

# Money•Quilibrium

Financial Wellness Employee Benefit



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Team 10

Let's talk about debt.



# Americans clearly have a money problem.

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- The average American spends **\$600,000 in interest** over a lifetime.
- That same household has an average of **\$16,000 in credit card debt.**
- $\frac{2}{3}$  of the U.S. population **lives paycheck to paycheck** — a quarter of those are making 6 figure salaries!

The rate of people 65 and older filing for bankruptcy is **three times** what it was in 1991.

# How much do Americans owe overall?

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Under 35: \$ 67,400 ←

35-44: \$133,100

45-54: \$134,600

55-64: \$108,300

65-74: \$66,000

75 and up: \$34,500

The root of the problem:  
**Peak earning years also appear  
to be peak debt years.**

# Specifically, student loan debt...

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Average student loan debt per borrower:

**\$32,731**

Total student loan debt:


**\$1.52 trillion**

Number of student loan borrowers:

**44.7 million**

Additionally, since 2004, student loan debt for borrowers age 60 and over has increased by **1,256%**.





**“Today’s student loan burden is tomorrow’s underfunded retirement problem, so it is imperative for companies to join with policymakers, educators and employees to address this critical issue.”**

– John Hailer,  
CEO of Natixis Global Asset Management  
in the Americas and Asia



# Don't know what they don't know.



## Pat

27 years old, mixed race, non-binary

Lives with mother, supporting her

Comcast Customer Service Supervisor, remote

Associates in Computer Science

Income: **\$50,000/year**

Student Loan Debt: **\$18,000**

Savings: **\$750**

Assets: **None**

Other Debt: **\$2,000**

Goal: **Be debt free.**



## Rhonda

30 years old, single female

Lives with parents, rent-free

Product Manager, MITRE

BS Biochemistry, MBA

Income: **\$95,000/year**

Student Loan Debt: **\$130,000** (parents paid undergrad)

Savings: **\$5,500**

Assets: Owns home but rents out; Inherited uncle's home with sister, delaying what to do with it

Other Debt: **\$4,000**

Goal: **Be debt free.**



**Everyone would benefit from  
emotional and educational support  
to improve their financial health.**



People need to understand  
how to build financial health.

**Now.**



A person wearing a hat and a life vest is fishing in a calm body of water at dusk. The person is seen from behind, holding a fishing rod. The water is dark and reflects the light from the sky. The background is a dark, hazy landscape.

# Money•Quilibrium:

## Financial Wellness Employee Benefit

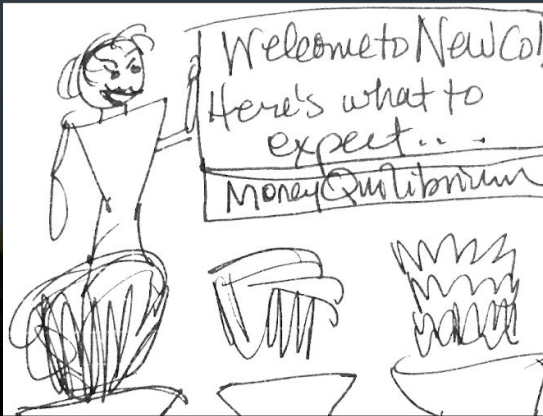
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Employees may choose any or all of the following:

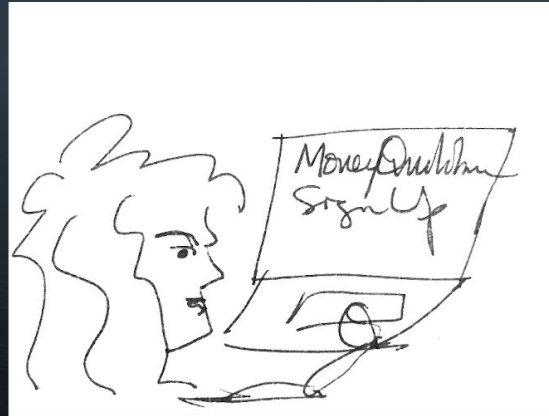
- ☑ **A financial mentor**  
Someone to regularly consult regarding finances
- ☑ **Financial education & support**  
Regular online \$ training decks + 24/7 texting chatbot for custom guidance & support
- ☑ **Student loan repayment benefit**  
\$100/monthly employer contribution toward student loan debt; aim for pre-tax in the future



Pat started a new job. They're a bit stressed about how to budget with their new salary.



