



# **Financial Wellness**

An innovative employee wellness company

Presentation to:



FEDERAL RESERVE BANK *of* ST. LOUIS

October 25, 2012

**Our Social Mission:**

**Build**

**Financial**

**Wellness**

for all customers

## We Help Workers:

- Build credit and improve savings behaviors
- Reduce financial stress
- Increase their financial confidence
- Be more productive at work
- Have less physical stress
- Improve their household balance sheet



# We help employers:

- Reduce workplace stress
- Lower absenteeism and sick time usage
- Improve retention rates
- Lower 401k loan usage
- Decrease health care costs



# We Help Banks:

- understand their current account holders.
- acquire new local employers and their employees
- connect employees to bank products through our wellness assessment and segmentation



# Program Summary



✓ **Financial Wellness Assessment** with 12 Months of Financial Education & Resources

✓ **FinancialFit Coaching** - One-on-one

✓ **Emergency Funds** up to \$10,000 to meet medical debt

✓ **365 days of financial wellness**  
SMS text messages and emails

✓ **Monthly credit scores** by  Experian™ and 

# Online Enrollment Drives High Employee Engagement





# Register with Emerge

**emerge**  
Financial Wellness Solutions for Every Worker

Already enrolled? [Sign in](#)

**Benefit activation** | Emergency funds | Financial wellness | Schedule a coach

### Activate your free benefit!

Employer Name Required: Type the first few letters of your employer's name and choose the name that the list that appears

Your Email

Confirm Email

I work for the company chosen above that is offering Emerge as an employee benefit.

I want to receive monthly financial wellness e-newsletters and other occasional information related to the Emerge benefit.

**GO!**

We take your privacy seriously. We'll never sell your email or postal address to anyone. Ever. Read our [Privacy Policy](#) for more details.



### Benefits of your free account

- ✓ Quick access to apply for emergency funds of up to \$2,500 – only offered through Emerge
- ✓ Personalized financial assessment
- ✓ Monthly e-newsletter *Emerge Today!*
- ✓ Introductions to certified financial counselors for one-on-one, confidential advice
- ✓ Dedicated 1-800 customer service number

### Enroll in under 5 minutes!

Registration with Emerge gives you more ways to protect your paycheck:

- 1 Register with Emerge
- 2 Emergency Loan Access Program
- 3 Take a Financial Wellness Assessment
- 4 Schedule a Personal Financial Coach

# 2

# Financial Wellness Assessment

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Financial Wellness Solutions for Every Worker

Already enrolled? [Sign in](#)

Search activities | Emergency kits | **Financial wellness** | Schedule a coach

### Step Right Up! Test Your Financial Strength

Take this confidential quiz to assess your overall financial fitness. We'll use these results to create a custom financial education profile with smart ways to help you manage your money, build positive credit, and learn to save more.

1. How well do you feed your piggy bank?
2. How stressed does your current financial situation make you feel?
3. What are your chances of survival if you had a financial emergency?
4. How strong do you think your credit score is?
5. How good are you at organizing and managing your finances?
6. In the past year, did you use cash advances or credit through one or more of these outlets to make ends meet? (please check all that apply)  
 Credit card cash advance  Car title loan  
 Payday loan  Pawn shop  
 Basic overdraft protection / bounced check  None of the above

Your individual results are 100% confidential [GET RESULTS!](#)  
[No Thanks](#)

Up to 30 customizable questions available

# 3

# Schedule a Coach

## Credit Counselors and Certified Financial Planners

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Financial Wellness Solutions for Every Worker

Already enrolled? [Sign in](#)

[Benefit activation](#) [Emergency funds](#) [Financial wellness](#) **[Schedule a coach](#)**

**Would you like to meet our personal financial coaches and make an appointment?**

**YES** All appointments are FREE to you and 100% confidential

**NO** You may call us a later time to set up an appointment



**Tell us how to best contact you and we'll be in touch to schedule your financial coaching.**

First name

Preferred method of communication

Email

Phone

Best time to talk

Morning  Afternoon  Evening

Who would you like to speak to? Make an appointment with:

 Steve G.

 David Z.

 Courtney M.

 Christine T.

No preference, please select a coach for me

**SCHEDULE ME!**

All appointments are FREE to you and completely confidential.

**No Thanks.** You may call us at a later time to speak with a counselor.

# 4 Check Funds Eligibility

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Financial Wellness Solutions for Every Worker

Already enrolled? [Sign In](#)

Emergency funds

### Emergency Loan Access Program

Do You Ever Need Access to Cash in an Emergency?

**YES** Find out how much cash you may qualify for now!

**NO** Please take me directly to the next step

#### Emergency Personal Loans

- ✓ Get up to \$2500 with up to 8 months to repay
- ✓ Build and repair your credit - 60 points or more!
- ✓ Payments are simple through direct deposit!

