

# Consumer Banking Perspectives

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## Background

Consumer & Small Business Banking is a significant part of Bank of America's business.

It serves the US economy in a significant manner meeting the needs of 66 million Consumer & Small Business clients. It also generates a significant percentage of the Bank's Total Income and profits.

Over 50 million consumers use the bank's digital platforms. The bank offers a full array of products meeting the needs of Consumers and Small Businesses through a combination of 'High-Touch' and 'High-Tech'.

Therefore, understanding Consumer Banking is very important!

### In this program:

- Understand BofA's definition of the Consumer & Small Business LoB
- Understand Consumer Banking Products. Broadly
- Specific areas marked in red

**Duration: 9 hours**

# Consumer Banking Perspectives

## 1. Understand 6 Lines of Business/ 30 m

- Six LoBs Defined
- Key Metrics / Numbers for Each LoB
- Relative Contribution and Therefore Importance of Each LoB
- Critical Drivers of Outcomes

## 2. Consumer & Small Business LoB 30 m

- The Focus of the LoB
- Definition of Consumer
- Definition of Small Business
- Critical Drivers Specific to this LoB
- BofA Business Policy and Approach for the LoB

## 3. Basics of Banking Through the Eyes of a Customer (and the Lifecycle): 30 m

- US Demographics by Customer Age Group
- Behavior Attribute of Each Age Group
- Customer Requirements in Each Group
- Digital vs. Branch/ Contact Banking by Age Group
- Understanding Consumer Attitudes & Requirements in a Product Context

## 4. Transaction Banking Products & Channels: 30 m

- No-frills Checking Account
- Checking Accounts
- Savings Accounts
  
- The Check
- The Debit Card
- The Credit Card (*in brief*)
- The Branch
- Online

## 5. Loan Products in General: 30 m

- Overdrafts in Checking Accounts
- Personal Loans
- Credit Cards
- Auto Loans
- Mortgages
- Credit Bureaus

## 7. Mortgages: 2 hour

- Mortgage life cycle
- Origination
- Underwriting
- Closing
- Servicing
- Mortgage Insurance
- Flood Insurance Overview
- Vendor: monitoring payments due, such as tax, insurance

## 8. Interest Rates & Mortgage Costs: 1 hour

- Inflation
- Inflation: growth and de-growth
- Impact on Interest Rates
- Fed Policy
- Rating and Rates

**9. Regulations & Bank Policy:** Case & Example Based: *1.5 hours*

- Understanding Regulatory Compliance
- Account Regulations and Requirements
- Fair Credit Reporting Act
  - The Law
  - BofA Policy
- Electronic Funds Transfer
  - (Reg E)
  - BofA Policy
- Unfair, Deceptive, or Abusive Acts or Practices Prevention
  - The law
  - BofA Policy
- Regulations on:
  - Debit Cards
  - Credit Cards
  - Check Stoppage
- Service-members
  - Who it covers
  - Interest Rate Caps: applicability and period
  - Protection from Action: Delays & Defaults

**10. Frauds:** *1.5 hours*

- Frauds in Debit & Credit Cards
- Kinds of Fraud
- Stages of Fraud
- Fraud in the Digital Age
- Key Metrics That Predict Potential Problems
- Legal Protection to Customers
- Implication of Protection for the Bank

**11. Loss Mitigation / Customer Outreach:** *30 mins*

- Rights of customers
- Limitations to customers
- Timelines from customer's perspective
- Importance of outreach
- Obligations of the bank



Final Assessment: 15 questions