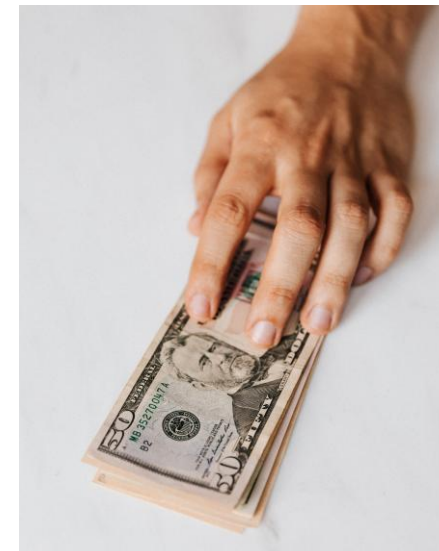




How To Effectively Address Today's Deposit Challenges



Neil Stanley - Founder and CEO

- Founded The CorePoint in 2010
- Former Bank
 - CEO
 - Holding Company Executive
 - Chief Investment and Liquidity Manager
 - Chief Credit Officer
- Former Iowa State University Economics Instructor





Redeemable

Providing Clients More Than Ideas

About us:

- Provides banks and credit unions a cohesive program of training, deposit practices, and technology to drive deposit profitability.
- In Q12025, clients collectively achieved a 17-basis-point savings to their \$10.8 billion CD portfolio cost. Relative to the industry average, clients saved \$18.2 million.
- Have a proven track record of improving deposit profits by 10 to 40 basis points, even when interest rates were at near-zero levels.

Agenda

Deposit Growth Strategies

- ▶ Interest Rates
- ▶ Economics Driving Rates
- ▶ Money in Motion Today
- ▶ Going Beyond The Classics
- ▶ The Future of Deposits
- ▶ Q+A



Challenges / Threats

“The grave risk facing banking institutions is that their deposit-competition skills atrophied from 2008 through 2022.

Depositors in 2025 have technology in their hands to inform them of options and equip them to make optimizing choices with the opportunities you and your competitors provide them. They can do this in ways not imaginable before A.I..

THE FINANCIAL BRAND

Current Paradigms for Many Bankers

The demand for deposits is a “derived demand”, i.e. the value of deposits is derived from the value of investment alternatives the available to the bank.

The wholesale interest rate (aka Fed Funds) that banks get paid on their over-night liquidity is totally transparent.

We need to get as much no-interest and low-interest deposits as possible.

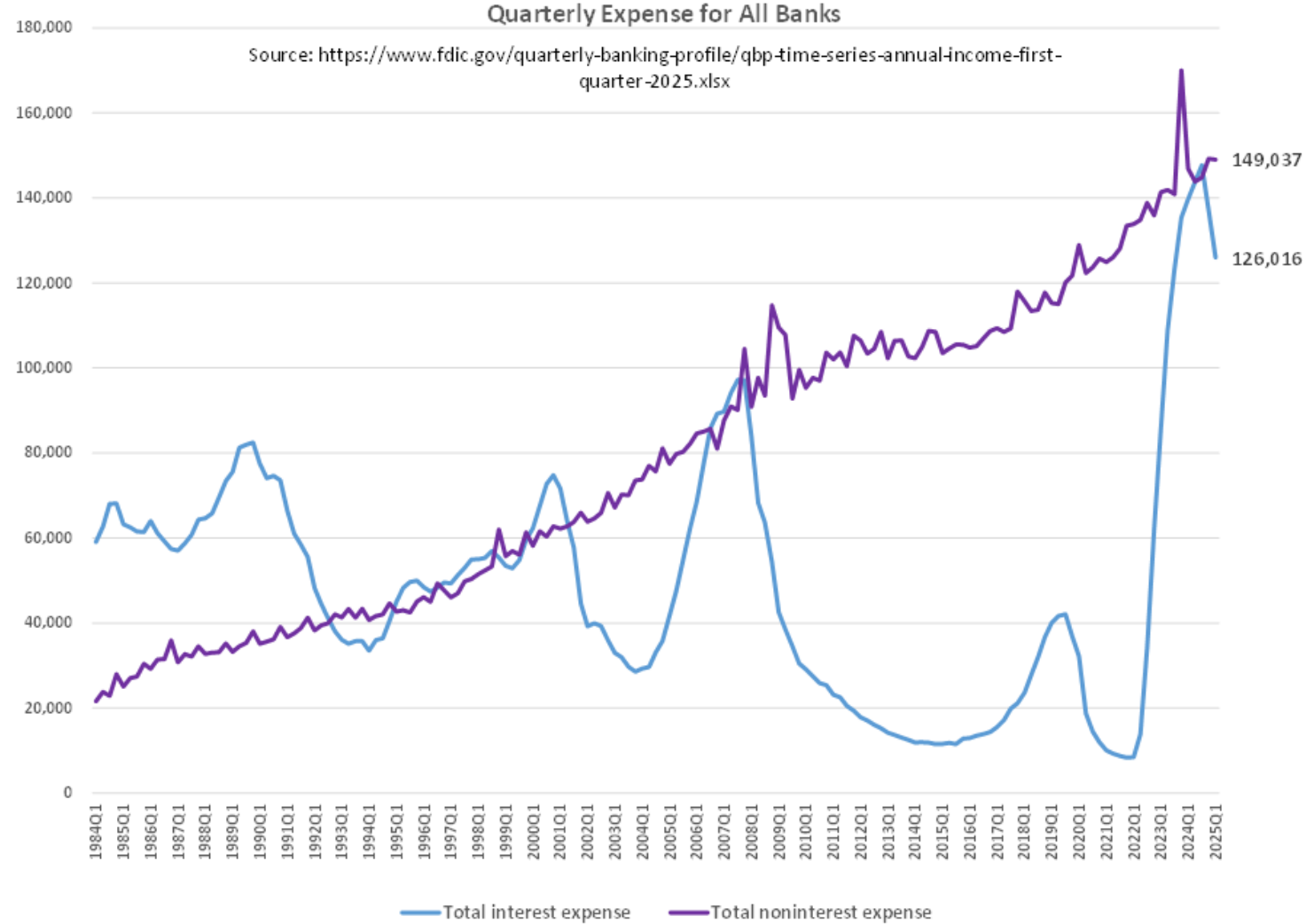
Current Paradigms for Depositors

Managing money is important, but not necessarily the most important thing in life.

We need confidence in how we save, borrow, buy things, and keep track of our finances.

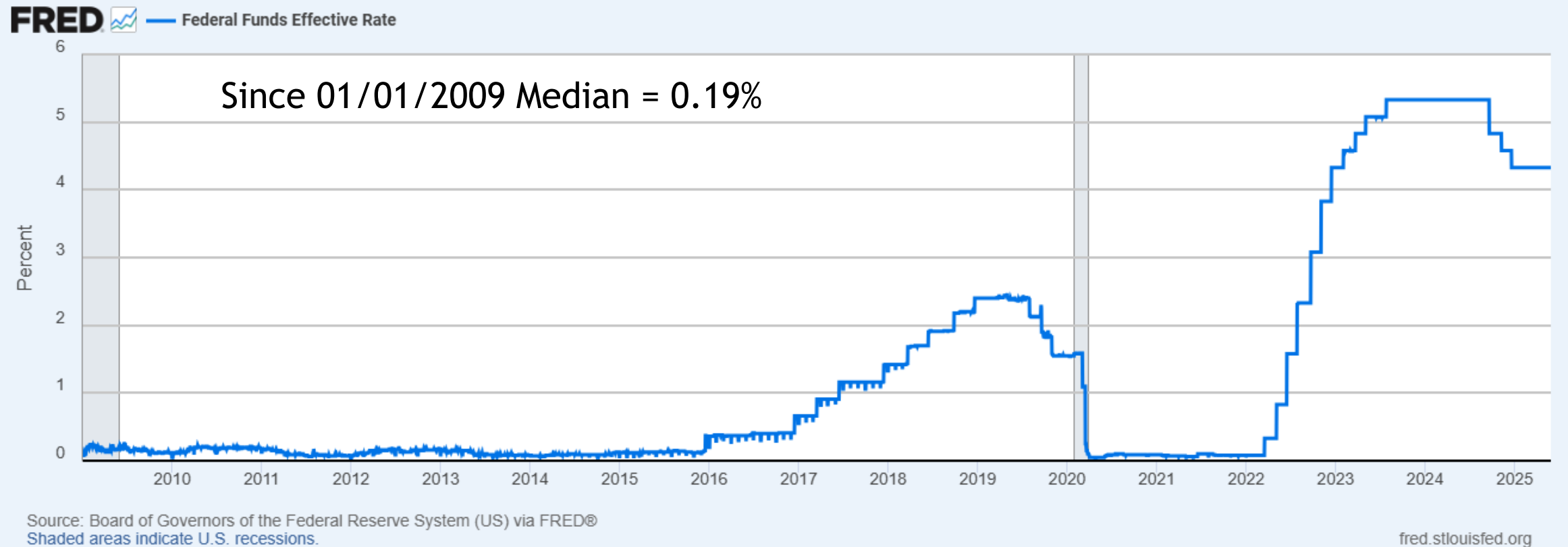
We have grown dependent on our phones for so much in life. It just makes sense to use our phones and A.I. to manage our money.

Understanding the Situation



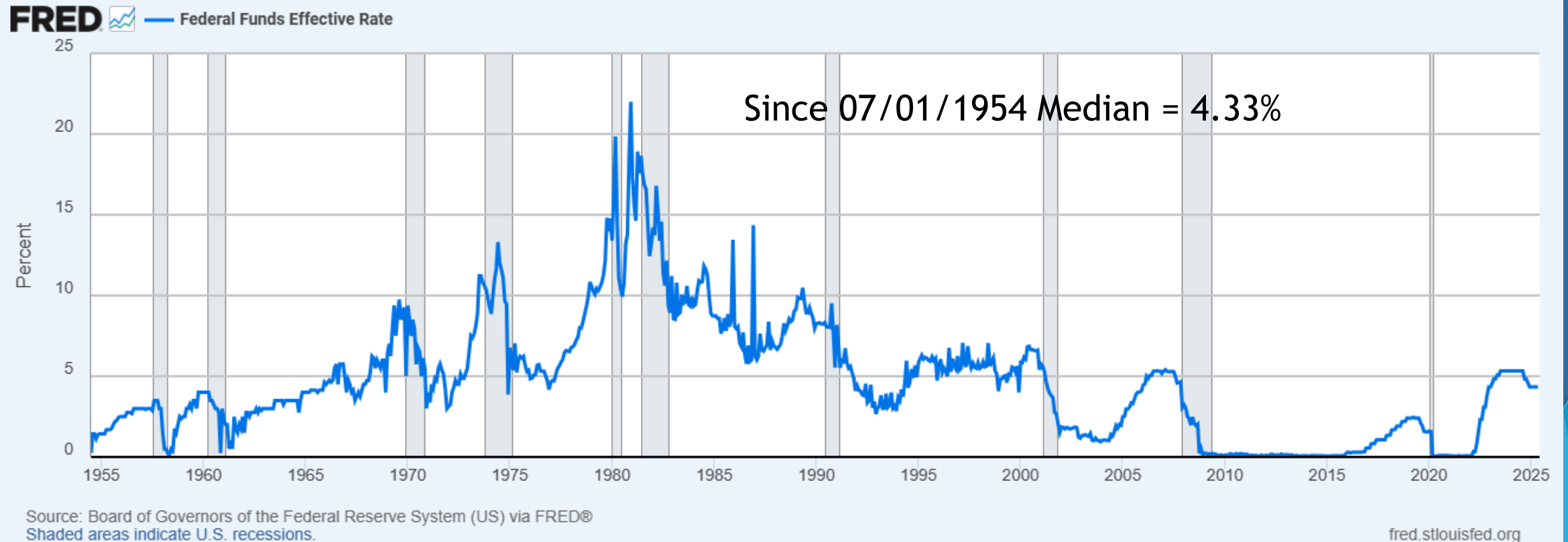
https://www.linkedin.com/posts/neilstanley_fdic-banking-finance-activity-7237852836414251008-xgpC?utm_source=share&utm_medium=member_desktop

Interest Rates that Banks Get Paid are Totally Transparent



<https://fred.stlouisfed.org/graph/?g=1JleS>

Overnight Fed Funds Effective Rate



<https://fred.stlouisfed.org/graph/?g=1JleK>

FOMC Fed Fund Rate History and Dot Plot Estimates 06/2025

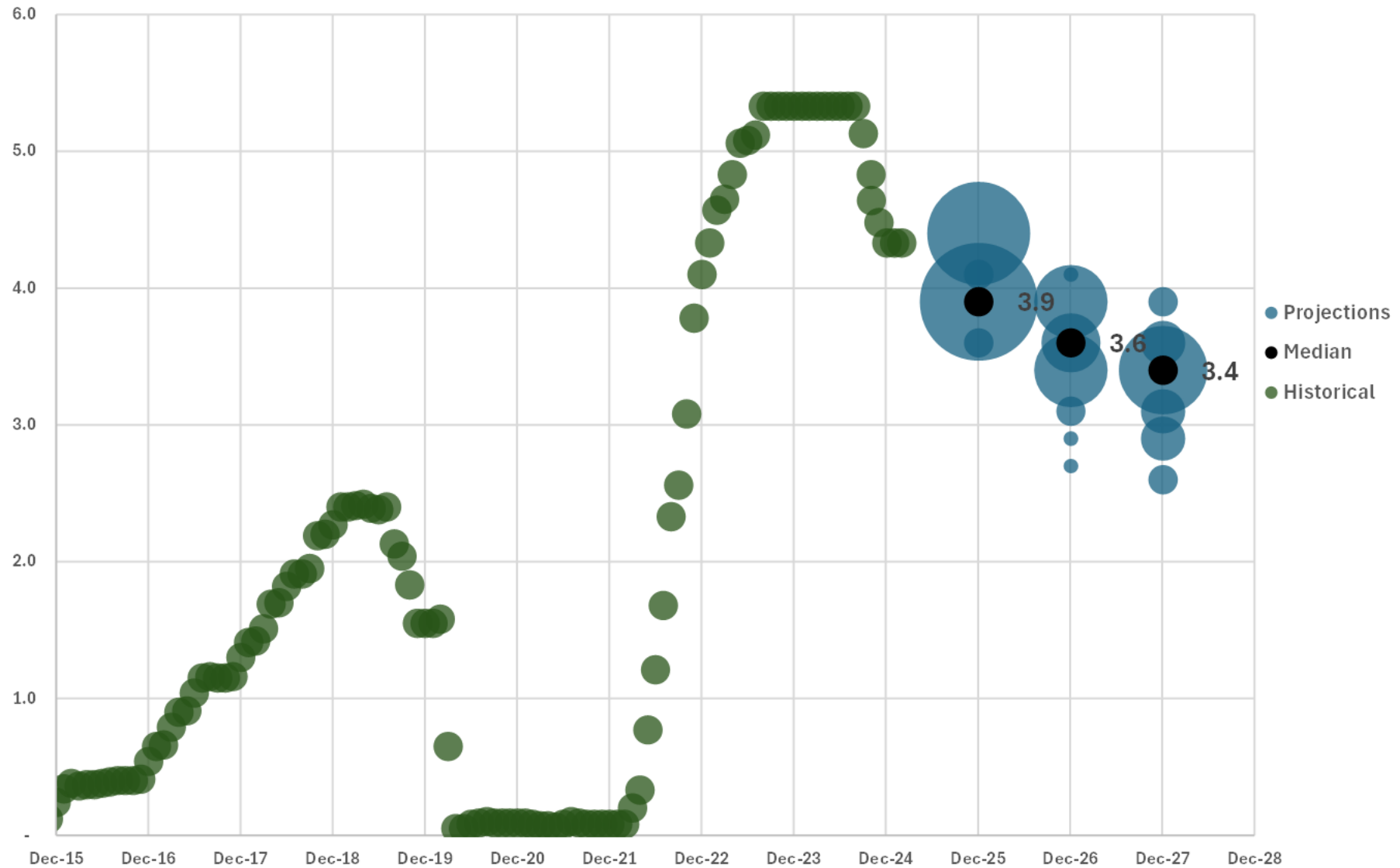


Table 1. Economic projections of Federal Reserve Board members and Federal Reserve Bank presidents, under their individual assumptions of projected appropriate monetary policy, June 2025

