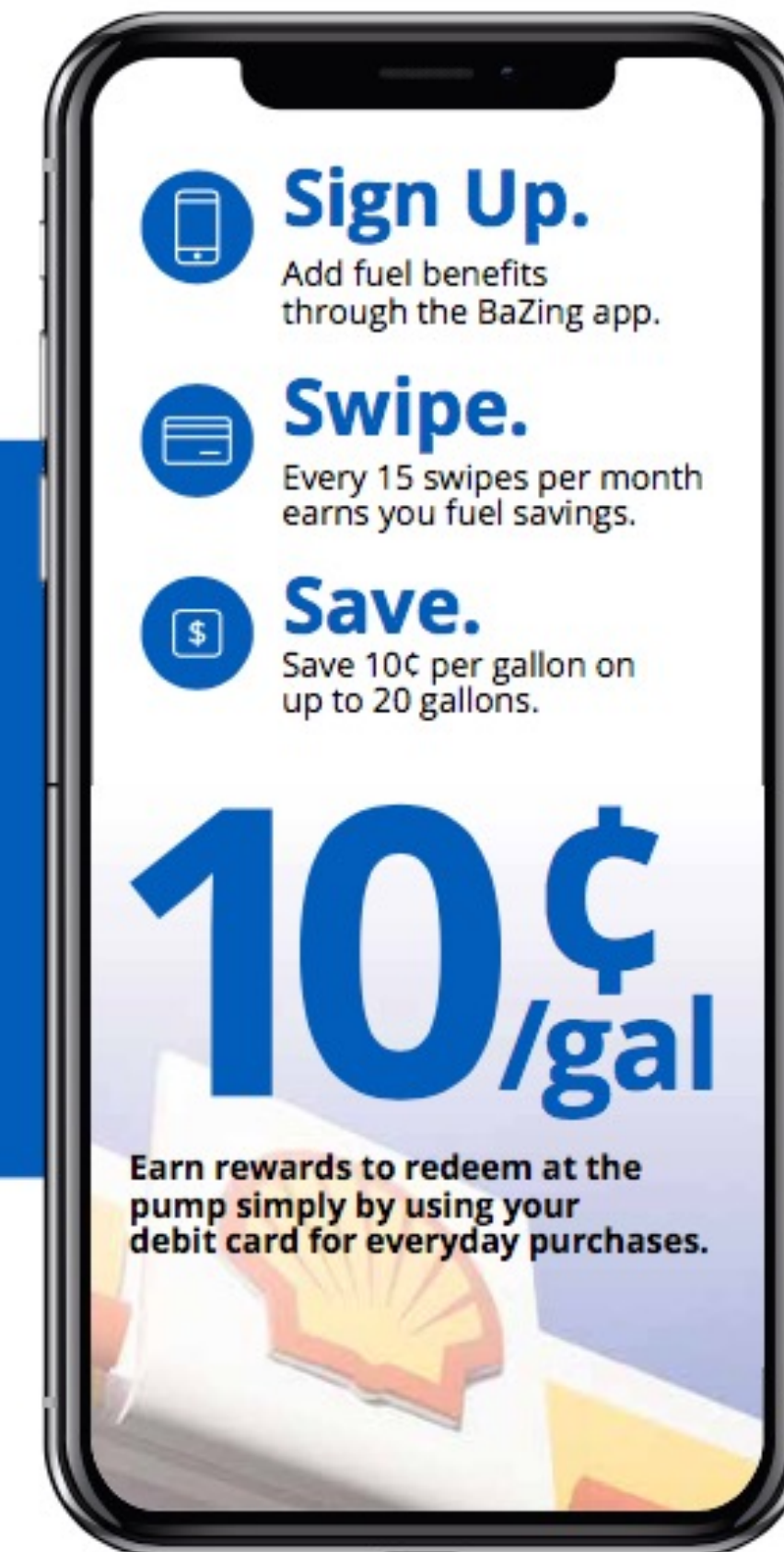
Buyer's Protection and Extended Warranty^{1,2}

Your newly purchased item can be reimbursed or replaced if an accident or theft occurs within 180 days of purchase, when purchased using your BaZing checking account.



Shop local, Save Local with BaZing Savings¹

Local discounts and national retailer deals to save you money on shopping, dining, travel & more.



Sign Up.

Add fuel benefits through the BaZing app.



Swipe.

Every 15 swipes per month earns you fuel savings.



Save.

Save 10¢ per gallon on up to 20 gallons.

