



**CULTIVATE CLOSER,  
MORE VALUABLE  
ACCOUNT RELATIONS**



# **OVERDRAFT PRIVILEGE<sup>SM</sup> SERVICE PROGRAM**



**IMPROVE ACCOUNT  
SATISFACTION,  
LOYALTY,  
RETENTION  
AND REFERRALS**



# OVERDRAFT PRIVILEGE

Virtually every financial institution has a discretionary overdraft process to provide payment of NSF checks. However, this courtesy is only extended to a limited number of high net-worth account holders. For the majority of account holders who may inadvertently find themselves overdrawn, traditional discretionary consideration for payment may not be available -- resulting in the return of their checks unpaid. The embarrassment, humiliation and additional merchant costs that these account holders may experience are often the emotional source of poor customer relations and reputational risk.



It is understandable that on occasion, these account holders may write NSF checks due to common account management mistakes such as late deposits, forgotten transactions like ATM/Debit card withdrawals, returned deposits, and reliance on deposits that are treated as not yet available due to the financial institution's policy. Traditional overdraft protection loan products and conventional discretionary overdraft "protection" processes provided by the financial institution may neither coincide with these account holders' needs nor satisfy their definition of good customer service.

**This valuable category of account holders may now feel "unprotected," disenfranchised and dissatisfied – leaving the financial institution vulnerable to:**

- Account holder loss to competitive financial institutions
- Loss of account holders to non-depository "fringe providers"
- Difficulties in attracting new accounts
- A reduction in the value of account relationships
- Earnings erosion

## Strunk & Associates' Overdraft Privilege<sup>SM</sup> Service Program

### OVERVIEW

Today's low/no interest rates on savings/checking accounts have prompted many financially sound and responsible account holders to purposely limit savings and checking account balances in order to accommodate their choice to invest in other, higher return financial vehicles. Consequently, important account holders may not qualify for traditional overdraft "protection" services such as pre-approved credit lines or sweep accounts.

Unlike common overdraft protection loan products, the Strunk and Associates *discretionary* Overdraft Privilege Service Program is **offered as a depository fee-based service *privilege* that is earned and maintained through an account holder's history of responsible account behavior.** In practice, it can be thought of as an extension to a financial institution's existing discretionary overdraft practices.

Overdraft Privilege Service is not a committed or guaranteed loan or line of credit. It is not offered as a guaranteed payment but **as a favorable consideration for payment.** The Strunk overdraft service program uses a deposit-based system, so account holders don't need any additional paperwork to participate. Nor are they charged service fees unless they use the privilege.

Under Overdraft Privilege, if an account holder writes a check, makes an ATM withdrawal or other payment or withdrawal request for more than the funds available in his/her account, the financial institution may consider payment of that transaction. If the overdraft is paid, a one-time overdraft service fee is assessed.



# OVERDRAFT PRIVILEGE

Because there is no need to sign up for Overdraft Privilege, the program's substantial benefits and convenience are extended to a far greater percentage of the financial institution's checking account consumer base – **improving account relations and adding strength to the bottom line.**



This comprehensive and structured overdraft service represents **relief to the previously “unprotected account holder” from the punitive and embarrassing character of the NSF process.** It is designed to compliment and enrich the financial institution's account services and strengthen its ability to attract, retain and grow profitable account relationships.

Clients of Strunk and Associates report that even though their account holders recognize that Overdraft Privilege is not a commitment, or guarantee to pay their overdrafts, **the majority much prefer overdraft privilege over the return of their overdrafts unpaid.** Their account holders consider payment of their checks or honoring of their withdrawal requests at ATMs to be far more important than the fees charged for the service.

## OPERATIONAL PACKAGE

### Turnkey System

From a financial foundation formed in 1976, Strunk & Associates has built an unparalleled record of success with its discretionary Overdraft Privilege Service Program. Years of experience with our overdraft privilege product allows us to offer the ODP industry's most comprehensive ease-of-entry operational package available.

The Strunk operational package includes processes and business support mechanisms that are configured to meet your financial institution's needs and requirements for successful implementation, integration and control of all overdraft/NSF account transactions.