Percent

Variable	Median ¹				Central Tendency ²				Range ³			
	2025	2026	2027	Longer run	2025	2026	2027	Longer run	2025	2026	2027	Longer run
Change in real GDP	1.4	1.6	1.8	1.8	1.2–1.5	1.5–1.8	1.7–2.0	1.7–2.0	1.1–2.1	0.6–2.5	0.6–2.5	1.5–2.5
March projection	1.7	1.8	1.8	1.8	1.5–1.9	1.6–1.9	1.6–2.0	1.7–2.0	1.0–2.4	0.6–2.5	0.6–2.5	1.5–2.5
Unemployment rate	4.5	4.5	4.4	4.2	4.4–4.5	4.3–4.6	4.2–4.6	4.0–4.3	4.3–4.6	4.3–4.7	4.0–4.7	3.5–4.5
March projection	4.4	4.3	4.3	4.2	4.3–4.4	4.2–4.5	4.1–4.4	3.9–4.3	4.1–4.6	4.1–4.7	3.9–4.7	3.5–4.5
PCE inflation	3.0	2.4	2.1	2.0	2.8–3.2	2.3–2.6	2.0–2.2	2.0	2.5–3.3	2.1–3.1	2.0–2.8	2.0
March projection	2.7	2.2	2.0	2.0	2.6–2.9	2.1–2.3	2.0–2.1	2.0	2.5–3.4	2.0–3.1	1.9–2.8	2.0
Core PCE inflation ⁴	3.1	2.4	2.1		2.9–3.4	2.3–2.7	2.0–2.2		2.5–3.5	2.1–3.2	2.0–2.9	
March projection	2.8	2.2	2.0		2.7–3.0	2.1–2.4	2.0–2.1		2.5–3.5	2.1–3.2	2.0–2.9	
Memo: Projected appropriate policy path												
Federal funds rate	3.9	3.6	3.4	3.0	3.9–4.4	3.1–3.9	2.9–3.6	2.6–3.6	3.6–4.4	2.6–4.1	2.6–3.9	2.5–3.9
March projection	3.9	3.4	3.1	3.0	3.9–4.4	3.1–3.9	2.9–3.6	2.6–3.6	3.6–4.4	2.9–4.1	2.6–3.9	2.5–3.9

Fed Funds Futures Market

CME FedWatch Tool

Expected Value Calculator

As of 7/1/2025

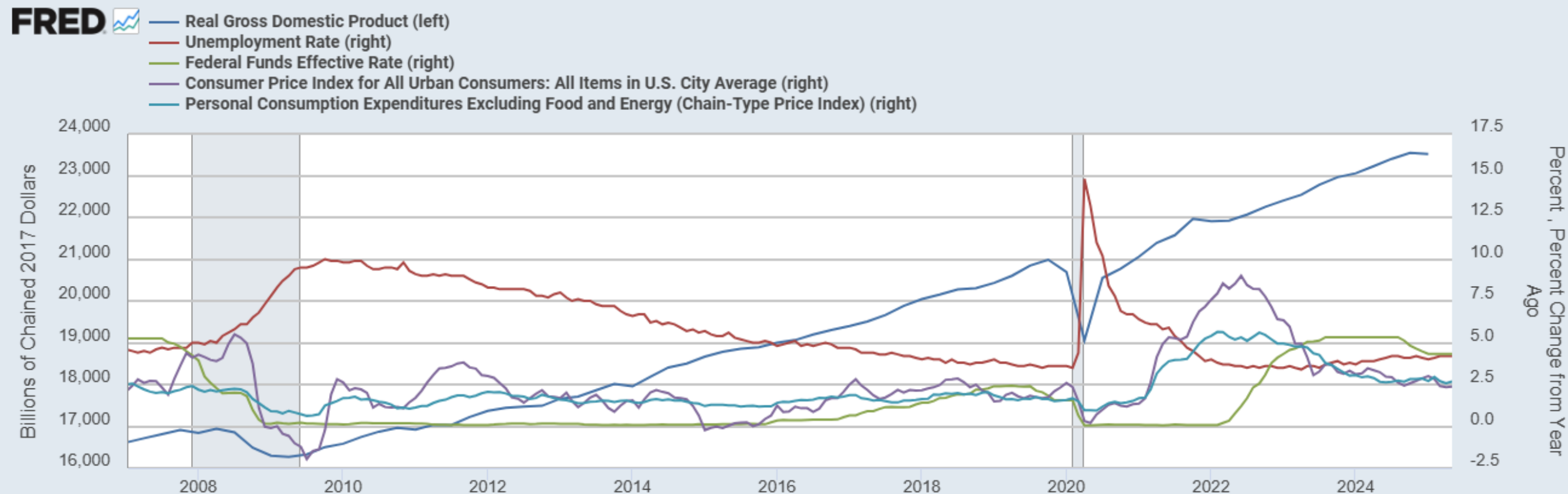
Calculated
Current
Expected
Value

	2.25	2.50	2.75	3.00	3.25	3.50	3.75	4.00	4.25	4.50	
Meeting Date	200-225	225-250	250-275	275-300	300-325	325-350	350-375	375-400	400-425	425-450	
7/30/2025					0.00%	0.00%	0.00%	0.00%	19.10%	80.90%	4.45%
9/17/2025	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	17.50%	75.70%	6.80%	4.22%
10/29/2025	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	12.00%	57.30%	28.60%	2.10%	4.05%
12/10/2025	0.00%	0.00%	0.00%	0.00%	0.00%	9.10%	46.40%	35.50%	8.50%	0.50%	3.86%
1/28/2026	0.00%	0.00%	0.00%	0.00%	3.80%	24.80%	41.80%	24.10%	5.10%	0.30%	3.75%
3/18/2026	0.00%	0.00%	0.00%	2.10%	15.20%	34.00%	32.30%	13.90%	2.50%	0.10%	3.63%
4/29/2026	0.00%	0.00%	0.60%	5.70%	20.40%	33.50%	27.10%	10.70%	1.90%	0.10%	3.55%
6/17/2026	0.00%	0.30%	3.20%	13.10%	27.00%	30.30%	18.90%	6.30%	1.00%	0.00%	3.43%
7/29/2026	0.10%	1.20%	6.20%	17.40%	28.00%	26.80%	15.00%	4.60%	0.70%	0.00%	3.35%
9/16/2026	0.40%	2.70%	9.70%	20.70%	27.60%	23.10%	11.80%	3.40%	0.50%	0.00%	3.27%
10/28/2026	0.60%	3.40%	10.70%	21.30%	27.20%	22.10%	11.00%	3.10%	0.40%	0.00%	3.24%
12/9/2026	0.40%	2.20%	7.70%	17.00%	24.80%	24.20%	15.60%	6.40%	1.60%	0.20%	3.36%

The Economy

- Population / Workforce
- Natural Resources
- Infrastructure
- Technology
- Absence of War, Disease, Famine
- Expectations of Stability
- Access to Credit

The Economy



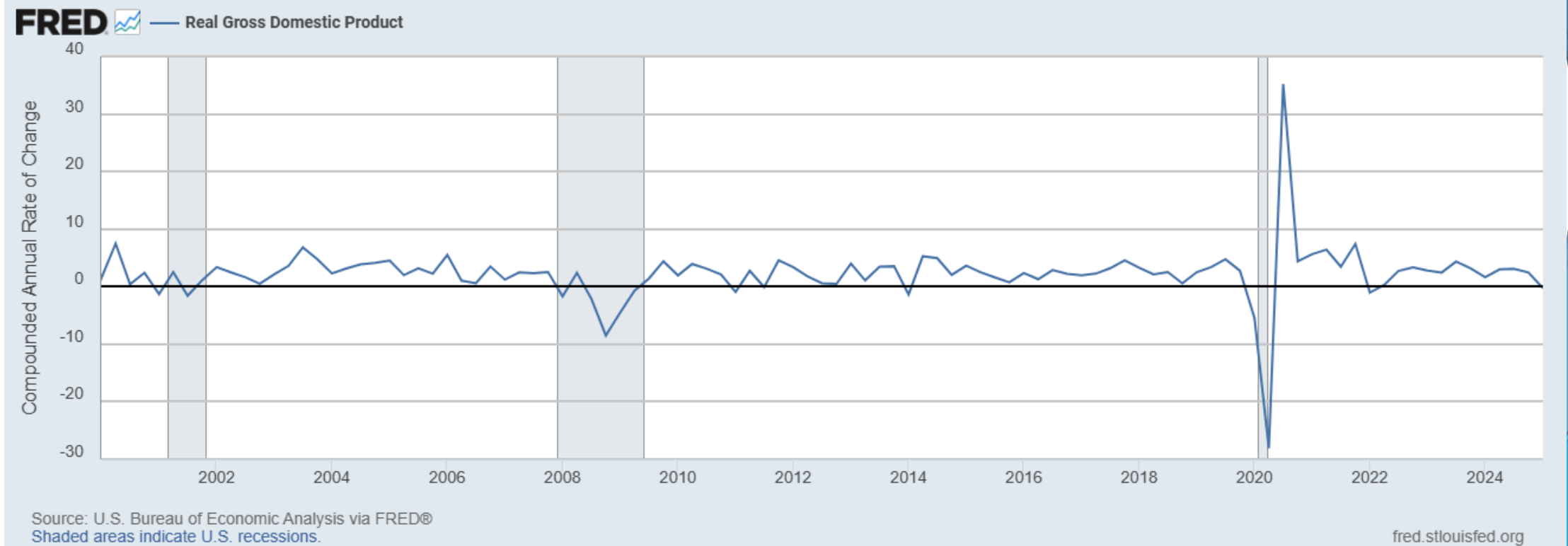
Sources: Board of Governors of the Federal Reserve System (US); U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics via FRED®
Shaded areas indicate U.S. recessions.

fred.stlouisfed.org

<https://fred.stlouisfed.org/graph/?g=1hMLL>

GDP - Gross Domestic Product

Median since 01/2000 = 2.47%



<https://fred.stlouisfed.org/graph/?g=1Jlfo>

GDPNow

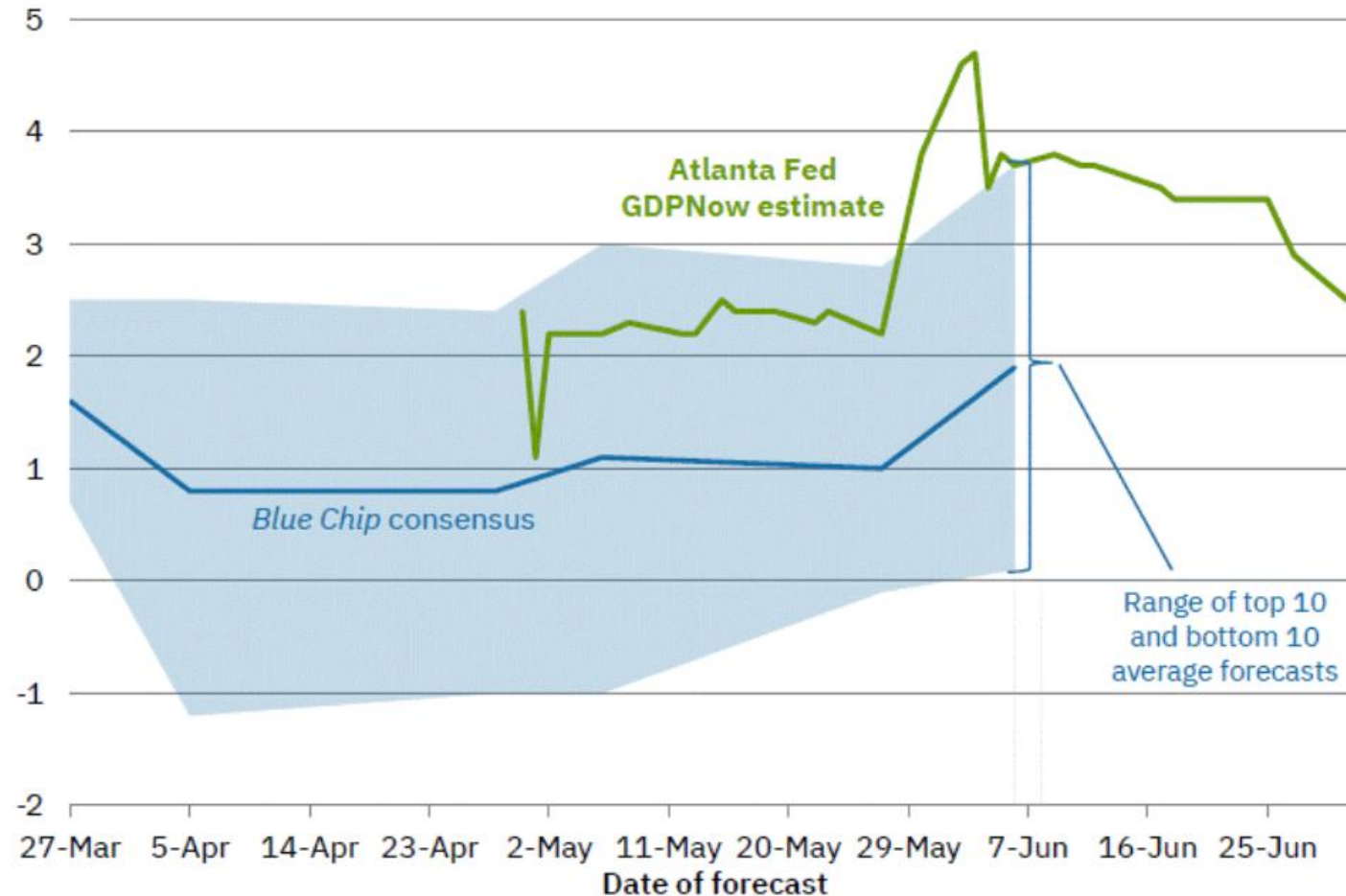
<https://www.atlantafed.org/cqer/research/gdpnow>

Latest estimate: 2.5 percent — July 01, 2025

The GDPNow model estimate for real GDP growth (seasonally adjusted annual rate) in the second quarter of 2025 is **2.5 percent** on July 1, down from 2.9 percent on June 27. After this morning's releases from the US Census Bureau and the Institute for Supply Management, the nowcasts of second-quarter real personal consumption expenditures growth and real gross private domestic investment growth decreased from 1.7 percent and -11.1 percent, respectively, to 1.5 percent and -11.9 percent.

Evolution of Atlanta Fed GDPNow real GDP estimate for 2025: Q2

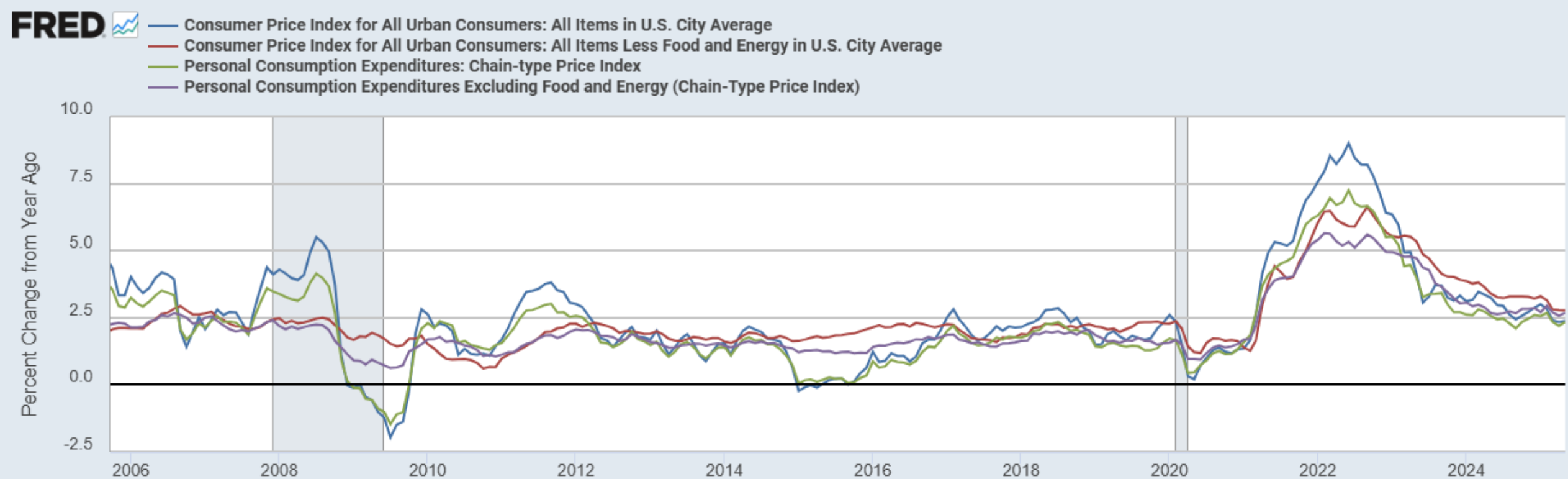
Quarterly percent change (SAAR)



Sources: Blue Chip Economic Indicators and Blue Chip Financial Forecasts

Note: The top (bottom) 10 average forecast is an average of the highest (lowest) 10 forecasts in the Blue Chip

Inflation Measures Annual Change

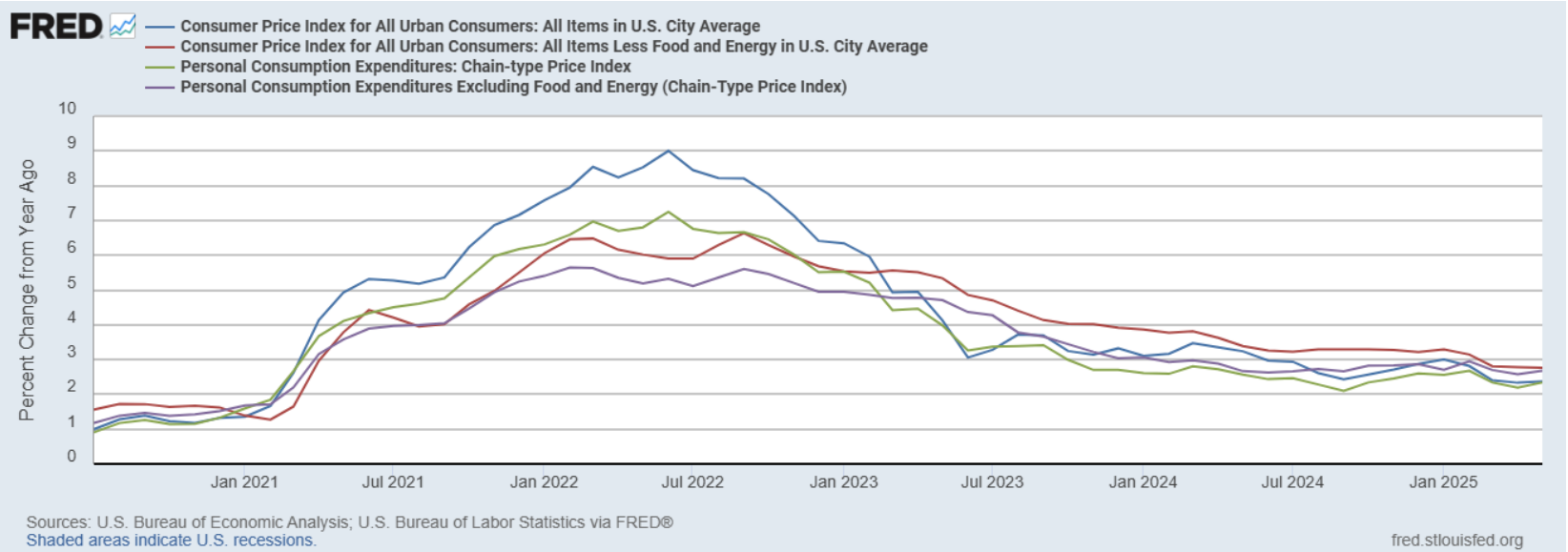


Sources: U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics via FRED®
Shaded areas indicate U.S. recessions.