10¢/gal

Earn rewards to redeem at the pump simply by using your debit card for everyday purchases.

FILL UP WITH REWARDS.



Get started by downloading the BaZing app today.



powered by BaZing

*Participating merchants on BaZing are not sponsors of the program, are subject to change without notice, may not be available in all regions, and may choose to limit deals.



Best - Interest

Better - Value

Good – Fee Averse

Start your journey ▶▶

Q Do you maintain a minimum balance of \$2,500 in your account?












Q Do you have a cell phone or look for deals when you shop?

Q Do you want a low cost account with basic benefits?

Premium Checking

Value Checking

Freedom Checking

 Anywhere Banking Tools Online banking, mobile banking, bill pay, debit card and eStatement.	✓	✓	✓
 Buyer's Protection and Extended Warranty^{1,2} Items are protected for up to \$2,500 per item if theft or accidental breakage occurs during the first 180 days of purchase, using your BaZing checking account.	✓	✓	
 ID Theft Aid^{1,2,3} Includes identity restoration & payment card resolution, personal identity theft benefit, credit monitoring & credit report, credit score & scoretracker, score simulator, and identity monitoring.	✓	✓	
 Roadside Assistance Available 24/7 and free to use, up to \$80 in covered service charges.	✓	✓	
 Health Savings Card Save money on prescriptions, eye exams, frames, lenses and hearing services.	✓	✓	
 Cell Phone Protection^{1,2} Receive up to \$400 per claim (\$800 per year) if your cell phone is broken or stolen.	✓	✓	
 Shop Local, Save Local with BaZing Savings Local discounts and national retailer deals to save you money on shopping, dining, travel & more.	✓	✓	
 \$10,000 Travel Accidental Death Coverage² Peace of mind for the unexpected.	✓	✓	
 BaZing Fuel⁴ Earn 10¢/gal for up to 20 gallons each month with just 15 debit card swipes.	✓	✓	
 Billshark³ Let our team of experts negotiate your internet, TV, cell phone, and home security services on your behalf, or cancel subscriptions you no longer want or need.	✓	✓	
 Great Interest on Your Checking Balance Our best checking rate.	✓		

¹ Subject to the terms and conditions detailed in the Guide to Benefits. ² Insurance products are: NOT A DEPOSIT, NOT FDIC-INSURED, NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY, NOT GUARANTEED BY THE BANK. ³ Billshark, identity monitoring, and credit monitoring each require additional activation to begin. ⁴ You'll receive a one-time activation reward of \$0.10 per gallon when you activate BaZing Fuel. You'll earn a monthly reward of \$0.10 per gallon each month when you have 15 eligible debit card transactions post and settle during the Monthly Qualification Cycle (MQC), which is defined as the first day of the month through the last day of the month. Only transactions posted during the MQC will count towards the monthly reward for that MQC. The following activities do not count toward earning BaZing Fuel: ATM withdrawals, transfers between accounts, deposit or refund transactions. Transactions posted during the MQC greater than the monthly reward requirement will be stored to count towards a bonus reward of \$0.10 per gallon. When you have 50 stored bonus transactions you will earn the bonus reward. You will continue to earn bonus rewards for every 50 stored bonus transactions accrued. If the required monthly reward transaction count is not met during the MQC, no transactions are counted for any reward during that MQC or the bonus reward. BaZing Fuel is limited to 20 gallons of fuel per purchase, per vehicle, or fraud limits placed by Shell and/or limits placed on your payment card by your financial institution, each of which may be lower. To activate, you will need to have online banking with your financial institution. Refer to the BaZing Fuel Terms and Conditions for full disclosures. BaZing Fuel offer may be changed at any time and without notice.

Maintain a \$2,500 minimum balance, and we'll waive the \$10 monthly fee.

Only \$5 per month.

Free with eStatement.



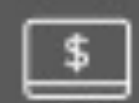
Discover the benefits of your new Business Checking Account.

Here's what you'll get with each account:



Online Banking

Access your account anytime, from any computer with Internet access.



Bill Pay

Decide which bills you want to pay and when.



eStatements

Skip the paper statement and go paperless with eStatements.



Mobile Banking

Check balances, make transfers, pay bills, and deposit checks with your phone.



Debit Card

A debit card in your name gives you the power to decide when to buy - and when to save.














Download the **BaZing Mobile app** from the App Store or Google Play to start saving everywhere you go! Or login at **BaZing.com** to get started.



