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 Credit Sesame
Online Enrollment Drives High Employee Engagement

1. Register with Emerge
2. Financial Wellness Assessment
3. Schedule a Coach
4. Check Funds Eligibility
5. Free Monthly Credit Score
1 Register with Emerge
Financial Wellness Assessment

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 methods to make ends meet? (Please check all that apply)
   - Credit card cash advance
   - Payday loan
   - Basic overdraft protection / overdraft check
   - Car title loan
   - Pawn shop
   - None of the above

Your individual results are 100% confidential.

Get Results!
3 Schedule a Coach
Credit Counselors and Certified Financial Planners
4 Check Funds Eligibility
Free Monthly Credit Score

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.
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:

- Financial Emergency Strikes
- Employee applies for $ with Emerge
- Up to $2,500 within 24hrs
- Automatic repay through payroll

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

8.9%-19.99% APR
Save-as-You-Repay

- Employee Borrows $1000 with 8 month repayment
- Each payment is $66 plus they have the option to save
- Employee chooses to save an extra $25 per payment

Loan is repaid and employee was able to effortlessly create a savings cushion of $400!
Emergency Funds Program Usage
As of September 2012

- Pay existing bills: 41%
- Car repair: 18%
- Family expenses: 16%
- Health and education: 9%
- Moving expenses: 7%
- Building credit: 9%
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

<table>
<thead>
<tr>
<th>Emergency Loan</th>
<th>Direct Loan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg. Size: $1,000</td>
<td>Avg. Size: $4,500</td>
</tr>
<tr>
<td>Avg. Term: 8 months</td>
<td>Avg. Term: 36 months</td>
</tr>
<tr>
<td>Defaults: Less Than 0.7%</td>
<td>Defaults: Less than 1%</td>
</tr>
<tr>
<td>Interest Rates: 9%-19%</td>
<td>Avg. Interest Rate: 18%</td>
</tr>
</tbody>
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emerge

Be Healthy, Be Wealthy, Be Wise

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Emerge Effectively Segments Risk

$500 Payday Loan
400% APR
2 Weeks to repay

Worker "A"
High Risk

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

Worker "B"
Low Risk

THREE WEEKS
time on job

THREE YEARS
time on job
Emerge Innovations Mitigate Risk

>400% 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

< 20% APR

- Secondary repayment authorization
- Longer term loans easy to repay
- Online loan packaging lowers costs