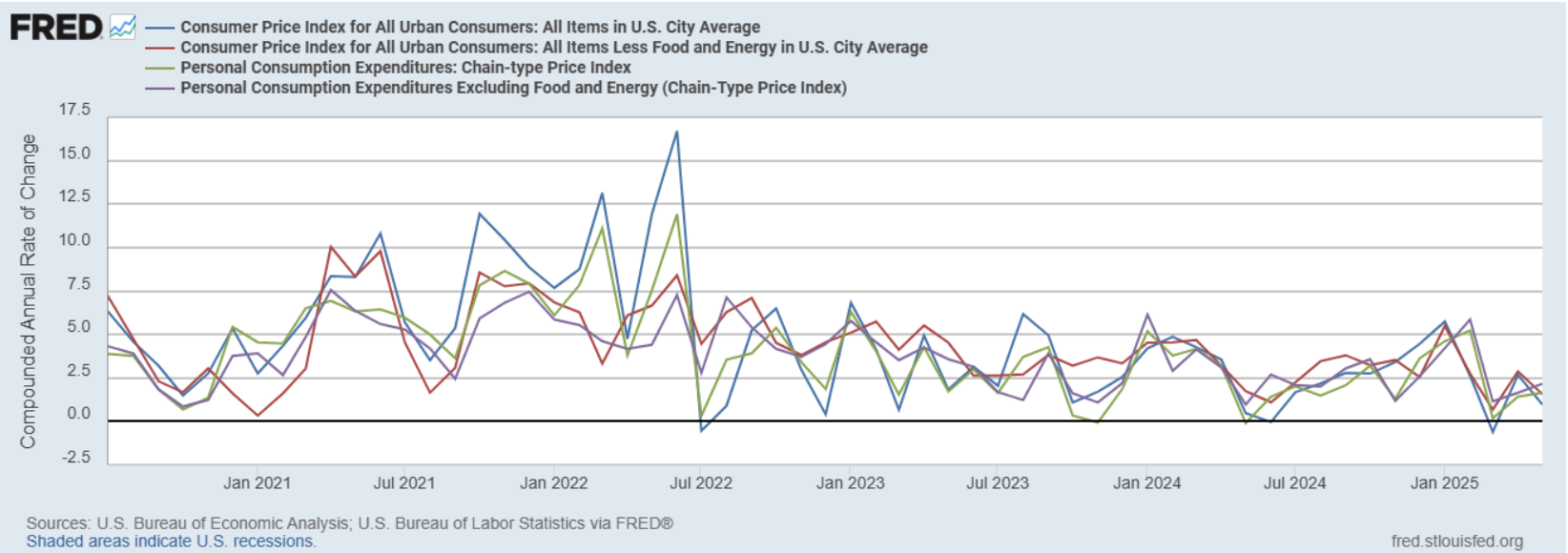
fred.stlouisfed.org

<https://fred.stlouisfed.org/graph/?g=19bie>

<https://fred.stlouisfed.org/graph/?g=1kyeu>



<https://fred.stlouisfed.org/graph/?g=1kyy>



Unemployment Rate

Median since 01/2000 = 5.1%

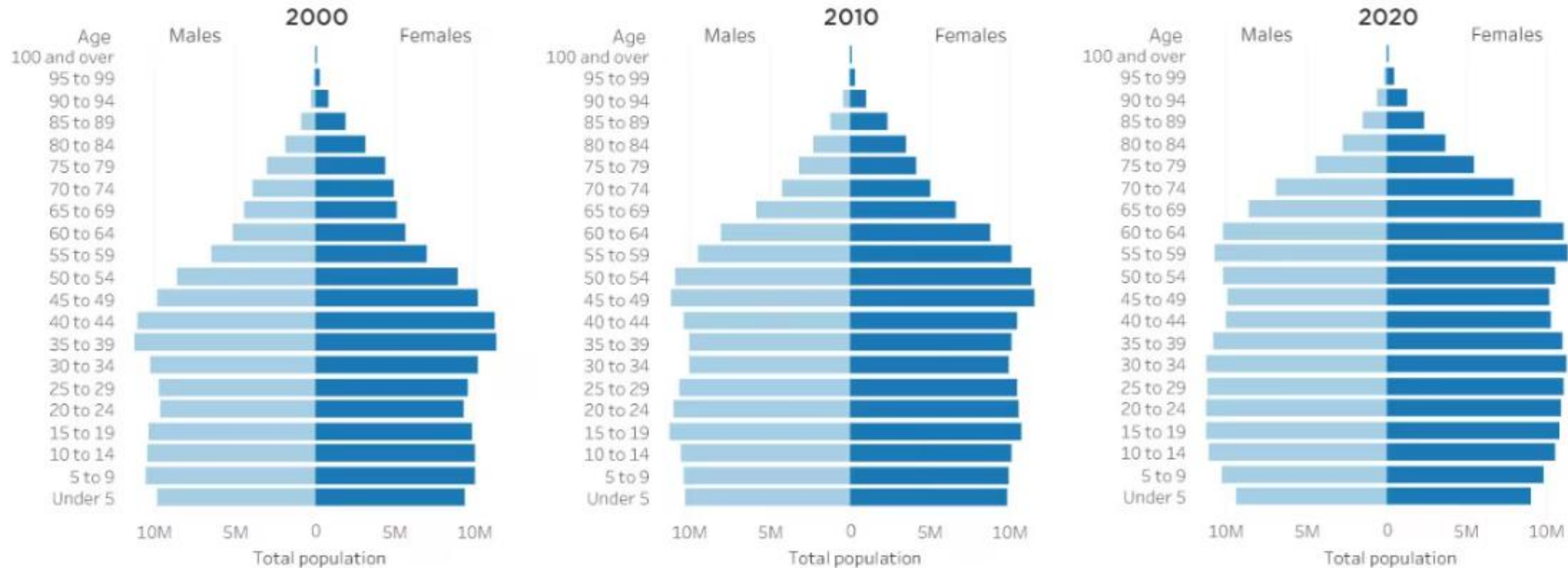


<https://fred.stlouisfed.org/graph/?g=1IPHp>

Figure 2.

Population Pyramids for the United States: 2000, 2010 and 2020

(In millions)



Source: U.S. Census Bureau, Census 2000 Summary File 1 (SF1), 2010 Census Summary File 1 (SF1) and 2020 Census Demographic and Housing Characteristics File (DHC).

<https://www.census.gov/library/stories/2023/05/aging-united-states-population-fewer-children-in-2020.html>



MONTHLY STATEMENT OF THE PUBLIC DEBT OF THE UNITED STATES

DECEMBER 31, 2008

TABLE I -- SUMMARY OF TREASURY SECURITIES OUTSTANDING, DECEMBER 31, 2008

(Millions of dollars)			
Title	Amount Outstanding		Totals
	Debt Held By the Public	Intragovernmental Holdings	
Marketable:			
Bills.....	1,861,187	5,480	1,866,666
Notes.....	2,791,514	692	2,792,206
Bonds.....	591,867	2,774	594,641
Treasury Inflation-Protected Securities.....	529,622	508	530,130
Federal Financing Bank ¹	0	14,000	14,000
Total Marketable ^a	5,774,190	23,454 ²	5,797,644
Nonmarketable:			
Domestic Series.....	29,995	0	29,995
Foreign Series.....	3,986	0	3,986
R.E.A. Series.....	1	0	1
State and Local Government Series.....	249,318	0	249,318
United States Savings Securities.....	194,075	0	194,075
Government Account Series.....	115,117	4,306,541	4,421,658
Hope Bonds ²¹	0	491	491
Other.....	2,637	0	2,637
Total Nonmarketable ^b	595,129	4,307,032	4,902,161
Total Public Debt Outstanding.....	6,369,319	4,330,486	10,699,805



MONTHLY STATEMENT OF THE PUBLIC DEBT OF THE UNITED STATES

DECEMBER 31, 2019

(Details may not add to totals)

TABLE I -- SUMMARY OF TREASURY SECURITIES OUTSTANDING, DECEMBER 31, 2019

(Millions of dollars)			
	Amount Outstanding		Totals
	Debt Held By the Public	Intragovernmental Holdings	
Marketable:			
Bills.....	2,416,417	447	2,416,864
Notes.....	9,920,786	8,444	9,929,231
Bonds.....	2,373,513	5,544	2,379,057
Treasury Inflation-Protected Securities.....	1,506,394	970	1,507,365
Floating Rate Notes ²⁰	440,783	27	440,810
Federal Financing Bank ¹	0	8,809	8,809
Total Marketable ^a	16,657,894	24,243 ²	16,682,136
Nonmarketable:			
Domestic Series.....	25,473	0	25,473
Foreign Series.....	264	0	264
State and Local Government Series.....	77,752	0	77,752
United States Savings Securities.....	151,347	0	151,347
Government Account Series.....	255,668	6,006,695	6,262,363
Other.....	2,045	0	2,045
Total Nonmarketable ^b	512,549	6,006,695	6,519,244
Total Public Debt Outstanding	17,170,442	6,030,938	23,201,380



MONTHLY STATEMENT OF THE PUBLIC DEBT OF THE UNITED STATES

MAY 31, 2025

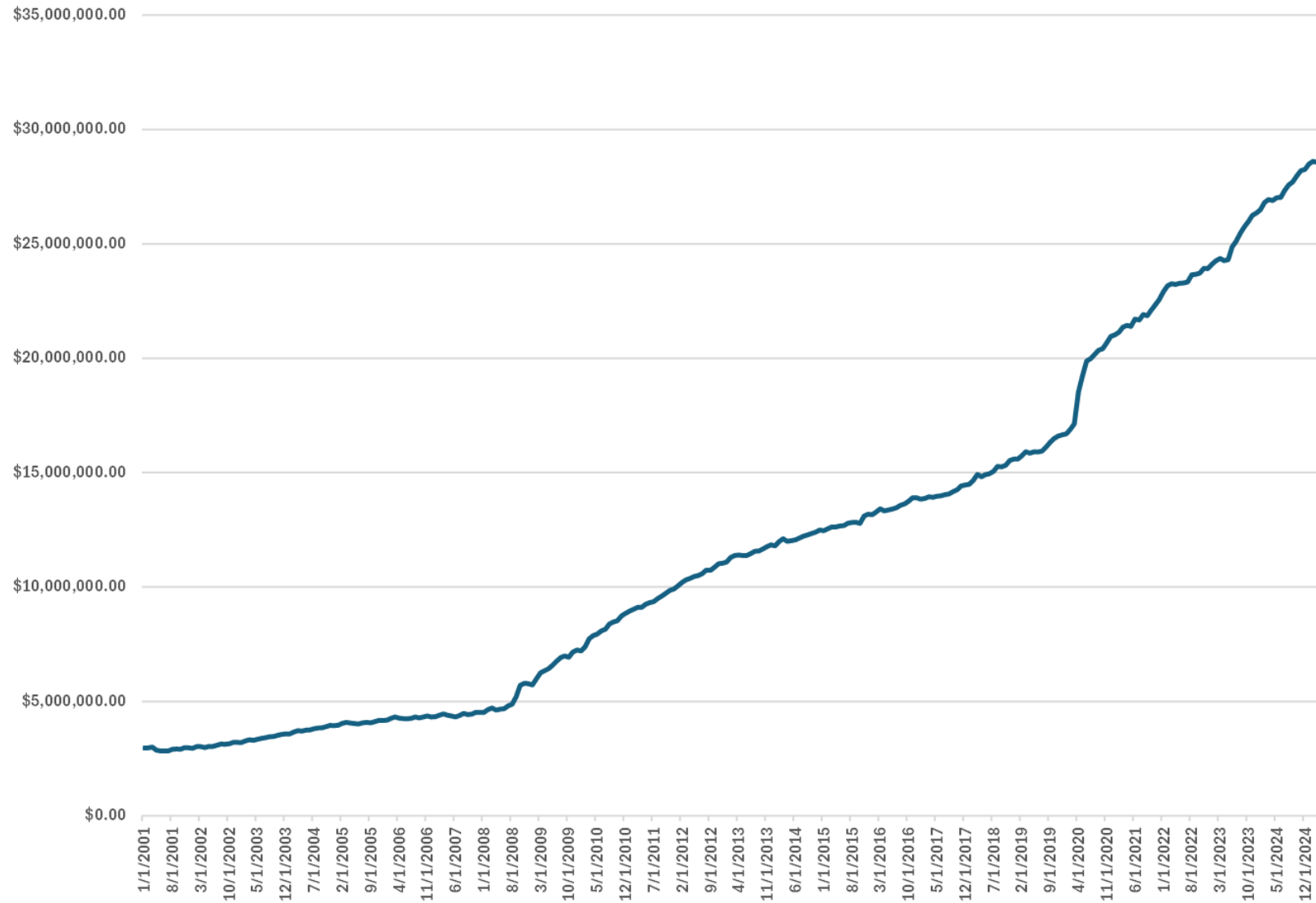
(Details may not add to totals)

TABLE I -- SUMMARY OF TREASURY SECURITIES OUTSTANDING, MAY 31, 2025

(Millions of dollars)			
	Amount Outstanding		Totals
	Debt Held By the Public	Intragovernmental Holdings	
Marketable:			
Bills.....	6,002,406	618	6,003,024
Notes.....	14,893,012	4,635	14,897,647
Bonds.....	4,978,521	8,748	4,987,269
Treasury Inflation-Protected Securities.....	2,049,009	659	2,049,668
Floating Rate Notes ²⁰	646,330	20	646,350
Federal Financing Bank ¹	0	4,514	4,514
Total Marketable ^a	28,569,277	19,194 ²	28,588,471
Nonmarketable:			
Domestic Series.....	12,580	0	12,580
State and Local Government Series.....	90,790	0	90,790
United States Savings Securities.....	153,376	0	153,376
Government Account Series.....	121,693	7,244,163	7,365,856
Other.....	4,745	0	4,745
Total Nonmarketable ^b	383,184	7,244,163	7,627,347
Total Public Debt Outstanding	28,952,461	7,263,357	36,215,818

<https://fiscaldata.treasury.gov/datasets/monthly-statement-public-debt/summary-of-treasury-securities-outstanding>

U.S. Debt Held by the Public (in Millions)



<https://fiscaldata.treasury.gov/datasets/monthly-statement-public-debt/summary-of-treasury-securities-outstanding>

