

CUL & Affiliates	2015 Annual Conven	tion and Exposition	Helping Credit Unions Serve, Grow and Remain Strong
<b>Fee Type</b>	Overall	Accounts Opted In	Accounts Not Opted In
ATM & Account			
Usage	\$1.66	\$2.08	\$1.61
Maintenance	\$1.28	\$1.53	\$1.24
Transfer	\$0.54	\$0.85	\$0.50
Other	\$1.18	\$3.02	\$0.93
Overdraft & NSF	\$5.21	\$21.61	\$2.98
Total	\$9.87	\$29.09	\$7.26

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TAKE-AWAY POINTS				
14.3 % of account holders were opted in under Reg. E				
Generally, those who opted in paid 7 times as much in OD & NSF as those who did not opt in under Reg. E				
Those <u><b>not</b></u> opted in only paid \$3 in OD & NSF fees – OD checks				
<ul> <li>OD recurring debit transactions</li> <li>OD ACHs</li> </ul>				
"Other Fees" included SPOs and Ret	turn Deposit Items			

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COMPOSITION OF GROSS OVERDRAFT AND NSF FEES		
<b>Fee Type</b>	Share	
Overdraft Fees	71.9%	
NSF Fees	18.9%	
Sustained Negative Balance Fees	9.2%	

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TAKE-AWAY POINTS				
Most transactions are paid and incur OD, versus returned and incur NSF				
Depending on how FIs define "sustained" negative balance, many consumers are curing overdraft quickly				
Not all FIs charge SNB fees; these results are for those that do				
Possible Fee Replacement is SNB fee; such fee is more likely to withstand scrutiny				

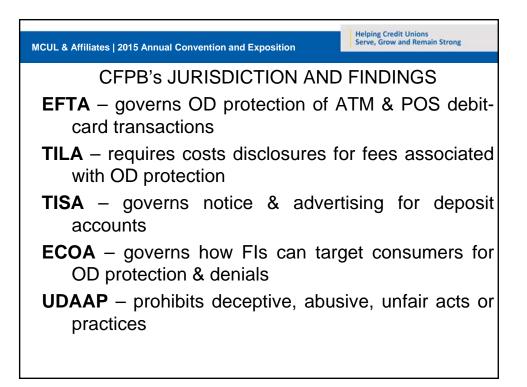
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DISTRIBUTION OF ACCOUNTS AND GROSS OVERDRAFT FEES BY OVERDRAFT FREQUENCY			
Annualized #	Accounts	OD Fees	Annualized OD fees paid
None	69.8%	0.0%	\$0.00
1 to 3	12.5%	8.6%	\$29.62
Over 3, up to 10	9.4%	17.7%	\$81.67
Over 10	8.3%	73.7%	\$380.40

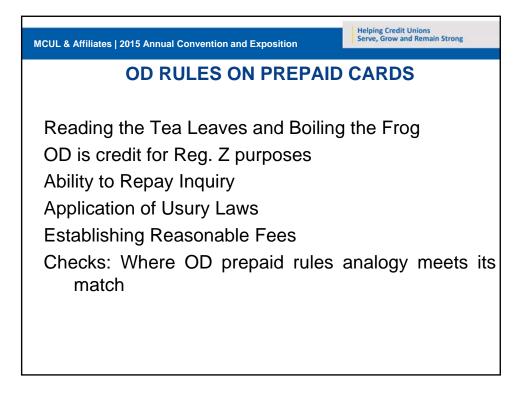
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TAKE-AWAY POINTS			
Possible to limit the number of Overdrafts per year to 10? After 10 <sup>th</sup> overdraft, CU will return item?			
Will this cause greater harm to member?			
Small % of members use more than 10 ODs/ (8.3%)	year		
Marketing Should not indicate that OD program should cure repetitive/continual ODs from members			

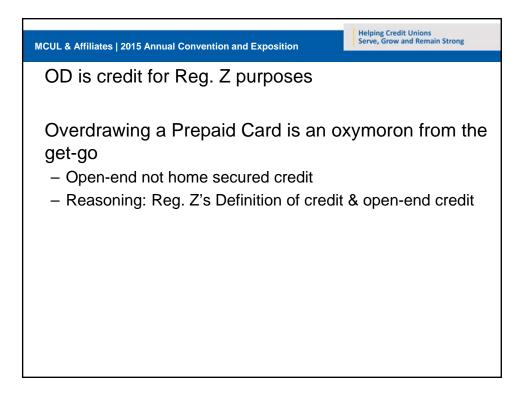
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PEW RESEARCH 2012 SURVEY			
Survey of consumers who paid OD in previous year			
75% said they would want transa funds were not available	action declined if		
18% said they would want to incur the OD fee if funds were not available			
(7% said they were unsure)			
This is at odds with fact that 31.79 who opted in had more than 3 ODs	% in CFPB study		