On the first day during onboarding, HR introduces **MoneyQuilibrium** – an employer benefit to provide financial mentoring, education, and student loan repayment contributions of ~\$100/mo.



During onboarding, Pat clicks through the screens and registers. The HR representative is there to help if anyone has questions.



Pat checks email later, receives confirmation with:

- The schedule for upcoming training emails
- Mentor contact info with email, phone #, and access to an online calendar to book meetings
- Website login information to check settings, get help, and finish inputting information about their education loans



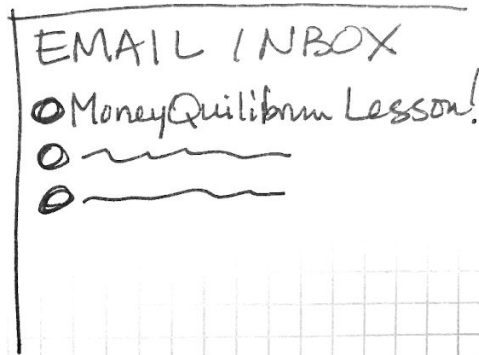
Pat makes an appointment to speak with their financial mentor, and then inputs their student loan info for the repayment program, noting that the extra \$100/month contribution from their employer reduces the amount of interest added each month. Cool!



A couple of days later Pat has a video call with the advisor, hears advice based on their accounts, and establishes a budget for Pat's income, expenses, goals, and student loans. The mentor and Pat determine a student loan payment and discuss how their employer's \$100/mo contribution adds extra impact to debt reduction.



With this customized budget established Pat feels less stressed, sleeps better, and makes better decisions when confronted with temptation. They know their goal, timeline, and how to get there. Whew!