The Economy

Key Economic Resource Suggestions for Bankers

U.S. Population

- <https://tradingeconomics.com/united-states/population>

Interest Rates

- <https://www.federalreserve.gov/monetarypolicy/files/fomcprojtabl20241218.pdf>
- <https://www.federalreserve.gov/monetarypolicy/files/fomcprojtabl20240918.pdf>
- <https://www.federalreserve.gov/monetarypolicy/files/fomcprojtabl20240612.pdf>
- <https://www.federalreserve.gov/monetarypolicy/files/fomcprojtabl20240320.pdf>
- <https://www.federalreserve.gov/monetarypolicy/files/fomcprojtabl20230322.pdf>
- <https://www.federalreserve.gov/monetarypolicy/files/fomcprojtabl20220316.pdf>
- <https://fred.stlouisfed.org/series/GS30>
- <https://fred.stlouisfed.org/series/MORTGAGE30US>
- <https://www.freddiemac.com/pmms>
- <https://fred.stlouisfed.org/graph/?g=15x0L>
- <https://www.atlantafed.org/center-for-housing-and-policy/data-and-tools/home-ownership-affordability-monitor>

Magnitude of U.S. Debt

- <https://www.sifma.org/resources/research/fixed-income-chart/>
- <https://www.thebalance.com/who-owns-the-u-s-national-debt-3306124>

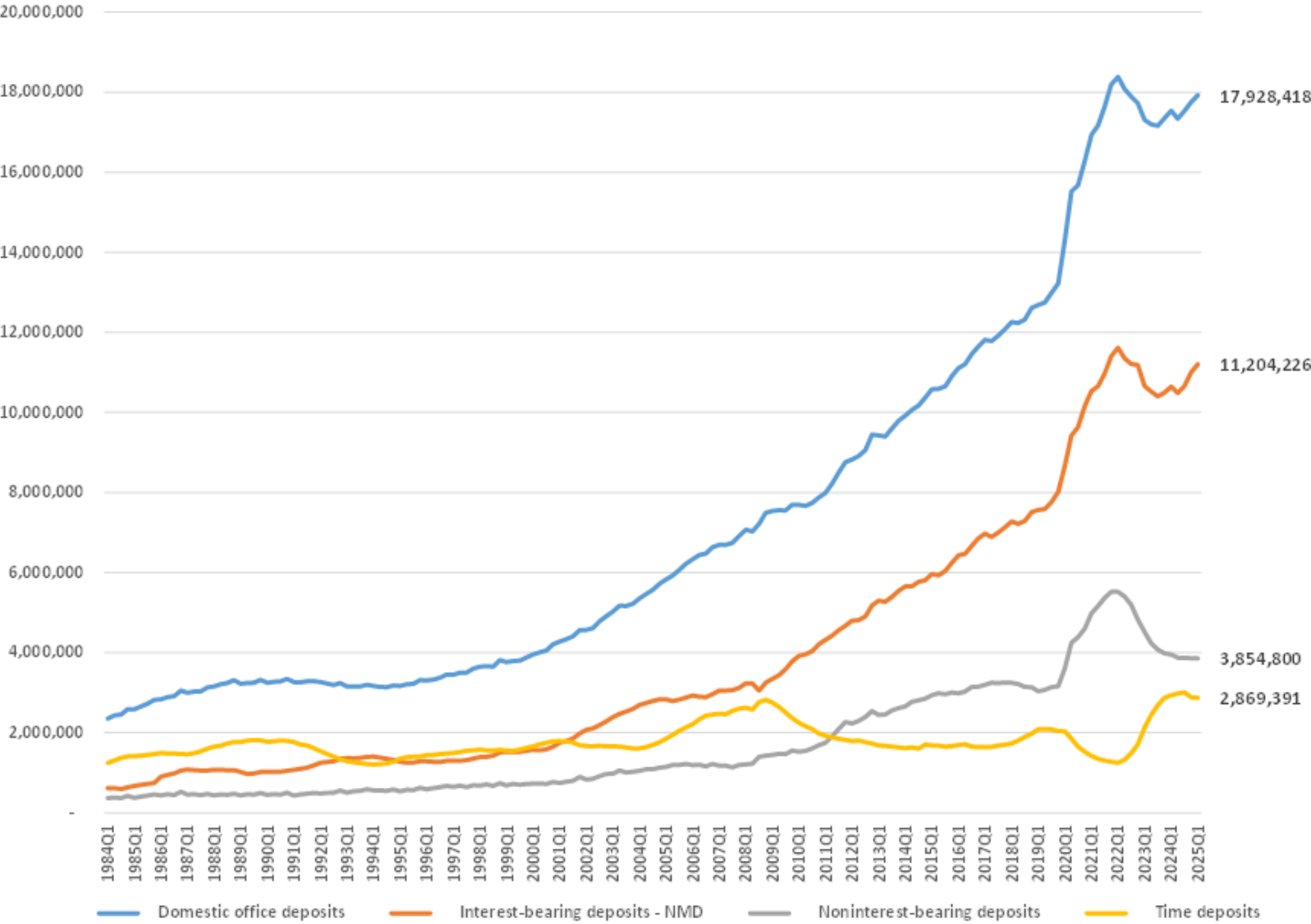
Key Economic Resources for Bankers

The Great Money Migration

Convergence of Several Key Factors

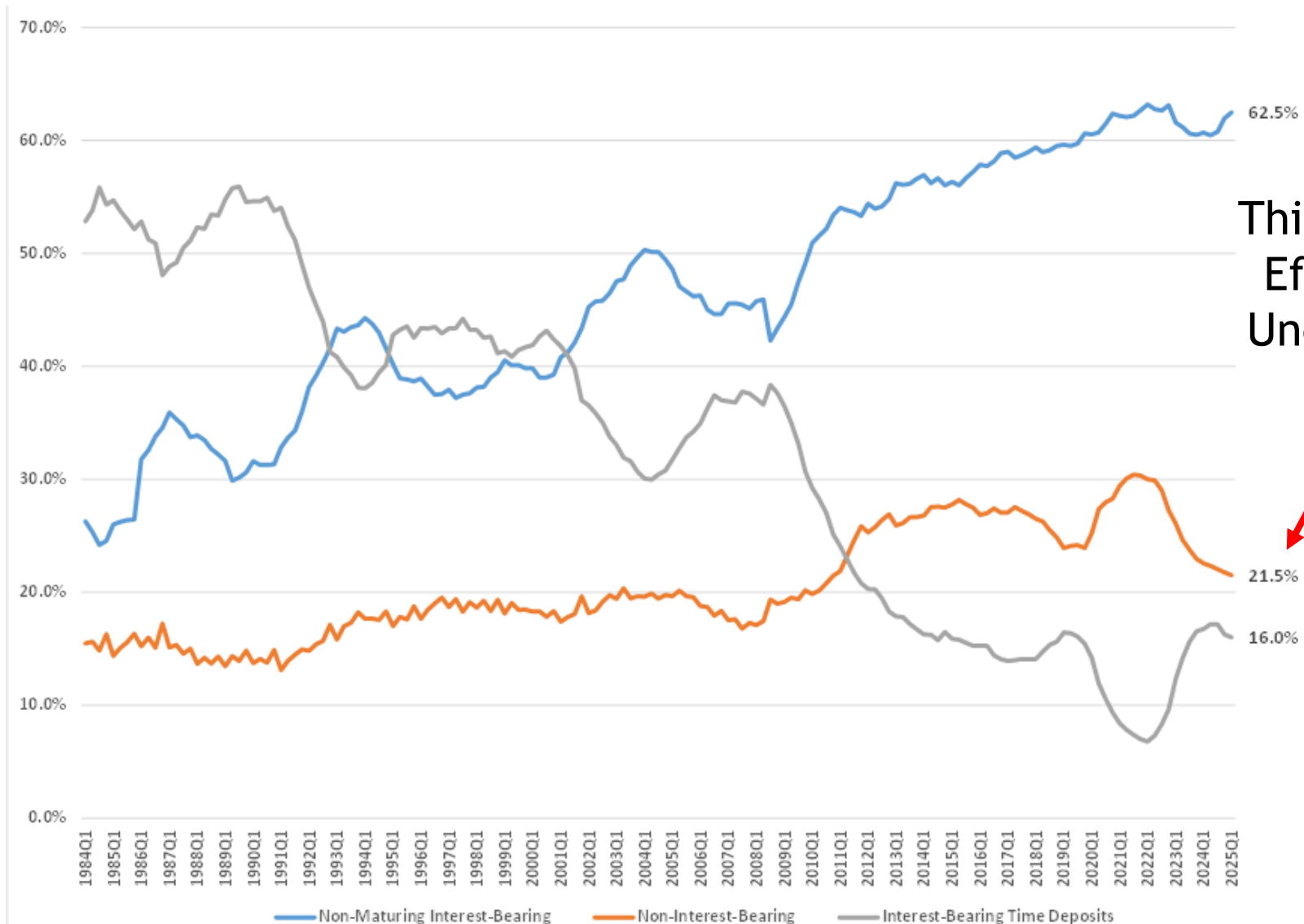
- ▶ Commoditization of Bank Offerings
- ▶ Magnitude of Financial Opportunity Created by Non-Trivial Interest rates
- ▶ Non-bank Competition for Deposits
- ▶ Regulatory Changes
- ▶ Open Banking Technology
- ▶ Social Media
- ▶ Artificial Intelligence

FDIC-Insured Deposits



Source: www.fdic.gov

History of Deposit Composition



This Money is
Effectively
Unemployed

Source: www.fdic.gov

A Dangerous Game of Chicken

Monthly Rate Cap Information as of June 16, 2025

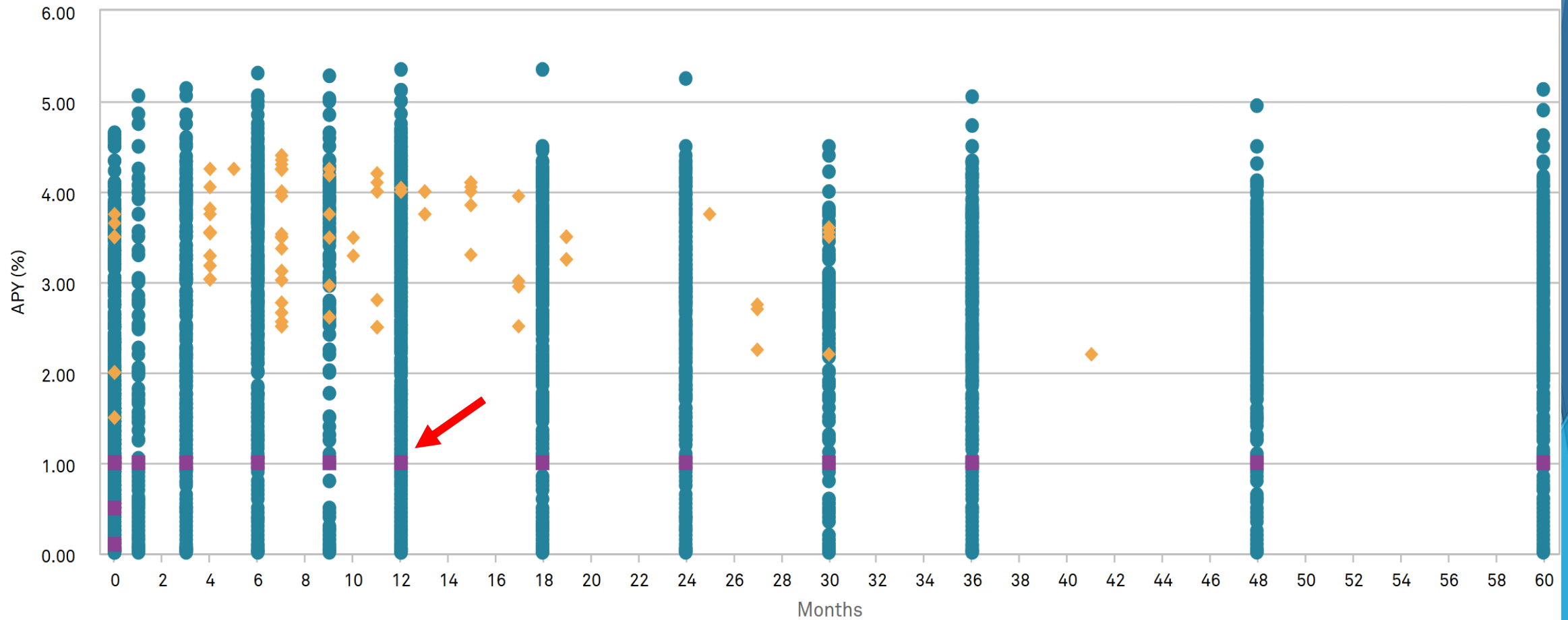
<https://www.fdic.gov/resources/bankers/national-rates/>

Deposit Products ¹	National Deposit Rates ²	Treasury Yield ³
Savings	0.38	4.33
Interest Checking	0.07	4.33
Money Market	0.59	4.33
1 month CD	0.23	4.33
3 month CD	1.41	4.36
6 month CD	1.57	4.36
12 month CD	1.62	4.11
24 month CD	1.46	3.89
36 month CD	1.34	3.87
48 month CD	1.26	3.87 ⁴
60 month CD	1.33	3.96

The Pricing Environment

Checking, Money Market, Savings, Time Deposit - includes Texas Market Rates

Low-Rate Strategy

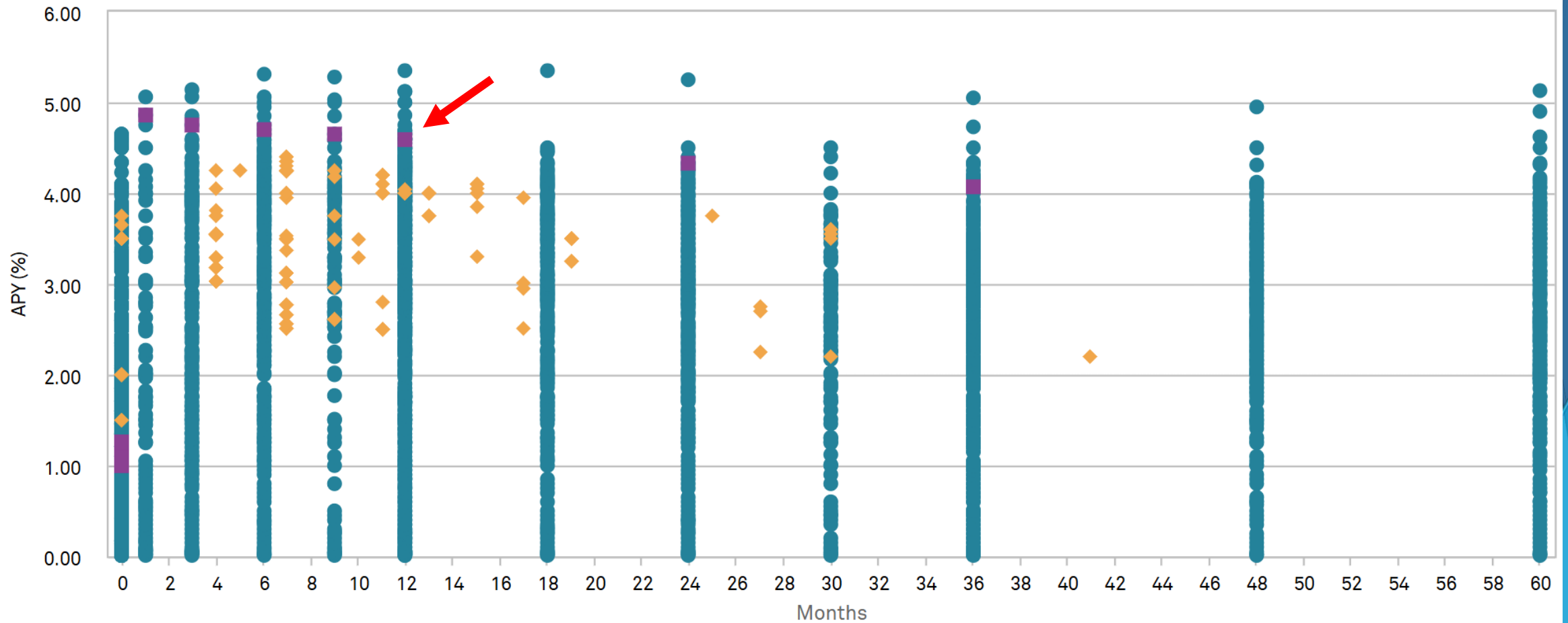


Source: S&P Capital IQ PRO

The Pricing Environment

Checking, Money Market, Savings, Time Deposit - includes Texas Market Rates

High-Rate Strategy



Source: S&P Capital IQ PRO

The Pressure Gauge for Bank Funding

Pressure Gauge for Bank Funding

Measuring Bank Funding Pressure

As of December 31, 2024

000's omitted in Dollar Amounts
4.23% Median CD Cost for Quarter

Begin typing your FDIC number or Bank Name,
or further filter the available results by selecting a City and State.
Use up/down arrows to select a suggested bank.