Find out how much \$ you may qualify for by answering the following questions:

1. Are you full time employed (20 hours or more) with the employer offering Emerge?
  - Yes  No
2. Have you been working continuously for your current employer for the past 12 months?
  - Yes  No
3. What is your gross annual salary?
  - Select One
4. Have you had any of the following within the past year? (check all that apply)
  - Bankruptcy
  - Foreclosure proceedings
  - Tax Lien or Judgements
  - Repossession
  - Eviction of residence or business
  - None of the above apply to me

**GET RESULTS!**

## 100% Paperless Process

Secure and fast application for web and mobile



- ✓ Bank-level Smart Size
  - ✓ Rapid Funding
  - ✓ Transparent Communication
- 8.9%-19.99% APR

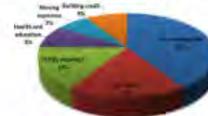


## Save-as-You-Repay



## Emergency Funds Program Usage

As of September 2012



# 5 Free Monthly Credit Score

**emerge**  
Financial Wellness for Every Worker

Already enrolled? [Sign in](#) to access your resources or [apply for funds](#).  
Customer Service: 1-800-791-1725

Benefit activation | Financial wellness | Schedule a coach | **Emergency funds**

**Receive Your Free Credit Score Each Month from Experian™**  
Submit your information on this page, and we'll email you information to confirm your registration.

**NO THANKS**

**Email Address**

**Confirm Email Address**

**Screen Name**

**Create Password**

**Confirm Password**

**FINISH!**



# Emergency Funds

The responsible personal loan solution

- Next-day workplace loan of up to \$2,500
- Builds credit scores up to 60 points
- Save-as-you-repay feature
- Encourages savings habits and direct deposit
- Reduces stress and distraction in the workplace

**New Product:** Emerge Direct personal loan of up to \$10k (and up to 36 month repayment



# 100% Paperless Process

Secure and fast application, for web and mobile:



- ✓ Bank-level Secure Site
- ✓ Rapid Funding
- ✓ Smartphone Compatible

8.9%-19.99% APR

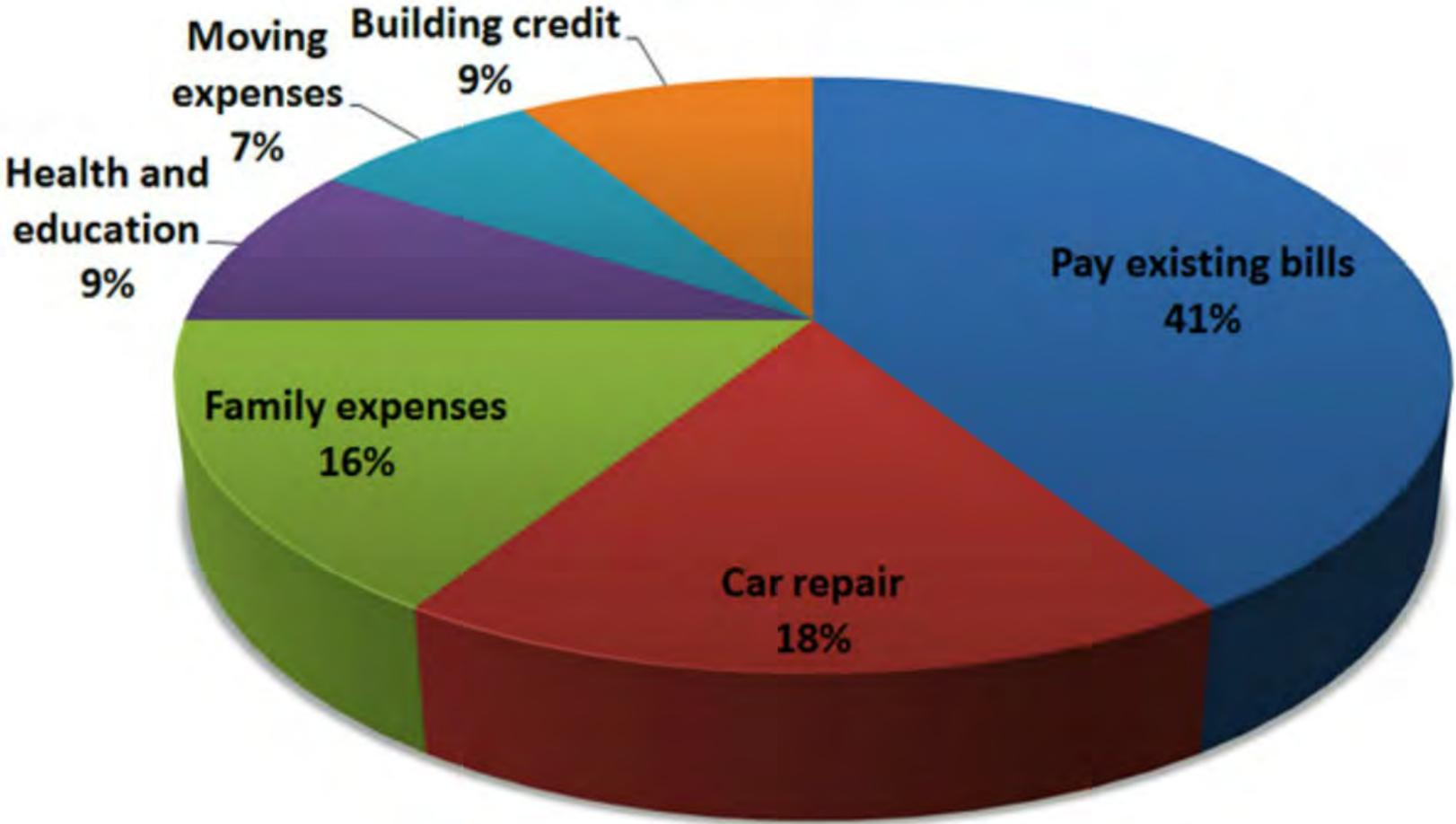


# Save-as-You-Repay



# Emergency Funds Program Usage

## As of September 2012



# Key Employee Metrics

- 150+ Employers
- 30,000+ Employees
- Average enrollment of 30%
  - 12% request coach
  - 15% of workforce seeking loans
  - 64% employed over 24 months
  - 15% usage monthly credit scores (optional)
- Key industries -- health care, hospitality, grocery retail, social service, education, labor unions

# Average Customer

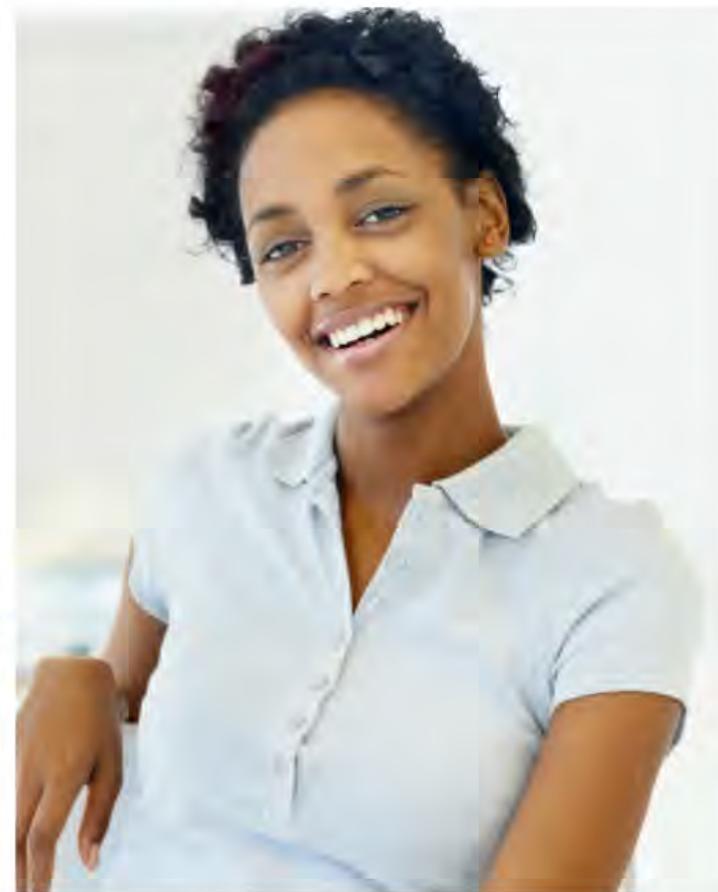
- FICO - 590+
- Gender: Skews Female
- 30-49 Years Old
- Average Income: \$36k

## About the Products

### Emergency Loan

### Direct Loan

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>• Avg. Size: \$1,000</li><li>• Avg. Term: 8 months</li><li>• Defaults: Less Than 0.7%</li><li>• Interest Rates: 9%-19%</li></ul> | <ul style="list-style-type: none"><li>• Avg. Size: \$4,500</li><li>• Avg. Term: 36 months</li><li>• Defaults: Less than 1%</li><li>• Avg. Interest Rate: 18%</li></ul> |
|--|--|



The word "emerge" is written in a blue, lowercase, sans-serif font. It is enclosed within a thin green circular outline. The logo is positioned in the upper left quadrant of the slide.

emerge

Be Healthy, Be Wealthy, Be Wise

Jonathan Harrison, CEO

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# Emerge Effectively Segments Risk

\$500 Payday Loan  
400% APR  
2 Weeks to repay

Worker "A"  
**High Risk**



THREE WEEKS  
time on job



vs

\$500 Emerge Loan  
18% APR  
6-8 Months to repay

Worker "B"  
**Low Risk**



THREE YEARS  
time on job



# Emerge Innovations Mitigate Risk

**>400%  
APR**

**< 20%  
APR**



- Employer affinity lowers risk
- Financial counseling
- Lower cost of capital
- Low cost distribution-100% paperless
- FICO + external underwriting
- Emerge proprietary stability risk model
- Payroll direct deposit repayment
- Secondary repayment authorization
- Longer term loans easy to repay
- Online loan packaging lowers costs