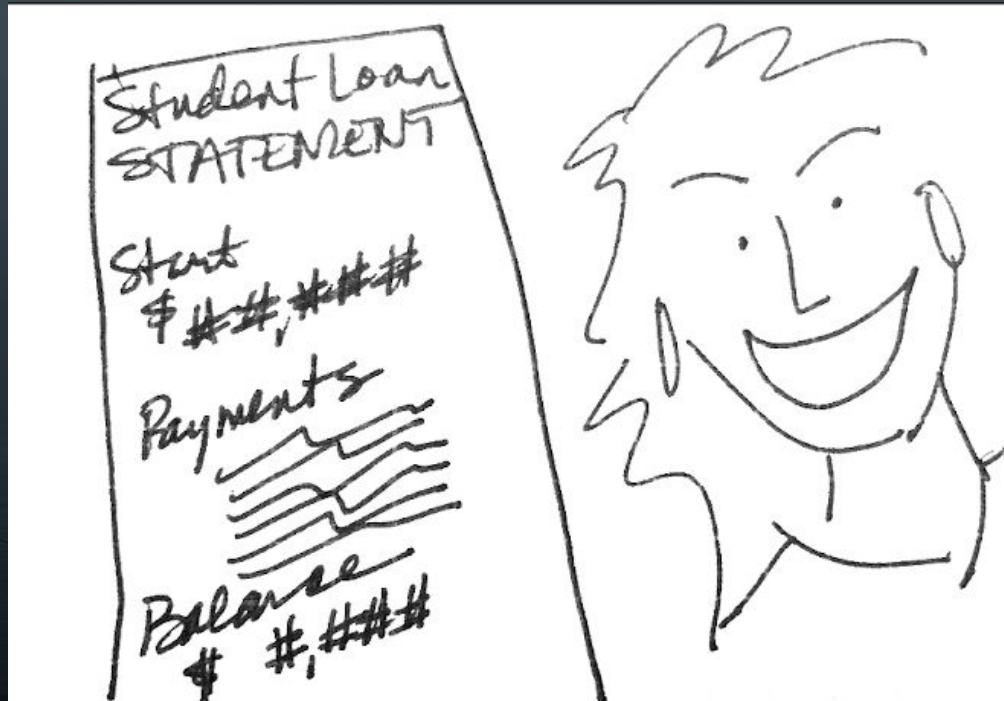


The following week, Pat received an email with a link to the first financial education deck.

## LESSON #1

- Emergency Fund
- Good or Bad Debt?
- Savings Goals

The first lesson highlights creating an emergency fund of \$1,000 and the difference between good and bad debt. Pat feels like they finally understand how to set savings goals.



Six months later, Pat opens a statement from the education lender. Wow, that extra \$100/month is making a big difference!



**Give a man a fish and  
you feed him for a day.**

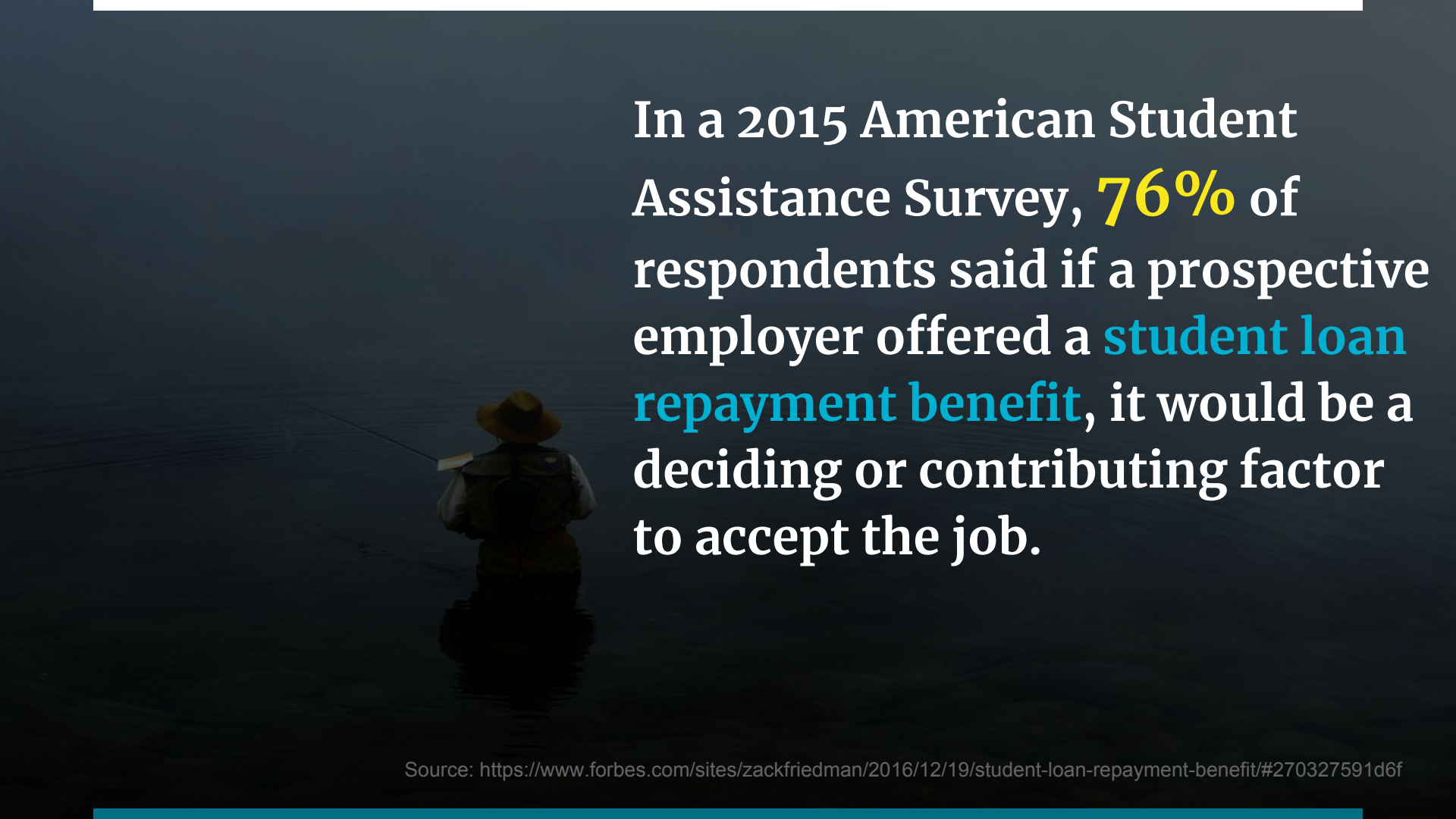
**Teach a man to fish and  
you feed him for a lifetime.**