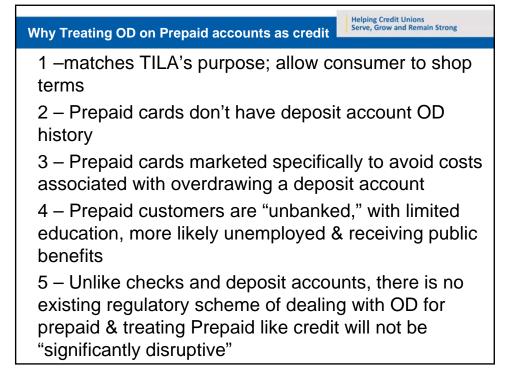
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CHECKING ACCOUNT OVERDRAFT				
	18–25	26–45	46–61	62&+
ods None	<b>OD Fees</b> 0.0%	OD Fees 0.0%	OD Fees 0.0%	OD Fees 0.0%
1 to 3	9.6%	7.2%	8.8%	13.3%
3+ to 10	21.9%	16.0%	17.6%	21.5%
Over 10	68.4%	76.8%	73.5%	65.2%

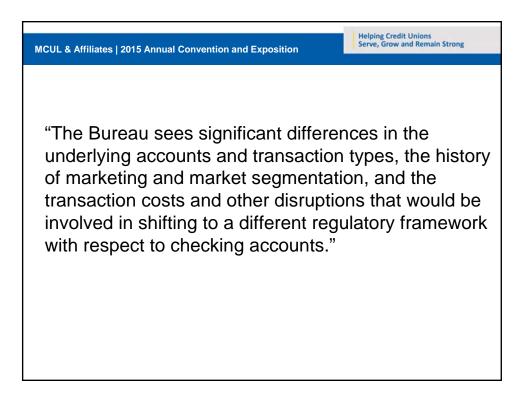
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Transaction Type	Median Transaction Value
ACH	\$94
ATM	\$100
Check	\$100
Debit Card	\$24
Other	\$76
Teller	\$150
Overall	\$50