Member FDIC

	VIP Business Checking	Business Checking
--	-----------------------	-------------------

 Anywhere Banking Tools Online banking, mobile banking, bill pay, debit card and e-statement.	✓	✓
 Buyer's Protection & Extended Warranty Items are protected for up to \$2,500 per item for theft or accidental breakage occurs during the first 180 days of purchase, using your business checking account.	✓	✓
 Customized Estate Plan Last Will & Testament, Living Trust, Power of Attorney, Health Care Proxy, Pet Power of Attorney, Pet Trust, Digital Document Vault	✓	✓
 Tax Filing File your personal or business federal return for free with FileYourTaxes.com.	✓	✓
 BillShark for Business Let our team of experts negotiate your mobility, telecom, waste management, payroll, SaaS subscriptions, and document services bills on your behalf, or cancel subscriptions you no longer want or need.	✓	✓
 Cyber Liability Protection Up to \$50,000 of protection for your business for specific costs of a data breach, cyber attack, or cyber deception.	\$50,000 Limit	\$10,000 Limit
 Ransomware Threat Protection Up to \$10,000 for your business resulting from a ransom threat or payment.	\$10,000 Limit	\$1,000 Limit
 Business ID Theft Aid Dark web monitoring, business credit score, credit report, credit alerts, and Business ID Restoration Pro.	✓	
 Work Perks All employees of your business get a Work Perks personal checking account, free with direct deposit.	✓	
 Interest on your Checking Balance Our best checking rate	✓	
 Item limit Per item charge equals 40¢ for transactions over the limit each statement cycle.	500 Only \$20 per month	250 \$2,500 minimum balance and avoid the \$10 monthly fee

1. Subject to the terms and conditions detailed in the Guide to Benefits. 2. Insurance products are NOT A DEPOSIT, NOT FDIC-INSURED, NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY, NOT GUARANTEED BY THE BANK. 3. Identity and credit monitoring require additional activation for monitoring to begin. 4. You'll receive a one-time activation reward of \$0.10 per gallon when you activate BaZing Fuel. You'll earn a monthly reward of \$0.10 per gallon each month when you have 15 eligible debit card transactions post and settle during the Monthly Qualification Cycle (MQC), which is defined as the first day of the month through the last day of the month. Only transactions posted during the MQC will count towards the monthly reward for that MQC. The following activities do not count toward earning BaZing Fuel: ATM withdrawals, transfers between accounts, deposit or rolled transactions. Transactions posted during the MQC greater than the monthly reward requirement will be stored to count towards a bonus reward of \$0.10 per gallon. When you have 50 stored bonus transactions you will earn the bonus reward. You will continue to earn bonus rewards for every 50 stored bonus transactions accrued. If the required monthly reward transaction count is not met during the MQC, no transactions are counted for any reward during that MQC or the bonus reward. BaZing Fuel is limited to 20 gallons of fuel per purchase, per vehicle, or fuel limits placed by Shell and/or limits placed on your payment card by your financial institution, each of which may be lower. To activate, you will need to have online banking with your financial institution. Refer to the BaZing Fuel Terms and Conditions for full disclosures. BaZing Fuel offer may be changed at any time and without notice. BaZing or Gettwo are not a law firm or a substitute for a law firm or an attorney's advice.

BZ032224



Work Perks

Get
\$50

when you have a direct deposit set up into your account within 45 days of account opening.

Here's what you'll get with each account:



Online Banking

Access your account anytime, from any computer with internet access.



Bill Pay

Decide which bills you want to pay and when.



eStatements

Skip the paper statement and go paperless with eStatements.



Mobile Banking

Check balances, make transfers, pay bills, and deposit checks with your phone.



Debit Card

A debit card in your name gives you the power to decide when to buy – and when to save.

Account details

- No minimum balance
- A monthly direct deposit into your Work Perks account is required.
- Avoid a \$7 monthly maintenance fee when the total of your monthly direct deposits is \$500 or greater.



Great benefits for employees



Buyers Protection and Extended Warranty

Your newly purchased item can be reimbursed or replaced if an accident or theft occurs within 90 days of purchase, when purchased using your BaZing checking account.



Roadside Assistance

Available 24/7 and free to use, covers up to \$80 in covered service charges.



Cell Phone Protection

Pay your cell phone bill with your BaZing checking account, and you're covered. We'll pay to have it repaired or replaced, up to \$600 per claim (maximum of \$1,200 per year).