FDIC Number	17229
Bank Name	Henderson State Bank
City	Henderson
State	NE
Total Average Assets	477,436
Total Average CD Volume for Quarter	198,638
Percent of Assets Funded by CDs	41.6%
Quarterly Annualized CD Int. Expense	9,532
CD Yield this Quarter	4.80%
Funding Cost Index	113.4% CD Yield / Median CD Cost
Loan/Core Deposits	135.97
Pressure Gauge for Bank Funding	154.2%
Pressure Gauge for Bank Funding Percentile	94.9%

5.1% of Banks Have Greater Vulnerability to Bank Funding Issues Than This Bank

<http://pressuregauge.core-cd.com>

Does Anyone In Your Organization Struggle With The Following?

Edward Jones

<https://www.edwardjones.com/us-en/market-news-insights/stock-market-news/current-rates>

Current rates - as of 6/20/2025

FDIC-Insured Certificates of Deposit Rates

Term	Annual Percentage Yield* (%)
3-month	4.40%
6-month	4.35%
9-month	4.30%
1-year	4.25%
18-month	4.25%
3-year	4.25%
4-year	4.30%
5-year	4.30%

Non-Banking Competition

Robinhood

What We Offer ▾ Strategies Gold Legend Learn Support

US ▾

Level up with Robinhood Gold

Your money makes money with 4% APY on uninvested cash, FDIC-insured up to \$2.5 million at [partner banks](#). Your first 30 days are free, then you'll pay a subscription fee (\$5/month).

[Terms and disclosures](#)

Start earning with Gold

4% APY with High-Yield Cash

Earn more interest on your uninvested cash. There's no cap, and you can invest or withdraw anytime.*

Bigger Instant Deposits

Get up to \$50K of your deposits instantly, so you can jump on investment opportunities faster.

Get your first \$1k of margin interest-free

Then enjoy margin rates between 4.7% and 5.75%**

<https://robinhood.com/us/en/invest/>

Non-Banking Competition



Invest

Resources

Company

Premium

Alpha

Sign In

Earn 4.1% APY* on your cash

Our High-Yield Cash Account offers an industry-leading 4.1% APY with no fees or balance requirements. Plus, you get up to \$5M FDIC insurance.

[Learn more →](#)


High-Yield Cash Account Disclosure

HIGH-YIELD CASH ACCOUNT

4.1%^{*}
APY

<https://public.com/>



FinTech/Bank Collaboration


[What is Crescent?](#)
[Business Checking Account](#)
[Customers](#)

Welcome to high interest business banking


Earn up to **3.90% annual percentage yield*** in a checking account and access millions in aggregate FDIC insurance across network banks.[†]

[Book a Demo](#)
[Get Started Now](#)

<https://www.crescent.app/>

Competition from New Approaches



[Banking](#)
[Investments ▾](#)
[Rewards ▾](#)
[Company ▾](#)

[Log in](#)
[Get Started](#)

Market Savings

Most savings accounts return less than 2%^⓪ per year. If you want to grow your wealth, you can always invest in the market. But that puts your hard-earned savings at risk.

So how can you get more from your savings without risking them in the market?

By replacing typical savings account interest with investments, Market Savings combines the security of FDIC-insured bank deposits with the upside potential of market returns. So your savings get a chance to truly grow — without risking your deposit.

Learn More

1-year term

7.40%

Variable APY*

APY is not guaranteed. Minimum 0%.

[*Truth in Savings Disclosure](#)
[Back-test Methodology](#)

[See Actual Program Return Performance*](#)

The deposit account portion of the Save Market Savings product and service is provided by Webster Bank, N.A., Member FDIC
<https://www.joinsave.com>

Money Market Mutual Funds

Investment Company Institute

Weekly Total Net Assets (TNA) and Number of Money Market Mutual Funds

(millions of dollars)

4/26/2023

DATE	TOTAL - ALL MONEY MARKET FUNDS											
	TOTAL		TAX-EXEMPT		GOVERNMENT						PRIME	
					TOTAL		TREASURY & REPO		TREASURY & AGENCY			
	# Classes	TNA	# Classes	TNA	# Classes	TNA	# Classes	TNA	# Classes	TNA	# Classes	TNA
12/14/2022	1,041	4,740,948	162	103,100	669	3,996,024	233	1,311,575	436	2,684,449	210	641,824
12/21/2022	1,039	4,712,771	162	105,549	667	3,955,178	233	1,314,602	434	2,640,576	210	652,044
12/28/2022	1,039	4,734,956	162	110,519	667	3,964,915	233	1,311,301	434	2,653,614	210	659,522
01/04/2023	1,039	4,814,102	162	115,854	667	4,019,919	233	1,326,198	434	2,693,721	210	678,329
01/11/2023	1,040	4,805,233	162	121,580	668	3,986,398	233	1,325,872	435	2,660,527	210	697,255
01/18/2023	1,042	4,803,164	162	121,667	668	3,975,638	233	1,313,144	435	2,662,494	212	705,860
01/25/2023	1,039	4,819,233	157	116,873	669	3,982,423	234	1,323,913	435	2,658,510	213	719,937
02/01/2023	1,032	4,821,374	156	110,889	667	3,974,855	233	1,332,401	434	2,642,454	209	735,630
02/08/2023	1,029	4,805,018	156	103,900	666	3,952,541	232	1,328,324	434	2,624,217	207	748,577
02/15/2023	1,028	4,815,005	156	103,821	665	3,948,153	232	1,325,034	433	2,623,119	207	763,030
02/22/2023	1,027	4,820,360	156	109,715	664	3,941,502	232	1,323,010	432	2,618,493	207	769,143
03/01/2023	1,027	4,893,743	156	115,070	664	3,997,174	232	1,341,753	432	2,655,420	207	781,500
03/08/2023	1,027	4,893,720	156	116,219	664	3,983,287	232	1,326,896	432	2,656,391	207	794,214
03/15/2023	1,027	5,014,650	156	110,558	664	4,127,933	232	1,394,367	432	2,733,566	207	776,160
03/22/2023	1,027	5,132,061	156	106,951	664	4,259,777	232	1,463,029	432	2,796,749	207	765,333
03/29/2023	1,027	5,198,051	156	109,940	664	4,330,862	232	1,486,475	432	2,844,387	207	757,249
04/05/2023	1,027	5,247,129	156	116,181	664	4,365,670	232	1,508,236	432	2,857,433	207	765,278
04/12/2023	1,027	5,277,405	156	116,379	664	4,392,417	232	1,513,128	432	2,879,289	207	768,608
04/19/2023	1,027	5,208,761	156	110,154	664	4,331,997	232	1,491,255	432	2,840,742	207	766,611
04/26/2023	1,027	5,262,595	156	107,480	664	4,382,790	232	1,497,174	432	2,885,616	207	772,324

<https://www.ici.org/research/stats/mmfassets>

Money Market Mutual Funds

Investment Company Institute												
Weekly Total Net Assets (TNA) and Number of Money Market Mutual Funds												
(millions of dollars)												
6/17/2025												
DATE	TOTAL - ALL MONEY MARKET FUNDS											
	TOTAL		TAX-EXEMPT		GOVERNMENT						PRIME	
					TOTAL		TREASURY & REPO		TREASURY & AGENCY			
	# Classes	TNA	# Classes	TNA	# Classes	TNA	# Classes	TNA	# Classes	TNA	# Classes	TNA
02/05/2025	958	6,917,817	130	133,559	697	5,674,191	263	2,020,605	434	3,653,587	131	1,110,067
02/12/2025	958	6,923,295	130	131,277	697	5,680,094	263	2,019,565	434	3,660,529	131	1,111,924
02/19/2025	958	6,913,759	130	133,089	697	5,667,326	263	2,030,139	434	3,637,187	131	1,113,345
02/26/2025	957	6,974,358	130	134,813	697	5,720,363	263	2,035,007	434	3,685,356	130	1,119,183
03/05/2025	957	7,025,508	130	131,993	697	5,766,036	263	2,064,213	434	3,701,822	130	1,127,480
03/12/2025	957	7,024,130	130	130,657	705	5,765,261	263	2,051,949	442	3,713,311	122	1,128,213
03/19/2025	958	7,002,387	130	134,087	706	5,734,700	264	2,065,379	442	3,669,321	122	1,133,600
03/26/2025	958	7,014,184	130	135,429	706	5,741,584	264	2,055,973	442	3,685,611	122	1,137,170
04/02/2025	958	7,031,783	130	137,415	706	5,752,026	264	2,076,493	442	3,675,533	122	1,142,341
04/09/2025	958	7,006,382	130	134,914	705	5,742,804	264	2,066,359	441	3,676,446	123	1,128,664
04/16/2025	962	6,881,023	130	133,568	709	5,621,840	264	2,023,000	445	3,598,840	123	1,125,614
04/23/2025	962	6,912,687	130	137,020	709	5,643,052	264	2,032,501	445	3,610,551	123	1,132,615
04/30/2025	963	6,908,570	130	140,561	710	5,636,943	265	2,018,040	445	3,618,903	123	1,131,065
05/07/2025	961	6,946,137	130	142,075	708	5,661,632	265	2,032,031	443	3,629,601	123	1,142,430
05/14/2025	961	6,941,161	130	138,651	708	5,654,870	265	2,031,081	443	3,623,789	123	1,147,640
05/21/2025	961	6,968,850	130	140,674	708	5,678,290	265	2,055,552	443	3,622,738	123	1,149,886
05/28/2025	961	6,949,073	130	141,458	708	5,660,576	265	2,046,014	443	3,614,562	123	1,147,039
06/04/2025	961	7,015,854	130	140,395	708	5,717,446	265	2,070,505	443	3,646,941	123	1,158,012
06/11/2025	961	7,006,518	130	138,042	708	5,709,488	265	2,052,342	443	3,657,146	123	1,158,987
06/17/2025	961	7,015,021	130	139,209	708	5,715,363	265	2,078,737	443	3,636,626	123	1,160,448

<https://www.ici.org/research/stats/mmfassets>

Regulatory Changes

- ▶ Elimination of the regulatory prohibition to pay interest on commercial deposits became effective on July 21, 2011.
<https://www.federalregister.gov/documents/2011/07/18/2011-17886/prohibition-against-payment-of-interest-on-demand-deposits>
- ▶ Elimination of the regulatory requirement to limit transfers from savings accounts became effective on April 24, 2020.
<https://www.federalreserve.gov/newsevents/pressreleases/bcreg20200424a.htm>

Open Banking Technology



Deposit interest expense in the era of open banking

Published on December 15, 2022 by Neil Stanley

“Bankers who buy in to open banking will find that it could be antithetical to their objectives to hold the line on cost of funds as interest rates rise. There should be no surprise that, when we remove friction in the flow of funds, funds will flow toward high interest rates. Those who build the technology to attract and retain funds, may find that they have attracted and retained accounts – not funds.”

<https://bankbeat.biz/deposit-interest-expense-neil-stanley/>

Open Banking Technology



<https://www.maxmyinterest.com/#js-modal-video-watch>

Spreading the Word

Friends don't let friends leave money uninvested

Non-profits need to put their money to work earning interest

Regulations on savings withdrawal have been eliminated

Putting money to work doesn't require any risk

The prohibition on businesses getting paid interest has been eliminated

Consumers need to put their money to work earning interest

Financial wellness requires getting paid interest on YOUR money

Intergenerational Financial Wellness



Banking Strategies Daily

Wednesday, September 6, 2023

Podcast replay: Why banks should help families break the money-talk taboo

Michael Liersch from Wells Fargo shares insights on how banks can help families build more open relationships about money, and why it's in the banks' interests to do so.

<https://www.bai.org/banking-strategies/why-banks-should-help-families-break-the-money-talk-taboo/>

Recent interest rates give children of senior citizens a great opportunity to have a safe conversation with their parent as they ask them if they have been able to trade out of old accounts to take advantage of today's interest rates. In the process the children often learn many important details about their parent's finances while opening the door for enhancing their financial results by seizing the higher interest rates available today!

https://youtu.be/D6YS1tHXq_0?si=Si9RH07gPNhAuvrQ

46

Positioning your deposit business for the 'Great Wealth Transfer'

Digital ease and early multigenerational engagement are keys to securing deposit loyalty.

May 29, 2025

Consumer Banking

Deposit acquisition and retention are two sides of the same coin. Nowhere is that more evident than as Baby Boomers hand some \$80 trillion to the younger generations, a shift so consequential it's earned its own moniker, the "Great Wealth Transfer" or GWT.

Holdings will change hands, but if banks and credit unions act smartly, it doesn't necessarily mean dollars will flow out of financial institutions.

<https://www.bai.org/banking-strategies/positioning-your-deposit-business-for-the-great-wealth-transfer/>?



AI Is Advising Your Depositors. Are Your Deposit Products Ready?

Artificial intelligence has erased the knowledge barrier that once protected banks and credit unions from customer exploitation of their deposit product design. With AI now allowing deposit decisions without increases in depositor knowledge, significant shifts loom for deposit banking. Here's where the product weakness lies, how much profit is at risk, and why rethinking deposit design is necessary.

By Neil Stanley

Published on May 28th, 2025 in **Deposit Growth**



[AI Is Advising Depositors. Are Your Deposit Products Ready?](#)

What AI-powered negotiating tools are being deployed putting pressure on banks?

Consumers are increasingly leveraging AI-powered tools to negotiate with banks, prompting financial institutions to adapt to this emerging dynamic. These tools empower customers to seek better rates, fees, and terms, challenging traditional banking practices.

AI Tools Empowering Consumers in Banking Negotiations

1. AI Chatbots and Virtual Assistants

- **Bank of America's Erica:** An AI-driven virtual assistant that helps customers manage finances, track spending, and provide personalized advice. [McKinsey & Company+4Forbes+4Edstellar+4OyeLabs](#)
- **Capital One's Eno:** A conversational AI that assists users with account information, transaction details, and proactive alerts.

What AI-powered negotiating tools are being deployed putting pressure on banks?

2. AI-Powered Financial Management Apps

- Cleo:** An AI chatbot that offers budgeting assistance and can help users negotiate bills by analyzing spending patterns.
- Trim:** An AI service that analyzes user accounts to identify opportunities for savings and can negotiate bills on behalf of users.

3. AI-Driven Investment Tools

- Rogo:** An AI platform that automates analytical tasks in investment banking, allowing for rapid assessment of companies and market positions.

What AI-powered negotiating tools are being deployed putting pressure on banks?

Implications for Banks

The adoption of these AI tools by consumers places pressure on banks to:

- **Enhance Transparency:** Customers expect clear information on fees, rates, and services.
- **Offer Competitive Rates:** With easy access to comparative data, consumers are more likely to switch to institutions offering better terms.
- **Invest in AI Capabilities:** To match the personalized experiences provided by third-party AI tools, banks need to develop or integrate similar technologies.

The Often-Observed State of Long-Term Savings Offers

- Using offerings designed before man landed on the moon
- Little, if any, guidance or training for the front line regarding long-term savings
- Using static rate sheets that tend to “commoditize” CDs
- Continuously promoting random rate-focused CD specials

Common Deposit Tactics

- Tiering by size of account
- Ad hoc exceptions
- Offering odd-term maturity specials
- Using brokered or alternative market channels
- Offering “new money only” specials
- Relationship pricing
- Offering Teaser Interest Rate Promotions

A Static Approach Is No Longer Effective

As depositors become more rate-aware and rate-sensitive

The most effective approaches to managing deposits

- ▶ Let the Sleepers Sleep
- ▶ Show Respect to the Curious
- ▶ Negotiate Skillfully with the Rate Shoppers

Don't let your team struggle any longer with a static rate sheet and a few promotional specials that commoditize your offerings.

You Need a System That

Complements What You Already Do



- Provide Enhanced Sequential Sales Processes
- Implement Improved Retail Deposit Products
- Provide Sales Software Platform
- Train Management and Frontline Users
- Deliver Monthly Performance Assessments

Close the Back Door

Limited Edition Savings

Simple savings account delivering a CD yield

Exclusively for owners of maturing CDs held at least 5 months.

To be used where owner is not comfortable renewing or transferring to another CD

Available on an invitation-only basis

Current Annual Percentage Yield	4.15%
Time Commitment	None
Penalty for Early Withdrawal	None
Number of Withdrawals Permitted	Unlimited
Type of Withdrawals Required	Personal Request
Number of Deposits Permitted	None
Minimum Balance Monthly Fee If account falls below \$2,500	\$10



Open the Front Door

Companion Deposit Accounts

Simple savings account delivering a CD yield

Open up a CD and be eligible to open a High-Yield Savings Account of equal or lesser value.

Companion CD must be at least 7 months in term to maturity.

No additional deposits allowed after the original open date without opening another CD.

