

A Turnkey "Payment Issuing" Program That Banks Own



CORSERV

Innovative Payment Card Issuing



Payments outperform other bank assets and are core to banking.

Credit Cards are averaging over 6% ROA for our Bank partners.



83% of banks own no credit card loans, but they should!

For over 70 years, community banks have not effectively participated in the high margin payment issuing business, but community banks own half of all term loans to small businesses.



Corserve provides the required scale & expertise for success.

Corserve is a team of bankers and technologists with decades of payment issuing experience. Our bank partners own the credit card loans and benefit from interchange, interest, and fees without adding staff or infrastructure. Our Sponsor Bank leads compliance for the program.

FOR MORE INFO ► **Call:** 404-939-6927 • **Email:** info@corserveolutions.com

Total Bank Portfolio Performance

| | 2019 | 2020 | 2021 |
|-------------------------|---------------|---------------|---------------|
| Total Yield | 24.1% | 23.6% | 25.4% |
| Interest & Fees | 7.7% | 6.9% | 5.1% |
| Interchange | 16.4% | 16.7% | 20.3% |
| Total Expenses | -17.8% | -18.6% | -18.9% |
| COF, Credit Losses | -3.3% | -2.4% | -2.7% |
| Rewards | -5.5% | -6.6% | -6.6% |
| Operating and Marketing | -9.0% | -9.6% | -9.6% |
| Return on Assets | 6.2% | 5.0% | 6.5% |

Why Corserve?

Realize a great return on assets:

On average, bank partners realized over 6% Return on Assets from our credit card program led by business and corporate cards at over 8%.

Serve your relationship customers:

Why let national card providers own your customer loans and P&L? Local banks make better loan decisions and provide superior service to local customers, businesses, municipalities and non-profits.

Provide competitive credit card products:

From low APR to high rewards cards, you provide competitive payment products to customers by leveraging relationship information.



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Corserve's Competitive Payment Products



CONSUMER

- Low Rate (Prime+2.99%)
- Platinum (Low APR)
- Platinum Rewards
- World/Signature

BUSINESS

- Low Rate (Prime+2.99%)
- Platinum (Low APR)
- Platinum Rewards
- World/Signature

CORPORATE

- Corporate
- Corporate Rewards
- Purchasing
- Virtual, Ghost, Fleet
- Treasury Services

Secure, Turnkey Issuing Platform

Credit Decisioning & On Boarding:

Digital application and real-time underwriting – Marketing/UDAP, eConsent, KYC, CIP, OFAC, MLA, Beneficial Ownership.

Bank Sales & Service:

Role-based bank and CSR portal enriches customer experiences locally and at the program contact center. Includes settlement, customer service, collections, disputes and chargeback services.

Business & Individual User Interfaces:

Online, mobile, and IVR interfaces. Includes limits/alerts, integrated rewards, and support for Apple-, Google-, and Samsung-Pay. Provides business self-administration.

Data Warehouse, Business Intelligence:

Powerful reporting, analytics, and business insight. Export to CSV, Excel, QuickBooks. Includes expense reporting.



Corserve's Holistic Program where Banks Own the P&L

| Feature | Typical Agent Program | Corserve Account Issuer Program | Typical Direct Issuer Program |
|--|--|---------------------------------|---------------------------------------|
| Owns all Loans, Interest, Fees and Interchange | Sponsor Bank | Your Bank | Your Bank |
| Expected Return on Assets | <1% for Your Bank | ~6% for Your Bank | <5% |
| Makes Business and Consumer Credit Decisions | Sponsor Bank (or Your Bank Guarantees) | Your Bank | Your Bank |
| Time to Market / Initial Cost | 30 to 90 days / low \$ | 90 days / waived! | 9+ Months / high \$ |
| Internal Credit Card SMEs Required at Your Bank | None | None | Yes, Multiple Credit Card Disciplines |
| "Digital Banking" includes products, compliance, underwriting, marketing, servicing, and reporting | Limited | Yes with Corserve | Very Limited |
| Controls Credit Card Relationship, Bank Franchise, Customer Experiences & Data | Sponsor Bank | Your Bank | Your Bank |
| Provides Backoffice Services | Sponsor Bank | Corserve | Your Bank or Outsource |