ID Theft Aid

Identity Restoration and Payment Card Resolution: Identity restoration specialist works on your behalf to restore your identity, and cancel payment cards.

Personal Identity Theft Benefits: Receive \$2,500 reimbursement for covered expenses you incur to restore your identity.

Credit Monitoring and Credit Report: Monitor changes and new activity on your credit report and review your credit report quarterly.

Credit Score and Score Tracker: View your credit score online and track trends on your dashboard.

Score Simulator: Estimate how much impact one particular action could have on your credit health.

Identity Monitoring: Monitors the dark web to identify activity associated with you identity, including public records, change of address, social security, and non-credit loans.



Financial Wellness

Financial Wellness, powered by Gentreo, helps you create state-specific and legally binding documents such as Wills, Health Care Proxies, Powers of Attorney, and more.



Tax Filing

File your personal or business federal return for free with FileYourTaxes.com.



Pet Insurance

Preferred rates on pet insurance. Coverage includes free ID tags linked in pet cloud, 24/7 virtual vet, pet RX and more!



Health Savings Card

Save money on prescriptions, eye exams, frames, lenses and hearing services.



Billshark

Let our team of experts negotiate your internet, TV, cell phone, and home security services on your behalf, or cancel subscriptions you no longer want or need.



Shop Local, Save Local

Local discounts and national retailer deals to save you money on shopping, dining, travel & more.



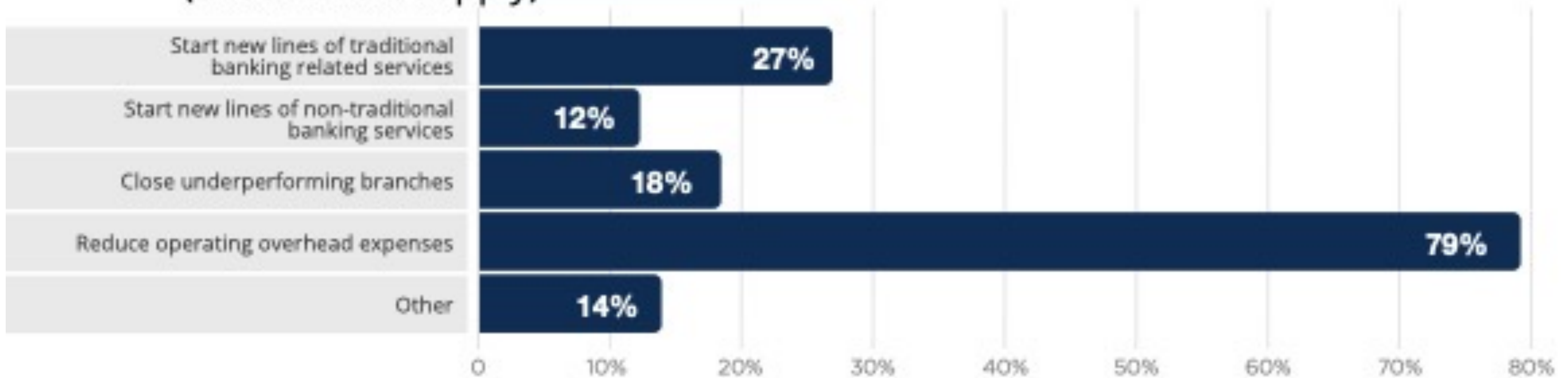
\$10,000 Travel Accident Death Coverage

Peace of mind for the unexpected.



Question #10

What other replacement revenue plans overall are you considering for the potential negative impact on revenue of the CFPB's overdraft proposal?
(check all that apply)



The graphic features a blue background with a sunburst effect behind the main title. On the left, a vertical column of icons includes a lightning bolt, a gas pump, a medical symbol, a shopping bag with a dollar sign, a smartphone, a steering wheel, and a person with a plus sign. The StrategyCorps logo is at the top right. The main title 'THE FUTURE OF OVERDRAFTS' is in large, white, outlined letters. Below it, the text 'SURVEY RESULT WEBINAR' and 'THURSDAY, APRIL 11, 2PM ET' is displayed. At the bottom, a photo of two men is shown, with text identifying them as Mike Branton and Dave Crook, StrategyCorps Partners.

strategycorps

THE FUTURE OF OVERDRAFTS

SURVEY RESULT WEBINAR
THURSDAY, APRIL 11, 2PM ET

Presented by Mike Branton & Dave Crook
StrategyCorps Partners

mike.branton@strategycorps.com

dave.crook@strategycorps.com