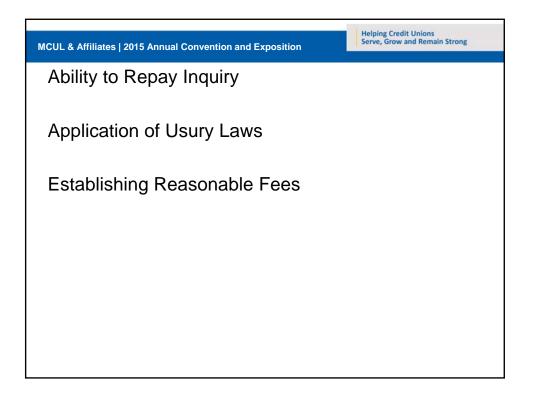


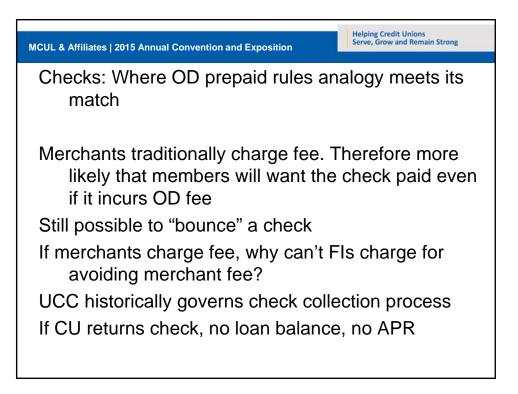


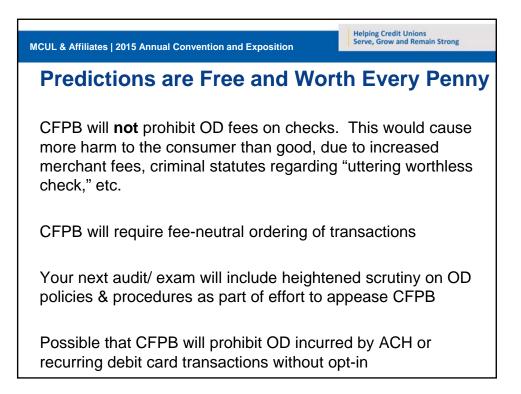


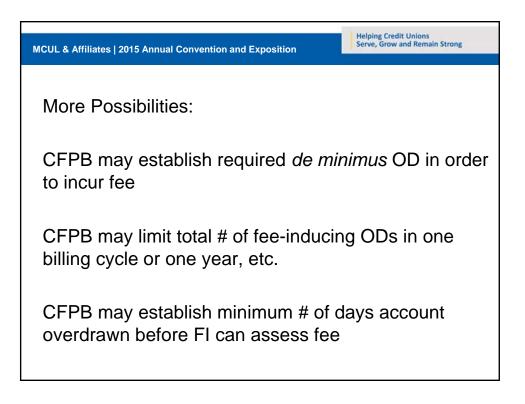




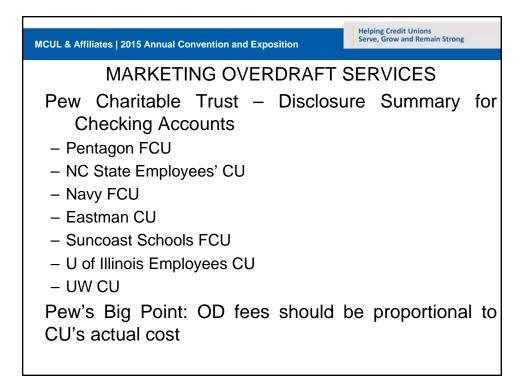


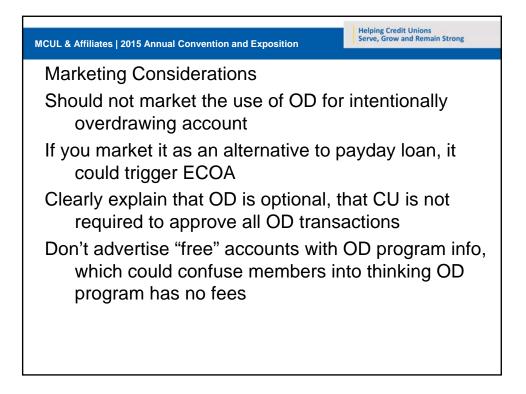


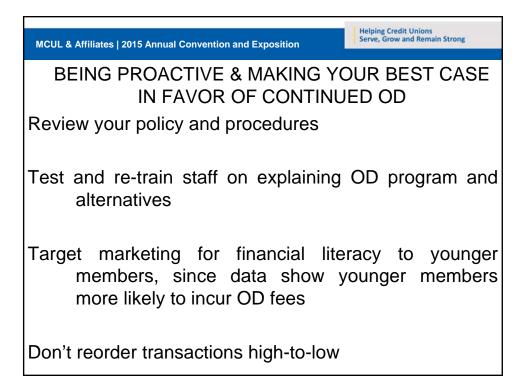


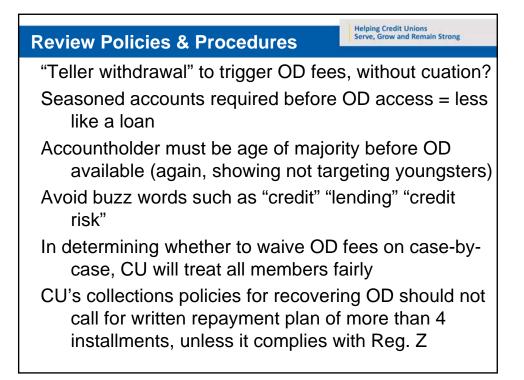


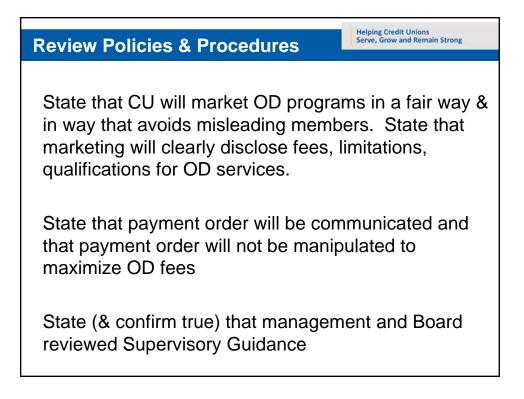
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ORDERING OF TRANSAG	CTIONS
Joint OD Guidance (2005): FIs ordering; did not state that what o Final OD Payment Supervisory ( "best practices" should not mani maximize fees	order should be Guidance (2010):
Wells Fargo paid \$203M penalty ordering – May 2013 Chase & TD Bank large settlement low reordering (2013) Regions stopped high-to-low ordering	costs for high-to-











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FEE REPLACEMENT SOLUTIONS				
Line of Credit Solution: Automation is Key				
Other Account Maintenance Fees				
Increase Business NSF Fees				
Other ideas?				