Current Annual Percentage Yield - APY	4.05%
Time Commitment	None
Penalty for Early Withdrawal	None
Number of Withdrawals Permitted	Unlimited
Type of Withdrawals Required	Personal Request
Number of Deposits Permitted	None
Minimum Balance Monthly Fee If account falls below \$100	\$0

<https://thefinancialbrand.com/news/bank-marketing/banking-rates-deposits-accounts-cd-savings-73678/>

Follow Up Every New Term Deposit with a Welcome Message

- ▶ Offer to allow the depositor until a specific date (such as 10 days from the date of the CD opening) to open a Companion Deposit Account sharing all the relevant details of the Companion Deposit Account.
- ▶ When appropriate, also offer a DDA.
- ▶ When appropriate, inquire about the potential to refinance accounts at other financial institutions ahead of maturity.
- ▶ Ask if they might want to recommend us to friends and family.

<https://youtu.be/2CzjQtF1HTs>

Timely Growth Opportunity

Companion Deposit Accounts

Simple savings account delivering a CD yield

Open up a CD and be eligible to open a High-Yield Savings Account of equal or lesser value.

Companion CD must be at least 7 months in term to maturity.

No additional deposits allowed after the original open date without opening another CD.

- ▶ Identify your single-service CD account holders
- ▶ Consider running a campaign to offer Companion Deposit Accounts to people who open CDs but didn't fund a companion account.

Current Annual Percentage Yield - APY

4.05%

Time Commitment

None

Penalty for Early Withdrawal

None

Number of Withdrawals Permitted

Unlimited

Type of Withdrawals Required

Personal Request

Number of Deposits Permitted

None

Minimum Balance Monthly Fee

\$0

If account falls below \$100

Time and Define Your Promotions

Minimize the impact of re-pricing maturing CDs at promotional yields.

- Utilize the maturing schedule to know when the least damage would occur from promotional offerings
- Select the time and define the terms that will minimize re-pricing to higher cost offerings.

FMS Whitepaper - <https://app.box.com/s/t23nzbb5whl6z51yo4kgxno0tgiae6xw>

Time and Define Your Promotions

Maturity Schedule

	1/9/2023	1/16/2023	1/23/2023	1/30/2023	2/6/2023	2/13/2023	2/20/2023	2/27/2023	3/6/2023	3/13/2023	3/20/2023	3/27/2023
	1/15/2023	1/22/2023	1/29/2023	2/5/2023	2/12/2023	2/19/2023	2/26/2023	3/5/2023	3/12/2023	3/19/2023	3/26/2023	4/2/2023
Amount	2,940,003	2,441,692	1,881,086	2,066,822	1,921,372	1,276,117	1,739,633	2,900,637	1,764,437	3,331,617	1,890,306	2,172,888
Count	71	64	64	77	65	52	70	90	63	77	90	91
Avg Yield	0.70%	0.38%	0.67%	0.64%	0.45%	0.57%	0.42%	0.66%	0.41%	0.67%	0.57%	0.69%
Average	2,193,884	2,193,884	2,193,884	2,193,884	2,193,884	2,193,884	2,193,884	2,193,884	2,193,884	2,193,884	2,193,884	2,193,884
% of Avg	134%	111%	86%	94%	88%	58%	79%	132%	80%	152%	86%	99%
Opp Rank	11	9	4	7	6	1	2	10	3	12	5	8

Term		1/9/2023	1/16/2023	1/23/2023	1/30/2023	2/6/2023	2/13/2023	2/20/2023	2/27/2023	3/6/2023	3/13/2023	3/20/2023	3/27/2023
		1/15/2023	1/22/2023	1/29/2023	2/5/2023	2/12/2023	2/19/2023	2/26/2023	3/5/2023	3/12/2023	3/19/2023	3/26/2023	4/2/2023
3 Month	Amount	135,822	2,897	33,886	162,836	46,908	70,350		98,420	88,990	478,753	142,938	19,462
	Count	1	1	3	4	3	1		6	4	4	5	1
	Avg Yield	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%		0.03%	0.03%	0.90%	0.03%	0.03%
6 Month	Amount	20,661	407,017	141,246	157,378	241,825	53,948	173,925	44,722	41,629	24,615	70,841	152,179
	Count	3	9	5	4	6	6	7	5	5	4	4	5
	Avg Yield	0.03%	0.35%	1.07%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%
9 Month	Amount	69,185		6,540	11,427	12,430	1,526		10,935	5,021		3,298	
	Count	2		1	2	2	1		1	1		1	
	Avg Yield	0.03%		0.03%	0.03%	0.03%	0.03%		0.03%	0.03%		0.03%	
10 Month	Amount						101,934						
	Count						1						
	Avg Yield						0.10%						
12 Month	Amount	1,026,303	903,701	770,045	611,371	631,424	401,017	714,196	1,135,762	494,014	1,009,814	618,982	876,570
	Count	30	26	26	32	24	15	31	35	19	34	39	39
	Avg Yield	0.36%	0.39%	0.43%	0.24%	0.43%	0.43%	0.45%	0.45%	0.45%	0.40%	0.37%	0.24%
15 Month	Amount	677,016	389,077	124,226	370,122	275,077	149,201	113,569	483,678	590,344	783,306	329,214	190,580
	Count	9	8	3	10	7	7	6	10	9	11	8	8
	Avg Yield	0.49%	0.43%	0.40%	0.42%	0.42%	0.40%	0.40%	0.49%	0.40%	0.40%	0.40%	0.40%
18 Month	Amount	40,362	11,871	16,569	6,166	5,135	4,628	5,276	42,622	243,007	209,208	173,564	111,065
	Count	3	2	4	1	2	2	2	5	6	9	6	11
	Avg Yield	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.14%	0.10%	0.10%	0.43%	0.10%
24 Month	Amount	336,588	343,766	446,970	109,273	372,394	32,831	456,345	549,940	168,767	277,025	190,256	65,820
	Count	6	6	10	6	7	3	10	11	6	7	7	4
	Avg Yield	0.52%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.28%	0.10%	0.10%	0.10%	0.10%
36 Month	Amount	62,608	356,397		53,133	59,372	258,162	116,945	29,262	20,491	48,007	87,813	162,366
	Count	3	6		3	4	7	4	3	3	3	9	6
	Avg Yield	0.78%	0.51%		0.61%	0.51%	0.52%	0.60%	0.58%	0.50%	0.13%	0.14%	0.10%
48 Month	Amount				1,048	25,000	4,097	3,117	24,150			1,615	167,603
	Count				1	1	2	1	2			1	1

Who Has Considered These Vital Issues?

We are honored to be your financial institution and offer these benefits for long-term savers that are not found at all financial institutions:

- ☐ If unforeseen circumstances arise, you may use our CD loan program rather than take early withdrawal.
- ☐ We pledge that early withdrawal will never be restricted and accrued interest will never be withheld in the event of early withdrawal.
- ☐ We offer partial withdrawal options of CDs with any compensation required to be based only on the withdrawn amount.
- ☐ Be assured that critical aspects of time accounts are not subject to change by us before maturity.
- ☐ Presentment of physical certificate is not required at redemption.

[*Ask about our Interest-Bearing Deposit Best Practices Checklist*](#)

Dynamic Rate Sheet

Feature:

None

Checking w/ACH Relationship

Amount:

60000

Calculate

Filter: Standard

	TERM		RATE	COMPOUNDING PERIODS PER YEAR	CMPND AT MATURITY PERIODS PER YEAR	ANNUAL PERCENTAGE YIELD	ESTIMATED VALUE AT MATURITY	FEATURE
<input type="checkbox"/>	91	Days	2.500%	Quarterly		2.52%	\$60,374	
<input type="checkbox"/>	182	Days	2.500%	Quarterly		2.52%	\$60,750	
<input type="checkbox"/>	12	Months	2.500%	Quarterly		2.52%	\$61,514	
<input type="checkbox"/>	18	Months	2.500%	Quarterly		2.52%	\$62,285	
<input type="checkbox"/>	24	Months	2.350%	Quarterly		2.37%	\$62,879	
<input type="checkbox"/>	30	Months	2.200%	Quarterly		2.22%	\$63,383	
<input type="checkbox"/>	36	Months	2.100%	Quarterly		2.12%	\$63,891	
<input type="checkbox"/>	48	Months	2.100%	Quarterly		2.12%	\$65,243	
<input type="checkbox"/>	60	Months	2.100%	Quarterly		2.12%	\$66,624	

Dynamic Rate Sheet

Feature:

None

Checking w/ACH

Relationship

Amount:

60000

Calculate

Filter: Standard

	TERM		RATE	COMPOUNDING PERIODS PER YEAR	CMPND AT MATURITY PERIODS PER YEAR	ANNUAL PERCENTAGE YIELD	ESTIMATED VALUE AT MATURITY	FEATURE
<input type="checkbox"/>	91	Days	3.000%	Quarterly		3.03%	\$60,448	Checking w/ACH
<input type="checkbox"/>	182	Days	3.000%	Quarterly		3.03%	\$60,900	Checking w/ACH
<input type="checkbox"/>	12	Months	3.000%	Quarterly		3.03%	\$61,820	Checking w/ACH
<input type="checkbox"/>	18	Months	3.050%	Quarterly		3.09%	\$62,798	Checking w/ACH
<input type="checkbox"/>	24	Months	2.900%	Quarterly		2.93%	\$63,570	Checking w/ACH
<input type="checkbox"/>	30	Months	2.750%	Quarterly		2.78%	\$64,255	Checking w/ACH
<input type="checkbox"/>	36	Months	2.650%	Quarterly		2.68%	\$64,948	Checking w/ACH
<input type="checkbox"/>	48	Months	2.650%	Quarterly		2.68%	\$66,686	Checking w/ACH
<input type="checkbox"/>	60	Months	2.650%	Quarterly		2.68%	\$68,471	Checking w/ACH

Dynamic Rate Sheet

Feature:

None

Checking w/ACH

Relationship

Amount:

60000

Calculate

Filter: Standard

	TERM		RATE	COMPOUNDING PERIODS PER YEAR	CMPND AT MATURITY PERIODS PER YEAR	ANNUAL PERCENTAGE YIELD	ESTIMATED VALUE AT MATURITY	FEATURE
<input type="checkbox"/>	91	Days	3.500%	Quarterly		3.55%	\$60,523	Relationship
<input type="checkbox"/>	182	Days	3.500%	Quarterly		3.55%	\$61,051	Relationship
<input type="checkbox"/>	12	Months	3.500%	Quarterly		3.55%	\$62,128	Relationship
<input type="checkbox"/>	18	Months	3.500%	Quarterly		3.55%	\$63,220	Relationship
<input type="checkbox"/>	24	Months	3.350%	Quarterly		3.39%	\$64,140	Relationship
<input type="checkbox"/>	30	Months	3.200%	Quarterly		3.24%	\$64,977	Relationship
<input type="checkbox"/>	36	Months	3.100%	Quarterly		3.14%	\$65,824	Relationship
<input type="checkbox"/>	48	Months	3.100%	Quarterly		3.14%	\$67,888	Relationship
<input type="checkbox"/>	60	Months	3.100%	Quarterly		3.14%	\$70,018	Relationship

Dynamic Rate Sheet

Term to Maturity in Months:

6

APY:

3.55%

Estimated Value at Maturity:

\$61,051

Term	Area	Institution	APY	Estimated Value	Our CD Advantage	Our Average Monthly Advantage
6	1	Bank of the West	0.02 %	\$60,006	\$1,045	\$174
6	1	First National Bank	0.08 %	\$60,024	\$1,027	\$171
6	1	First Interstate Bank	0.20 %	\$60,059	\$992	\$165
6	1	Equitable Bank	0.95 %	\$60,282	\$769	\$128
6	Regional	U.S. Average	1.34 %	\$60,397	\$654	\$109
6	Regional	MN State Average	1.53 %	\$60,453	\$598	\$100
6	Regional	NE State Average	1.66 %	\$60,492	\$559	\$93
6	1	Wells Fargo Bank	2.51 %	\$60,742	\$309	\$51
6	1	Metro Credit Union	4.75 %	\$61,397	(\$346)	(\$58)
6	1	U.S. Bank	4.85 %	\$61,426	(\$375)	(\$62)

Customize Maturity Dates

Depositor Quote

Clear

Print to PDF

Depositor Name:

Valued Depositor

Amount of Deposit:

\$60000

(min amount \$10000)

Date of offer:

7/1/2025

Desired Maturity Date:

3/17/2026

or

Term to Maturity in Months:

9

(5 to 60 months)

(259 days)

Our Offering APY:

4.10%

Estimated Value at Maturity:

\$61,735

Estimated Interest Earned / Calculated:

\$1,735

Customized CD Rate:

Monthly



4.025%

Deal with a Request to Match

Institution:

XYZ

Deposit Amount:

\$60000

Term:

10

APY:

4.8

Estimated Value at Maturity:

\$62,389

Estimated Interest Earned / Calculated:

\$2,389

Calculate

Term:	10	Min Term to Match:	5
Our Customized CD APY:	4.07%	Our Customized CD APY:	4.31%
Estimated Value at Maturity:	\$62,027	Estimated Value at Maturity:	\$61,071
Estimated Interest Earned / Calculated:	\$2,027	Estimated Interest Earned / Calculated:	\$1,071
<div>Accept</div>		<div>Accept</div>	
Our Advantage at Maturity:	(\$362)		
Our Advantage per Month:	(\$36)		

For more - <https://youtu.be/y5v9jr-PqWk>

Refinance CDs at Other F.I.s Before Maturity



Do you or a loved one own a bank or credit union CD? If you are waiting until maturity to make investment decisions you could be wasting thousands of dollars. As interest rates rise, many CD holders can trade out of their old contracts into new contracts that mature on the same day for more money. Contact us at [redacted] Bank for your no-obligation analysis of how you and your loved ones can benefit from rising interest rates immediately.

Ask if your CD qualifies today!

How ChatGPT is Turning CD Depositors Into Rate Hackers

Consumer ignorance once shielded banks and credit unions from flaws in their deposit products. But now, AI is quietly arming depositors with the tools to outsmart outdated CD structures. With just a simple prompt, anyone can uncover loopholes that cost banks big time. The era of passive depositors is over. Are you ready?

By Neil Stanley

Published on May 28th, 2025 in **Deposit Growth**

<https://thefinancialbrand.com/news/deposits/ai-is-advising-your-depositors-are-your-deposit-products-ready-189538>



How the industry thinks about CDs

VALUE AT MATURITY R 101,300-00

BARCLAYS BANK D.C.O.
REGISTERED COMPANIES ACT
WITH WHICH IS INCORPORATED
THE NATIONAL BANK OF SOUTH AFRICA LIMITED

Head Office in South Africa
JOHANNESBURG.

25th July 1964

NEGOTIABLE CERTIFICATE OF DEPOSIT

This certifies that there has been deposited with Barclays Bank D.C.O.
the sum of R100,000-00 (One hundred thousand Rand)
payable to the Bearer of this Certificate the Order of

180 days after date hereof together with interest at the rate of
3.65 per cent per annum.

The amount of the deposit and the interest thereon will be repaid
upon presentation of this Certificate at the Johannesburg Branch of
Barclays Bank D.C.O. on or after 21st January 1965 on which
date interest will cease.

