

KeyBank

Balancing Mission and Margin

Underserved Relationship Banking Model

At KeyBank, we believe that developing core competencies should include recognizing one's current behavior toward finances and identifying ways to change and strengthen that behavior.

Consumers want to be empowered, not only to understand how to manage personal finances successfully, but also to understand available products and services and how to choose wisely among them to meet their needs. The basics of understanding personal finance include:

- Understanding the importance of establishing financial goals – short, medium and long-term – and developing a plan to meet them
- Managing money/finances
 - Understanding the difference between managing finances with cash, check cashers and payday lenders versus managing finances through financial institutions, such as banks and credit unions
- How to “repair” credit
- Understanding in detail how credit cards and loans work
- Understanding your credit report, including how to access, read, and understand the report(s)
- “Recognizing” your spending habits
- Understanding in detail the basics of home buying
- Understanding the importance of building a “relationship” with a financial institution
 - Understanding how establishing a relationship can help achieve financial goals
 - What to know when choosing a financial institution
 - How to review products and services to determine which best fit personal financial needs
 - Understanding fees associated with products and how to avoid them (what causes overdrafts, how to balance checking accounts, etc.)

Our Community Development Banking (CDB) line of business is passionate about the success of rural and urban growth and has the expertise to help those in our underserved (low-to-moderate income) communities succeed.

Through our relationship banking model, we invest in innovative products and services that support economic stability and growth opportunities for consumers, in a responsible and sustainable way.

Our interest is in meeting consumers where they currently stand financially and then: providing the appropriate products and services to meet their needs; helping them become financially stable where they are not; helping them build financial capability; and, ultimately, helping them reach their financial goals.

In response to the needs of the underserved, Key developed the KeyBank Plus banking model in 2004, for which we are honored to be recognized as an industry leader by the Center for Financial Services Innovation, the Federal Reserve and the FDIC.

KeyBank Plus is a twofold program; it 1. offers a core set of banking products anchored by check cashing services and 2. provides free financial education and support that build financial capability.

Our objective is to align insight-driven financial education with client-focused products and services.

Through a strong partnership with our internal Retail segment, our cashing of government and payroll checks, at a low fee, has proven to be a welcome consumer alternative to the check cashing and payday lending industry.

In addition to check cashing services, we continue to expand our range of products and services to include:

- A first time savings account with an 18 month waiver fee for those consumers who are challenged to reach the minimum monthly balance
- The use of savings accounts as overdraft protection for numerous checking accounts
- Fee-free money orders available to KeyBank Plus members (limit five per check cashed)
- A loan program called Loan Assist designed to repair a client's credit or assist clients in establishing credit
- An unsecured revolving credit line that provides access to available funds when short-term emergency financing is needed
- The KeyBank Access Account is available to clients who need safe, easy access to their funds without check writing capabilities. This account offers control over managing finances with debit card and online access only. It is a great alternative for individuals on ChexSystems and is an excellent product for adult account owners to educate their teenagers (13-17) on managing their money when they authorize access to this account.

- Key Coverage Checking is designed to help clients save on overdraft fees and provides identify theft protection

See KeyBank Plus Overview Sheet for additional information

Another core component of Key's underserved relationship model is our strategic focus on financial education and building financial capability. We have built two Financial Education Centers that provide physical support for our program – one in Cleveland, Ohio and Albany, New York. As a free service to the community and our clients, Key also developed our "Learn and Earn" curriculum which consists of classes covering budgeting, credit, credit repair, saving and homeownership, to name a few. In addition to our branded curriculum, we offer FDIC Money Smart, to complement our in-person class offerings.

With over 400 committed KeyBank educators, along with our nonprofit partners, we have reached over 21,000 consumers, since 2004, with financial education and support.

In addition to the in-person classes, Key offers online courses in English and Spanish, called Money Made Easy. Through our comprehensive, user friendly tutorial, consumers have access to nine informative modules, interactive worksheets and calculators designed to help individuals develop and improve their financial management skills.

One-on-one coaching is also available to KeyBank Plus and KeyBank clients. More than 900 individuals have taken advantage of this confidential, personalized approach to building financial capability and achieving specific goals, such as purchasing a home or car, starting a business, getting out of debt and starting to save.

See Financial Education Website link, www.key.com/financialed, attached brochure and financial education overview sheet.

Through client insight, community collaboration and innovative strategies, Key will continue to be proactively responsive to the needs of our consumers while building relationships that provide the foundation for long-term financial capability and growth in the communities we serve.