



BANKING

The banking sector is the section of the economy devoted to the holding of financial assets for others, investing those financial assets as leverage to create more wealth and the regulation of those activities by government agencies.



CAPTRUST Experience

Clients at a Glance

Clients - 31
 AUM - \$2.5 billion
 Plans - 47
 Plan Types - DC (32), NQ (10), DB (4)
 Top Providers - Fidelity (10), Empower (8), Mass Mutual (5), Principal (5)

Experienced Advisors

- Beryl Ball (2)
- Heather Darcy (2)
- Mark Medlin (2)
- Paul Owen (3)
- Peggy Whitmore (2)

Industry Background

Points of Interest

- Fraud against bank deposit accounts costs the industry \$2.2 billion per year
- Almost six in ten consumers who are looking to move to a new primary financial institution are open to Big-Tech firms such as Google, Amazon, Facebook, or Apple
- One in three Millennials in the U.S are open to switching banks within the next 90 days
- The national average savings account APR is 0.08%, while the online savings account average is 1.85%

Common Terms

- Collateral
- Cash Reserve
- FDIC
- Compound Interest
- Loan
- Branch
- Deposit

External Resources

- American Bankers Association
www.aba.com
- Consumer Bankers Association
www.consumerbankers.com
- Credit Union National Association
www.cuna.org
- Independent Community Bankers of America
www.icba.org



For the Challenger

Client Outcomes

- Significant plan expense reduction
- Increased recordkeeping services and enhanced recordkeeping relationship
- Increased participation
- Improved deferral rates and delivered better participant education and advice
- Improved asset allocation adjustments to better align with client longer term objectives
- Introduced zero-revenue sharing funds and fee leveling, increasing equity and fairness
- Implemented auto enrollment, auto escalation, and QDIA

Challenges

Corporate

- Cybercrime
- New technologies (Venmo)
- Retaining and recruiting talent
- Managing change
- Regulatory costs
- Decreasing margins on lending
- Industry compression and consolidation
- Differentiation within the industry

Retirement

- Participation and engagement
- Wide dispersion of financial knowledge amongst employees
- Cost of benefits vs. the transient nature of their employee base
- High costs due to small plan size
- Low participation
- Not focused on plan as hiring tool
- Lack of focus on retirement outcomes for other than executive team
- The need for higher employer contributions and lack of financial resources to increase

Notes