[Signature]
General Manager

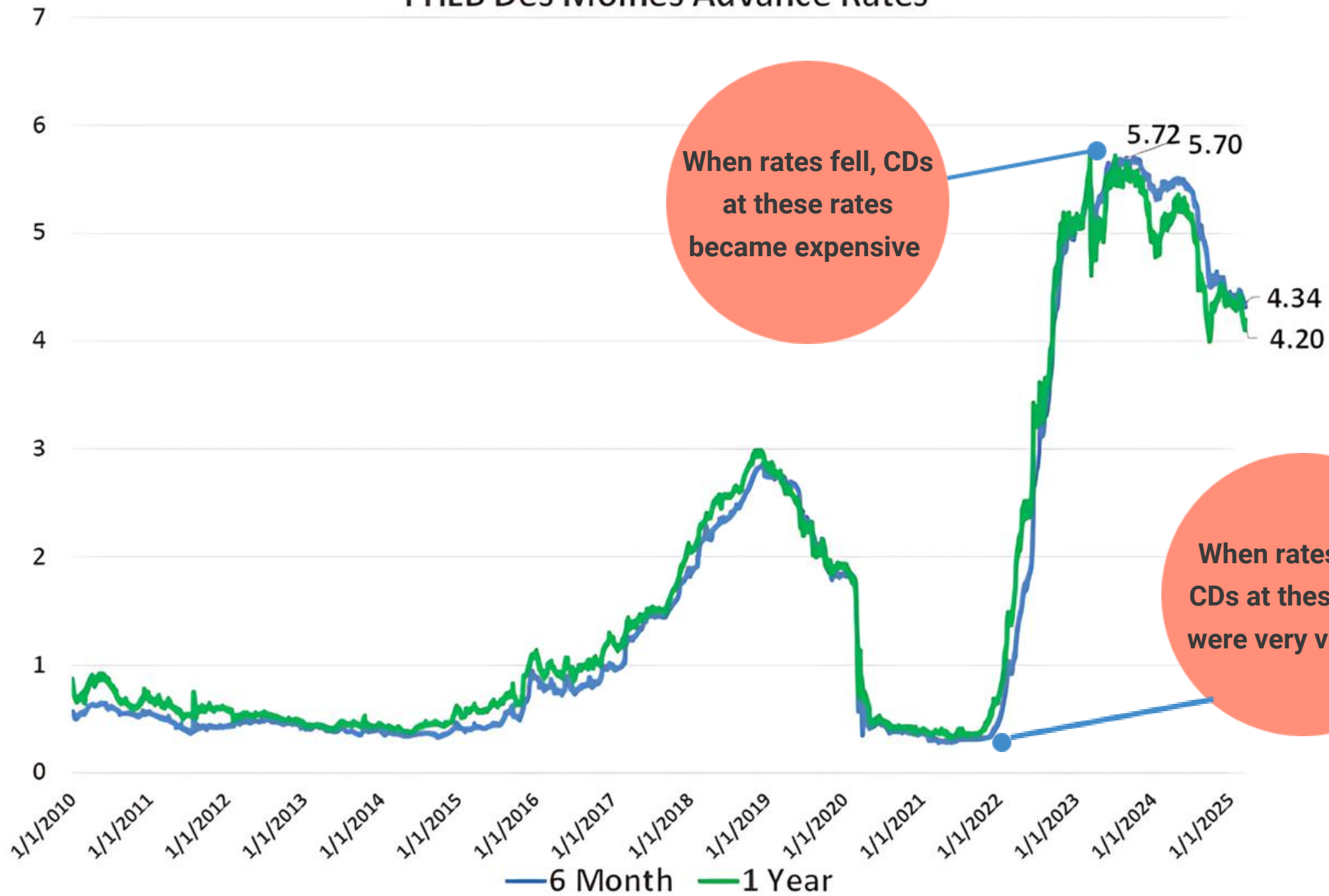
[Signature]
Chief Accountant

IN B - THE ISSUE AND NEGOTIATION OF THIS CERTIFICATE ARE SUBJECT TO THE CONDITIONS PRINTED ON THE
BACK HEREOF.

* CLAUSE WHICH EVER IS INAPPLICABLE.

FINANCIAL
OPTIONS
TRADITIONAL
INCONVENIENT
DEPOSITS
GROWTH
WEALTH
RETIREES
LOCKED
RISK
SECURITY
PLANNING
GOALS
RETURNS
BORING
LOW
RATES
OLD
TIME
INVESTMENT
INACCESSIBLE
STABILITY
AVERSE
AVERSE
MANAGEMENT
RETIREMENT
SECURE
INFLEXIBLE
SAVINGS

FHLB Des Moines Advance Rates



STUDY OF THE INDUSTRY: **ARBITRARY EARLY WITHDRAWAL PENALTIES**

Early Withdrawal Penalty Calculated on \$100,000 CD

	* 7 Days (Regulatory Requirement)	3 Months	6 Months
1.00%	\$19	\$250	\$500
5.00%	\$96	\$1,250	\$2,500
4.00%	\$77	\$1,000	\$2,000

Your Depositors face an immediate unrealized loss when they open a CD with your institution.

** Only required within the first 6 days after opening or after a partial withdrawal.*



BUSINESS CHALLENGES: STRATEGIC BLIND SPOT

**CURRENT CDS ARE RIGID,
RATE-DRIVEN, AND
REACTIVE**

BUSINESS CHALLENGES: PENALTIES MISALIGNED TO DESIRED OUTCOMES

Rising Rate Environment

- FIs: **Hidden risks**
 - Lock in deposits for a defined term
 - Lower interest rate = lower cost to fund loans
 - Lower interest rate = smaller calculated penalty
 - Smaller penalty = decreased deterrent to early withdrawals
- Depositors: **Not deterred from exiting**
 - Lower interest rate = smaller penalty
 - Smaller penalty = higher likelihood of rate shopping
 - Smaller penalty = smaller deterrent to exiting
 - Increased use of AI to evaluate alternatives

Because penalties are calculated on the rate, there are winners and losers

Falling Rate Environment

- FIs: **Traps expensive deposits on your books**
 - Early withdrawal would benefit the FI
 - Higher interest rate = larger withdrawal penalty
 - Larger penalty = decreased likelihood of depositors exiting early
- Depositors: **Stay put**
 - May benefit from early withdrawal, but assumes the option is unavailable
 - Depositors must hold the account to earn the benefits of their investment
 - Larger penalties deter early withdrawals

BUSINESS CHALLENGES:

INFLEXIBILITY ERODES VALUE OF CDS

Traditional CDs are offered in a way that is not ideal for investment

Static penalty logic creates perceived loss and inflexibility

No one finds traditional CDs to be ideal

BUSINESS CHALLENGES: CUSTOMER OPTIONALITY

Savvy depositors now
use AI to ask:

“Should I exit this CD?”

Where should we begin?

I have a \$100,000 CD today at 2.5% APY that is scheduled to mature on 7/15/2026 and it has an early withdrawal penalty of 90-days interest. If I can reinvest the net proceeds after paying the penalty, should I take the penalty and re-invest?

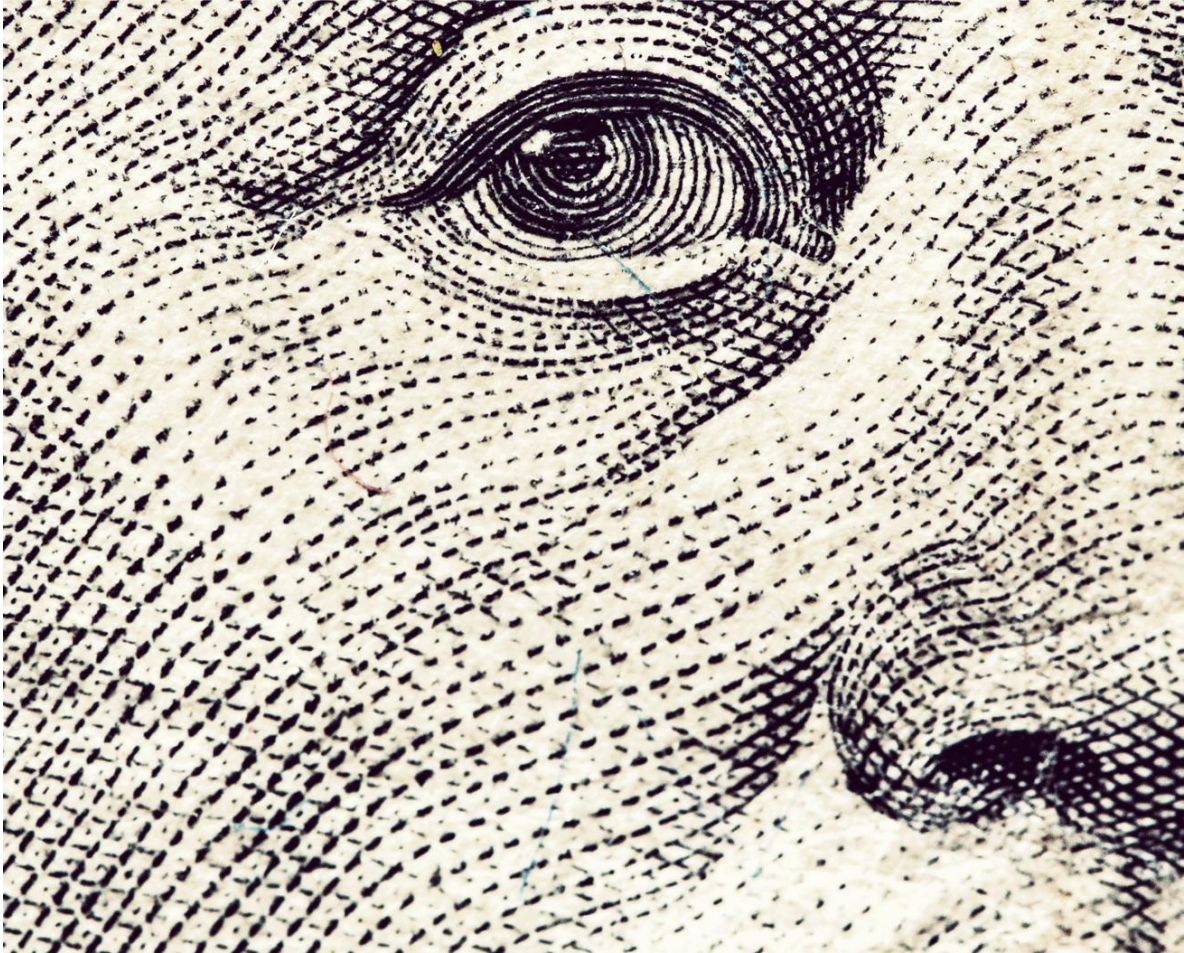


✓ Bottom Line:

- If you can **reinvest at $\geq 4\%$ APY**, go for it — you'll come out ahead, even after the penalty.
- If the best you can do is **below 3.02% APY**, stay put.
- In the **3.02%–4% range**, it depends on your liquidity preferences and risk tolerance.

Would you like help identifying high-yield reinvestment options right now?

THE REDEEMABLE CD SOLUTION



A new structure that:

- Preserves FI's control over margin
- Calculates daily redemption value
- Benefits the FI and Depositor in two ways:
 - **Early Withdrawal:** Provides bonuses for early redemption when rates decline
 - **Origination:** The redemption value at any point during the life of the account is always as good or better than the traditional CD with the same APY.

REDEEMABLE CD SOLUTION: WHAT YOUR INSTITUTION CONTROLS

You Set the Rules



**Qualifications for early
redemption**



**discount rate for qualifying
accounts**



Customize bonus logic

WHAT YOUR FI SEES

EASILY CALCULATE YOUR
SAVINGS AND
DEPOSITOR'S BONUS

Term to Maturity in Months:	12
Current Principal Balance:	<input type="text" value="100000"/>
Current Interest Balance:	<input type="text" value="50"/>
CD APY:	<input type="text" value="5"/>
Estimated Value at Maturity:	\$105,052.50
Replacement APY for remaining term:	4.78
Current Principal and Interest:	\$100,050.00
Current Account Redemption Value:	\$100,260.07
Instant Access Adjustment:	\$210.07 Bonus

Redeemable CD Solution: What Your Institution Sees

Net Present Value of Remaining 12-Month Term Funding

Redeemable CD®

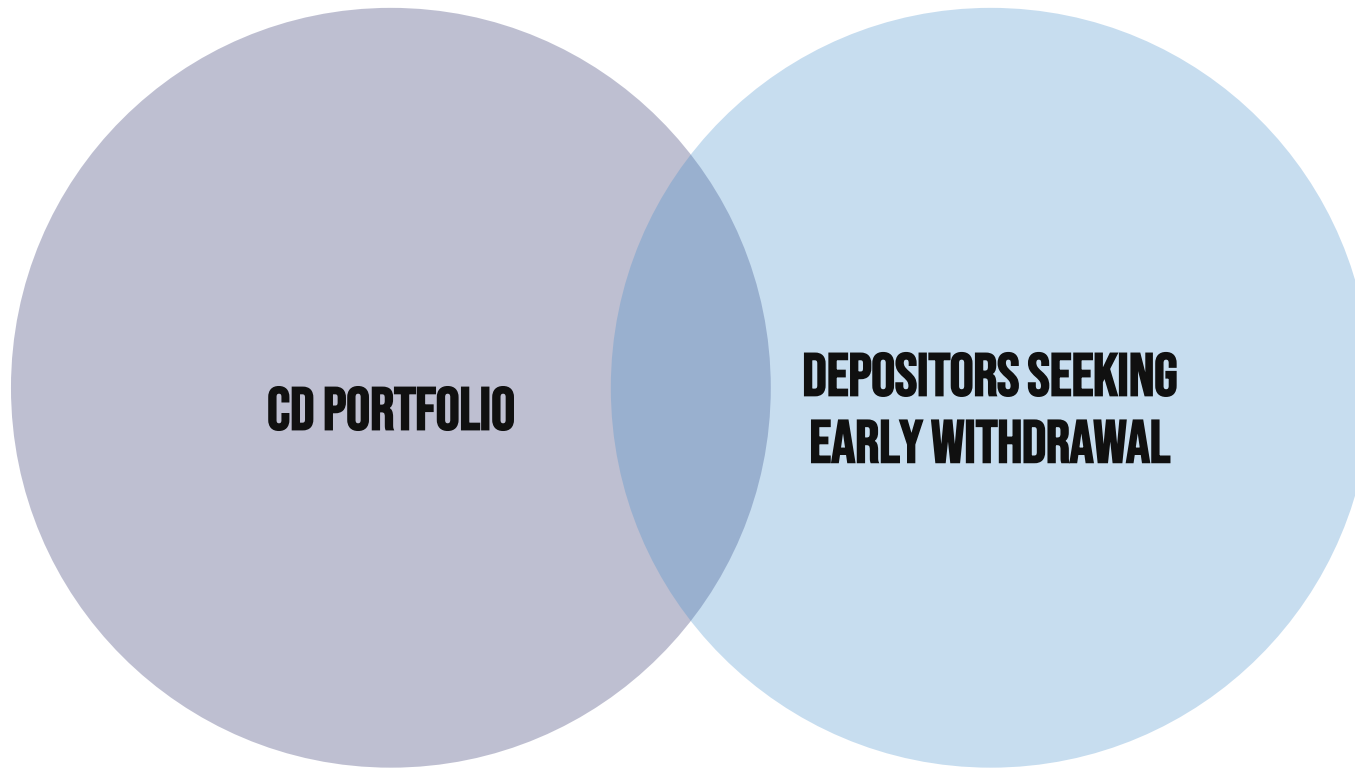
Subject to U.S. Patent

Current P&I	100,000.00
APY of Existing Funding	5.00%
12-Mo Forward Cash Flow	105,000.00

Wholesale Replacement Rate	Present Financial Cost at Wholesale Rate	Opportunity Cost	Spread Retained by F.I.	Discount Rate Offered Depositor	Value to Depositor	Depositor Bonus / (Fee)	F.I. Profit
5.00%	\$100,000.00	-	0.25%	5.25%	99,762.47	(237.53)	237.53
4.90%	\$100,095.33	95.33	0.26%	5.16%	99,847.85	(152.15)	247.48
4.80%	\$100,190.84	190.84	0.27%	5.07%	99,933.38	(66.62)	257.46
4.70%	\$100,286.53	286.53	0.28%	4.98%	100,019.05	19.05	267.48
4.60%	\$100,382.41	382.41	0.29%	4.89%	100,104.87	104.87	277.54
4.50%	\$100,478.47	478.47	0.30%	4.80%	100,190.84	190.84	287.63
4.40%	\$100,574.71	574.71	0.31%	4.71%	100,276.96	276.96	297.76
4.30%	\$100,671.14	671.14	0.32%	4.62%	100,363.22	363.22	307.92
4.20%	\$100,767.75	767.75	0.33%	4.53%	100,449.63	449.63	318.12
4.10%	\$100,864.55	864.55	0.34%	4.44%	100,536.19	536.19	328.36
4.00%	\$100,961.54	961.54	0.35%	4.35%	100,622.90	622.90	338.63

REDEEMABLE CD: **EARLY WITHDRAWAL USE CASE**

Reach Depositors with Expensive CDs Seeking Early Withdrawal



With Redeemable CDs, FIs can:

- **Segment high rate CDs**
- **Set discount rates**
- **Target depositors**
- **Pay bonus**
- **Refinance at lower cost**

REDEEMABLE CD: ORIGINATION USE CASE

Don't just react. Bring a Better CD Product to Market

What we offer



Savings Account

4.05% APY*

- ✓ \$100 minimum deposit
- ✓ No monthly fee
- ✓ Interest compounds daily
- ✓ Fast, secure application
- ✓ FDIC Insured

Apply >



Certificate (CD)

4.25% APY*

- ✓ \$1,000 minimum deposit
- ✓ No monthly fee
- ✓ Interest compounds daily
- ✓ Guaranteed Returns
- ✓ FDIC Insured

Apply >



Redeemable CD

4.25% APY*

- ✓ \$1,000 minimum deposit
- ✓ No monthly fee
- ✓ Interest compounds daily
- ✓ Fast, secure application
- ✓ FDIC Insured
- + Daily Redemption Value
- + Withdraw any amount at redemption value
- + Returns on withdrawal always the same or better than a traditional CD

Apply >

REDEMPTION VALUE CALCULATOR

Opening Deposit = \$100,000

Opening Date = 05/01/2025

Maturity Date = 05/01/2026 – 12 Month Term

Penalty (Days of Interest) = 90 Days = \$1,048 @ 4.25%



		Redemption Value (Less Early Withdrawal Penalty)				
Date	CD Age (in Days)	Competitor Offer APY = 4.50%	Your Traditional CD APY = 4.25%	Redeemable CD APY = 4.25%		
Redemption Value (Less Penalty)				Current CD Market Rate	Current Redemption Value	Depositor Bonus / (Fee)
5/31/2025	30	\$99,260	\$99,301	3.00%	\$101,460	\$1,110
10/31/2025	183	\$101,147	\$101,083	3.00%	\$102,725	\$594
5/31/2026	365	\$104,500	\$104,250	3.00%	\$104,250	\$0

REDEMPTION VALUE CALCULATOR

Opening Deposit = \$100,000

Opening Date = 05/01/2025

Maturity Date = 05/01/2026 – 12 Month Term

Penalty (Days of Interest) = 90 Days = \$1,048 @ 4.25%



		Redemption Value (Less Early Withdrawal Penalty)				
Date	CD Age (in Days)	Competitor Offer APY = 4.50%	Your Traditional CD APY = 4.25%	Redeemable CD APY = 4.25%		
Redemption Value (Less Penalty)				Current CD Market Rate	Current Redemption Value	Depositor Bonus / (Fee)
5/31/2025	30	\$99,260	\$99,301	5.00%	\$99,685	(\$665)
10/31/2025	183	\$101,147	\$101,083	5.00%	\$101,744	(\$386)
5/31/2026	365	\$104,500	\$104,250	5.00%	\$104,250	\$0

REDEEMABLE CD: ADVANTAGES FOR FIS



Redeemable CD

4.25% APY*

- ✓ \$1,000 minimum deposit
- ✓ No monthly fee
- ✓ Interest compounds daily
- ✓ Fast, secure application
- ✓ FDIC Insured
- + Daily Redemption Value
- + Withdraw any amount at redemption value
- + Returns on withdrawal always the same or better than a traditional CD

Apply >



Set the discount rate to determine the early withdrawal values



Avoid balance sheet churn by retaining funds in lower-cost accounts.