– Chinese proverb

**Teach people how to build  
financial wellness.**





A person wearing a hat and a backpack is fishing in a lake at dusk. The person is standing on a small boat or pier, holding a fishing rod. The water is calm, and the sky is dark with some light reflecting off the surface. The person's reflection is visible in the water.

In a 2015 American Student Assistance Survey, **76%** of respondents said if a prospective employer offered a **student loan repayment benefit**, it would be a deciding or contributing factor to accept the job.

- In 2017, only 4% of companies offered student loan repayment as a benefit.
- Expect this benefit to spread to other companies that want to recruit and retain a loyal employee base.
- Fidelity, PriceWaterhouseCoopers, Aetna, Nvidia, First Republic offer contributions from **\$1,200–6,000/year**, but **no education/support**.

# Money•Quilibrium offers options.

Choose what you're comfortable with.



A person wearing a hat and a life vest is fishing in a calm lake at dusk. The person is seen from behind, holding a fishing rod. The water is dark and reflects the light from the sky. The overall mood is peaceful and contemplative.

## A financial mentor

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- Paired with a fiduciary they may email/call for advice, or schedule video or in-person meetings
- Advisor will also reach out regularly to check on goal progress
- All information is confidential, and not shared with employer

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## Financial education & support

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- Regular HTML emails with links to interactive financial lessons
- Progressive web app to access lessons, document progress, update info, and contact chatbot
- 24/7 chatbot for custom guidance & support
- All information is confidential, and not shared with employer

## Student loan repayment benefit

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- \$100/monthly employer student loan contribution
- Lobby to approve pre-tax repayment legislation
  - H.R.1713 - Student Loan Repayment Assistance Act of 2015
  - H.R.5382 - Student Loan Employment Benefits Act of 2016

# Value Proposition

## For employer:

Employees build financial wellness

Employees are **less stressed**, physically healthier, and able to **advance their professional education and skills**

Employees have **fewer sick days**, **more stable work**, and provide **better service** to end audience or business partners.

## For employee:

**Pay off** student loan debts with expert guidance

**Gain financial wellness** via convenient, customized education & support

**Less stress/anxiety**

Set it & forget it for loan payments

If/when legislation supports pre-tax contributions, greater impact of loan payments on debt & less impact on take-home pay

## For lender:

**More loans paid off** without the **inherent costs of defaulting**



A financial institution is capable of  
implementing Money•Quilibrium...  
**tomorrow.**

Contact Team 10 to learn more.



A person wearing a hat and a life vest is fishing in a calm lake at dusk. The person is seen from behind, holding a fishing rod. The water is dark and reflects the light from the sky. The overall mood is peaceful and serene.

# Thank You!

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