With the installation of Strunk's overdraft service program, our team of full-time engagement managers and support specialists provide you with a complete turnkey overdraft/NSF business system that includes:

- Program documentation and implementation plan
- On-site training for entire employee staff
- System automation and system testing
- Regulatory compliance and best practice procedures
- Effective consumer education program and sample marketing materials
- Collection and risk management processes
- Post implementation support

***As our support team guides you every step of the way, you'll quickly discover the Strunk & Associates' Overdraft Privilege Service Program to be simple, logical, and easy to execute.***

## STRUNK & ASSOCIATES' OVERDRAFT PRIVILEGE<sup>SM</sup> SERVICE PROGRAM A WIN-WIN SITUATION

### ACCOUNT HOLDER BENEFITS

- ▶ Your account holders may avoid the embarrassment of a returned check
- ▶ They may avoid additional merchant charges from a returned check
- ▶ ODP provides account holders added flexibility and convenience in how they manage their funds
- ▶ They enjoy piece of mind knowing that payment of their check(s) may be considered rather than automatically returned for insufficient funds
- ▶ They have access to a discretionary service traditionally reserved for high net-worth account holders
- ▶ It is a value-added, discretionary service that is available when they need it the most

### FINANCIAL INSTITUTION BENEFITS

- ▶ ODP strengthens your services portfolio and improves account relations
- ▶ Your financial institution enjoys greater account holder retention and loyalty
- ▶ Serves as a means to educate and inform account holders of other financial products
- ▶ ODP attracts new account holders
- ▶ It facilitates cross-selling of other products
- ▶ It reduces item-processing expenses
- ▶ ODP helps you achieve results without raising prices, cutting staff or adding staff

# OVERDRAFT PRIVILEGE

## REGULATORY COMPLIANCE

No vendor can guarantee their ODP program will be in total compliance. However, Strunk & Associates backs their clients with **verifiable** operational procedures and engagements with regulatory and legal experts specifically dedicated to regulatory compliance in these areas.

Our Overdraft Privilege Service program provides report consolidation and documentation of overdraft privilege communications and procedures along with reliable access to financial information that helps achieve financial transparency, meet regulatory compliance requirements, and manage risk.

We strive to be in the forefront of this critical piece of our program. **We are unmatched in our ongoing real investments in, and commitment to, compliance and matters involving legal due diligence.**

## ODP MANAGER<sup>SM</sup> V

Included within the Strunk & Associates overdraft privilege operational package is **ODP Manager V Overdraft Privilege Relationship Management Suite, a true next generation ODP software management suite.** ODP Manager V has been designed to provide financial institutions with unmatched solutions for managing and improving the performance of overdraft privilege programs.

Unlike other overdraft protection software, **ODP Manager V**

**offers a feature-rich management platform that goes beyond just managing overdrafts.** This highly automated ODP business support software serves equally well as **a state-of-the-art overdraft privilege relationship management tool.**



ODP Manager V makes multiple execution categories available so that personnel assigned to service the ODP program can focus on the account holder and address ad hoc inquiries quickly and effectively.

ODP Manager V offers a broad spectrum approach to software automation of ODP management function.

The use of the powerful and capable Visual Basic vb.net format allows the application suite to provide broader and more powerful features and functions such as:

- Improved integration with core processors
- Enhanced analytics for account relationship and risk management
- Powerful user-selected parameters for program management
- Advanced history tracking
- Custom letters and reports
- Enhanced security

## PUT OVERDRAFT PRIVILEGE TO WORK FOR YOU

It makes sense to partner with a company whose overdraft privilege program is built on years of experience. From a financial foundation formed in 1976, Strunk & Associates has built an unparalleled record of success with its discretionary Overdraft Privilege<sup>SM</sup> Service Program. **At Strunk & Associates, Overdraft Privilege is not only our core business – it's our only business.**

- ▶ More clients in more regions than any other ODP supplier
- ▶ More *verifiable* client references
- ▶ Endorsed by major trade associations

- ▶ Alliances with major data processing companies
- ▶ Compliance and legal expertise with nationally recognized law firms
- ▶ Exemplary examination record by federal and state officials

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