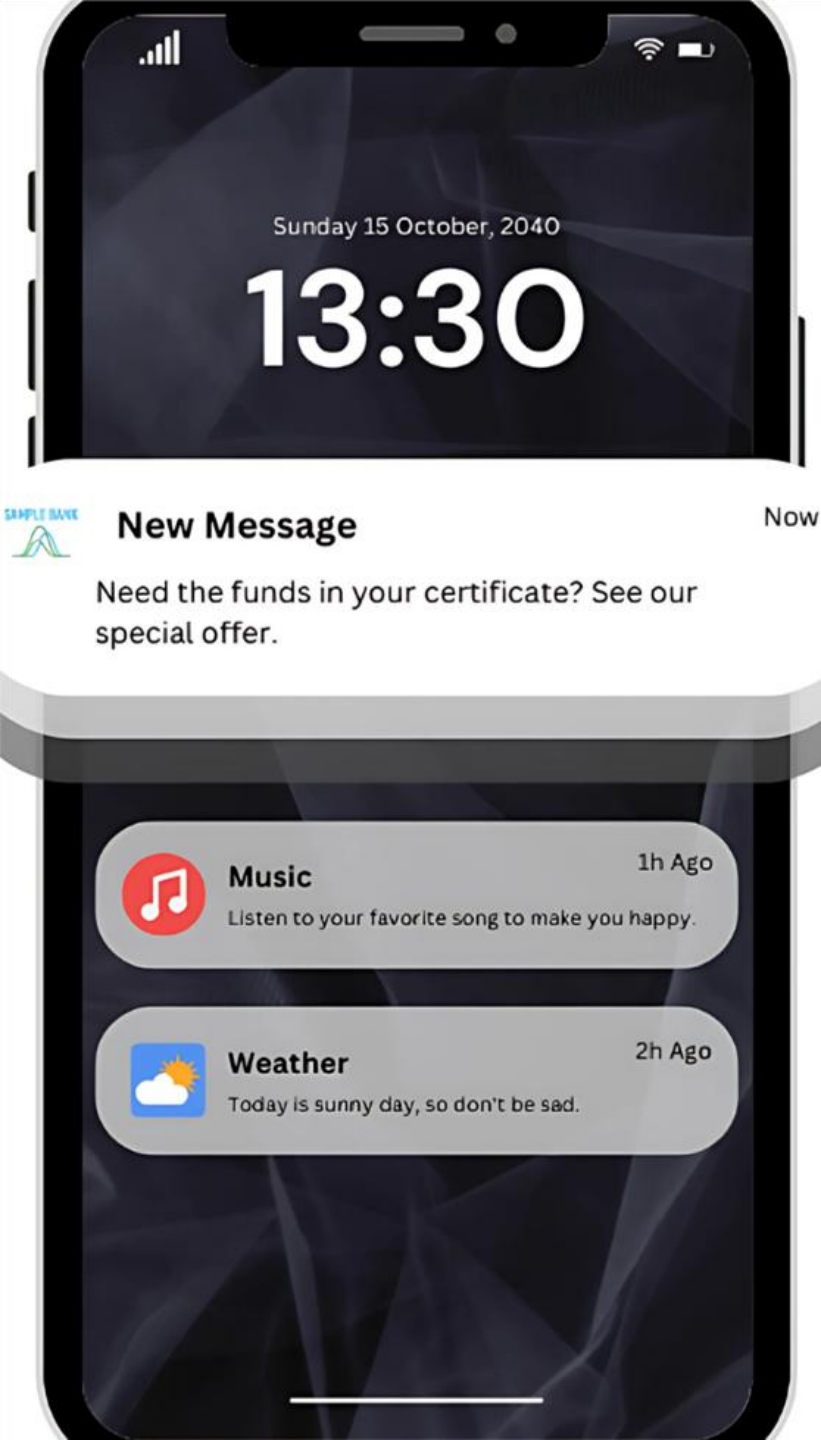


Eliminate the flaws of traditional CDs, so more depositors want to open CDs



Patent-Protected Process

REDEEMABLE CD SOLUTION: WHAT DEPOSITORS SEE



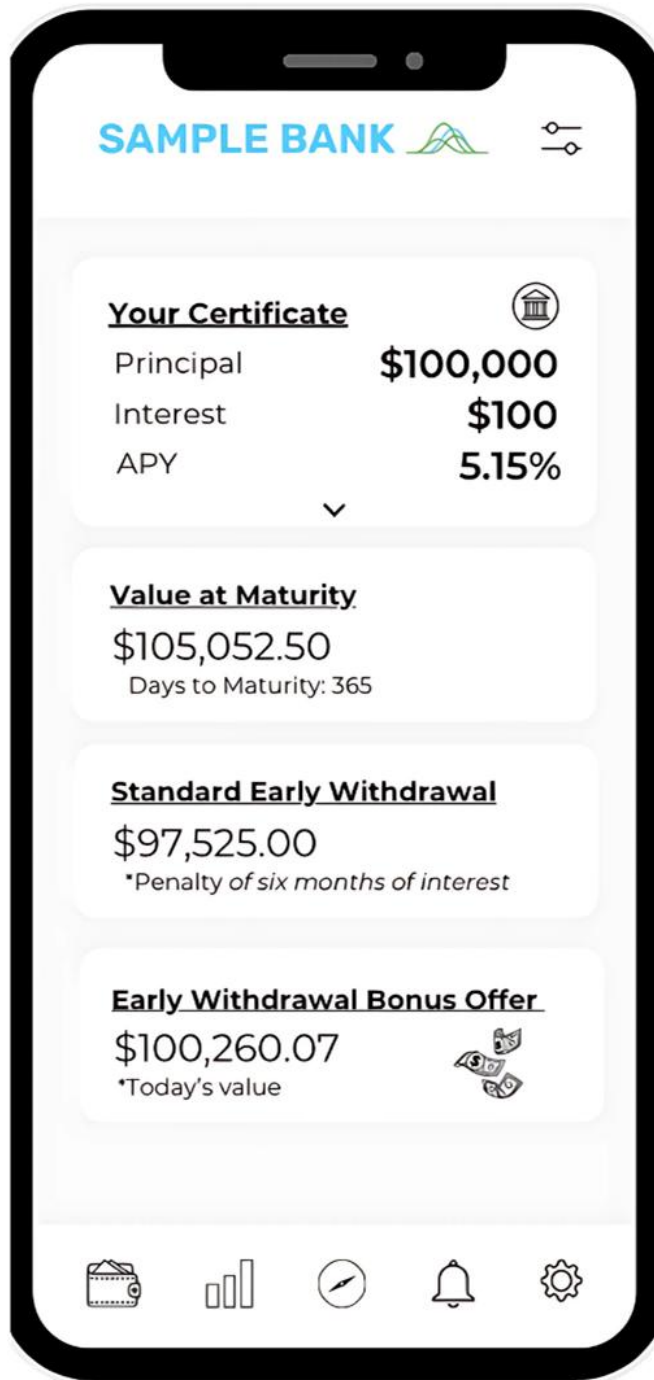
Daily CD value



**Bonus potential
when rates drop**



**Same rate if held to
term**



REDEEMABLE CD SOLUTION: WHAT DEPOSITORS SEE

IT'S STILL A CD.

JUST SMARTER.

REDEEMABLE CD: ADVANTAGES FOR DEPOSITORS



Redeemable CD

4.25% APY*

- ✓ \$1,000 minimum deposit
- ✓ No monthly fee
- ✓ Interest compounds daily
- ✓ Fast, secure application
- ✓ FDIC Insured
- + Daily Redemption Value
- + Withdraw any amount at redemption value
- + Returns on withdrawal always the same or better than a traditional CD

Apply >



Results are exactly the same as a traditional CD if held to maturity



If rates decline, an early withdrawal pays a bonus



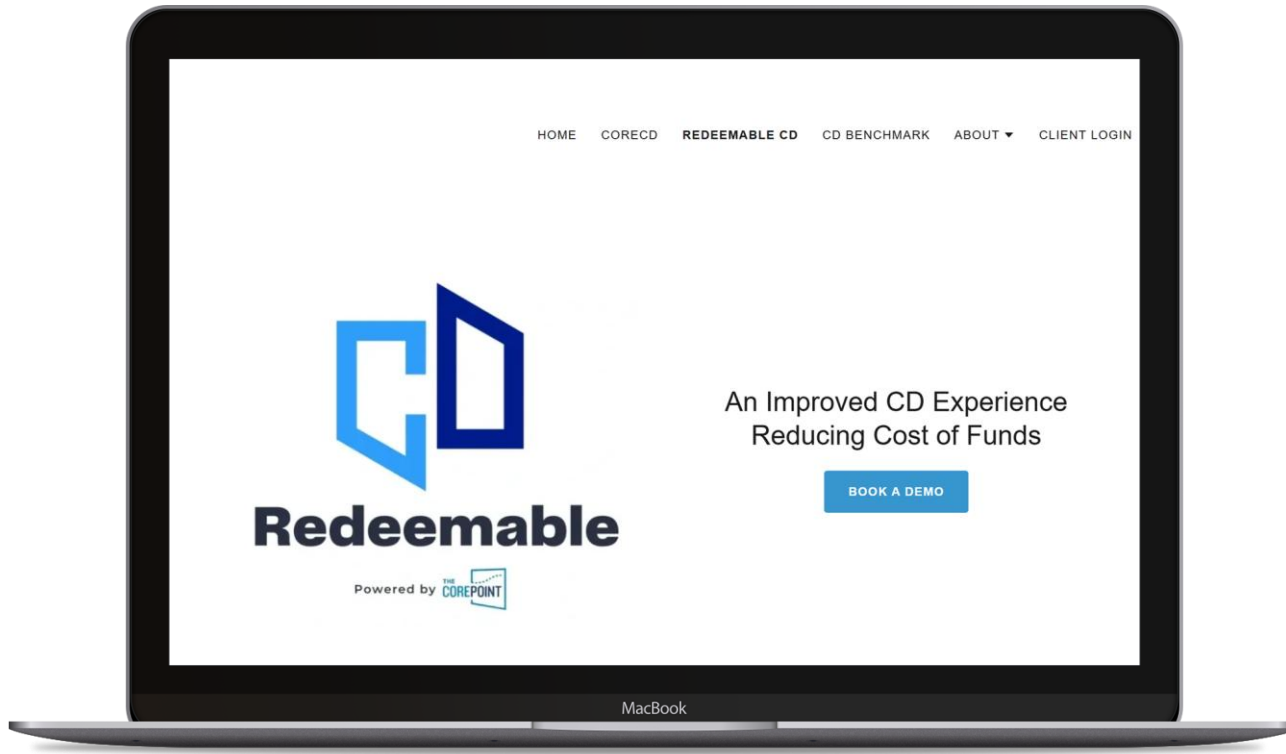
Liquidity options for Depositors



Early withdrawal value is never less than a traditional CD

REDEEMABLE CD SOLUTION

Same CD. Better Outcomes.



- **Innovative CDs depositors actually want**
- Saves on cost of funds when rates drop.
- Depositors get a bonus if redeeming early in falling rate environment.

Both sides benefit

Why penalize loyalty or reward rate-chasing?

Sequential Sales Process Opportunities

- ▶ Companion Deposit Account - Be Relevant Again
- ▶ Standard CDs - Keep Interest Margins Healthy
- ▶ Promotional Specials - Focus on Getting Positive Attention
- ▶ Customized CDs - Offer the Ultimate in Flexibility of Term
- ▶ Limited Edition Savings - Reward Loyalty with Desired Liquidity
- ▶ CD Refinance - Be the Heroes who Deliver Windfalls
- ▶ Add Redeemable CDs to Your Offerings

1 - Companion
2 - Standard
3 - Promotional
Specials
4 - Customized
5 - Limited Edition
6 - CD Refinance
7- Redeemable

Growth
Margin Enhancement
Retention

Summary - Term Deposits

- ▶ New approaches to term deposits will reinvigorate your offerings.
- ▶ You need to replace the rate sheet and ad hoc exception pricing immediately.
- ▶ You need hybrid savings accounts.
- ▶ Consider refinancing CDs of your competitors as the rising rate cycle matures.
- ▶ Redeemable CDs are simultaneously more valuable to bank and depositor than conventional, no penalty, or callable CDs.

Non-Maturing Deposit Initiatives

- ▶ Rewards or Split Rate DDA such as “Kasasa”
- ▶ Premium Services for DDA such as “Bazing” or “Econocheck”
- ▶ Separate NSF from OD Pricing
- ▶ Interest Rates on Commercial DDA
- ▶ Monitor and Respond to First Sign of Funds Flowing to Non-Banks/FinTechs with Very Specific Private Offers
- ▶ External Sweeps - Are they Still Appropriate?
- ▶ Chief Deposit Officer in the C-Suite
- ▶ Focus on Intergenerational Financial Wellness
 - ▶ Family should help family manage money

YouTube Channel

57 Episodes Currently

<https://www.youtube.com/@thecorepoint>



Term Funding Profit Benchmark

Each month, banking executives, managers, and frontline staff work together to gather term funding at branches across the country. But it's hard for those teams to tell objectively how successful they were at gathering deposits.

What defines a strong performance? And strong relative to what?

Institutions haven't had a clear metric to compare themselves to, but now they do: The Term Funding Profitability Benchmark.

This new standard solves significant challenges that traditionally have obscured deposit acquisition performance assessments. It is:

1. Independent of returns provided by assets
2. Applies to any institution, no matter its asset size
3. Built on comparisons to objective and public data, such as Federal Home Loan Bank advances
4. Complete in accounting for both deposit pricing and volume

The CorePoint will publish its Term Funding Profitability Benchmark™ monthly.

<https://thecorepoint.com/cd-benchmark>

What did the top ten institutions look like?

Term Funding Profit is about maximizing both spread and volume.

Rank	Rate	Spread Below FHLB	Volume Booked per \$100m Portfolio	Months to Maturity	Profit for Term per \$100m Portfolio (000s)
#1	2.51	1.61	16.28	9.25	202.04
#2	2.67	1.50	9.94	14.69	182.52
#3	2.66	1.38	9.50	13.60	148.58
#4	2.46	1.82	9.73	9.62	141.96
#5	2.80	1.32	14.18	8.41	131.18
#6	2.98	1.20	13.40	9.15	122.61
#7	2.99	1.32	14.62	7.01	112.73
#8	2.72	1.42	10.52	8.81	109.67
#9	2.80	1.42	9.21	9.86	107.46
#10	3.30	0.90	13.48	10.15	102.62

Spread Below FHLB	
Average	0.78
Minimum	(0.06)
25th Percentile	0.54
50th Percentile	0.76
75th Percentile	1.11
Maximum	1.82
As of 5/21/2025	

<https://thecorepoint.com/cd-benchmark>

slido



What deposit gathering strategies does your bank need to pursue at this time?

① Start presenting to display the poll results on this slide.



Q+A Time



You've heard and seen a lot.

NOW WE'D LOVE TO STAY CONNECTED.

@ neil@thecorepoint.com

☎ 402-699-9509

🌐 www.TheCorePoint.com

🌐 <https://www.linkedin.com/in/neilstanley/>

