



FARIN Deposit Pricing Strategies Webinar

FREE - ONE TIME ONLY OFFER

~~June 8, 15, 22, 29, 2009. 1:00 – 2:40 Central – SOLD OUT~~

June 8, 15, 22, 29, 2009. 10:00 – 11:40 Central

Learning Objectives

A critical issue for financial institutions of all sizes continues to managing cost of funds while hitting objectives for funding growth in the balance sheet. This issue is brought on by a combination of ageing of the existing CD base and aggressive competition for deposit funds by brokerage firms and companies like ING, HSBC, eLoan, and eTrade. As a result, financial institutions are relying more on wholesale funds to fund growth in the balance sheet through FHLB and Corporate Credit Union borrowings, brokered and rate board CDs, and networks like CDARs.

At the same time, institutions are attempting to grow their own deposits with aggressively priced accounts and innovative products provided through third party providers like BancVue Rewards Checking and uSweep. Often times, however, these retail deposits are raised at marginal costs considerably above wholesale funding alternatives because institutions:

- Lack an effective deposit pricing process
- Fail to evaluate the marginal cost of new money raised
- Lack systems to track pricing decisions and their effect on demand
- Fail to understand how to design effective segmentation strategies that allow them to go after rate sensitive funds without paying up for non-rate sensitive funds

Program Content:

- A Best Practices Deposit Pricing Process - The first session lays out a conceptual strategic and tactical framework in which effective pricing decisions are implemented.
- Effective pricing and management of CD's - This session begins by examining the options in designing CDs. A variety of CD segmentation strategies will be introduced and discussed including offensive and defensive CD specials, and approaches to reducing cannibalization of existing low cost balances including minimum balance requirements, tiering, geographic segmentation, new money specials, and relationship pricing.

This session focuses on development of products and pricing strategies for non-maturity deposits. In this session, issues relating to non-maturity deposits will be discussed including segmentation strategies, creating barriers to entry and the design of products targeted at specific constituencies.

- Implementing an Effective Strategic Review Process - This session closes the quarterly strategic review loop introduced in the first session. The session focuses on how to conduct an effective quarterly strategic review including reviewing the price/demand effect of strategies executed in the previous quarter and back testing the marginal cost of funds raised. Implementation issues including managing actions by front line employees and the importance of tracking systems and back testing are discussed.



Program Prerequisites: CEO, CFO, controller, lenders, retail officers, and ALCO teams

Program Level: Intermediate

Advanced Preparation: Please review Power Point slides before each session.

What are the financial institution takeaways from this webinar?

- A solid understanding of how to implement a best practices deposit pricing process
- Product and segmentation ideas that can immediately be implemented
- A "blueprint" for performing an initial strategic review of their deposit pricing process at the conclusion of the series.
- Those institutions completing the seminar will have the option to participate in a deposit pricing workshop in which FARIN staff will work with team members on developing deposit-pricing strategies for the institution. For more detailed information on this exciting program please call Emilee Scott at 800-236-3724 x4206 or email at escott@farin.com

Registration & Cost Information:

This seminar consists of four 100-minute sessions offered through WebEx. Since the Sessions are delivered using state-of-the-art distance education tools, you incur no travel costs! People can attend without ever leaving the office!

CLICK THE LINK BELOW TO REGISTER:

<https://farin.webex.com/farin/k2/j.php?ED=118499352&UID=1113893277&FM=1>

This 4-course session is being offered free on a one time basis in June of 2009.

Instructional Method of Delivery: Group Internet Based

FARIN uses WebEx for online delivery. It has grown into the worldwide leader in online meeting applications, with 64% market share.

CPE Credit

FARIN is able to offer 8 CPE credits. You must sit through the classes and be an active participant to obtain these credits. They are based on 1 credit per 50 minute increment.

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Web Site: www.nasba.org*

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www.farin.com 800.236.3724

**Farin & Associates 2924 Marketplace Dr. Fitchburg, WI 53719
800.236.3724 www.farin.com**