

Account Level Pricing

Control Cardholder Pricing

Account Level Pricing (ALP) makes manual reviews and changes of pricing strategies a thing of the past. This account management tool dynamically evaluates cardholder account characteristics and behavior, and then automatically adjusts the account pricing. Your credit union keeps complete control over which, when and by how much cardholders' pricing is adjusted. Accounts are evaluated each time an account statement cycles or when a decision element changes, and each evaluation updates the account's pricing according to characteristics and other designated criteria designed specifically by your credit union.

Your credit union is automatically signed up for ALP to support compliance with CARD Act regulations. The platform supports multiple decision elements credit unions can use when designing their pricing strategies:

- Credit Bureau Score
- Behavior Score
- Delinquency History
- Overlimit History
- Client Defined Special Flags

Solution Summary

PSCU's Account Level Pricing automates how Member-Owner Credit Unions assign different pricing strategy components such as APRs, over-limit and late fees using decision elements such as Credit Bureau scores and payment history.

- *Evaluate cardholder account characteristics and behavior and automatically adjust pricing at the individual account level.*
- *Eliminate time-consuming manual reviews and account changes and improve service by quickly responding to changes in card usage.*
- *Proactively reward your low-risk cardholders with better rates, while mitigating potential losses from higher-risk cardholders.*
- *Receive monthly and quarterly reporting to monitor finance charge, fee income or upcoming pricing strategies.*

Account Level Pricing

Push your Credit Card Portfolio into Profitable Territory

In addition to dynamic repricing, our comprehensive system encompasses periodic reports, pricing management strategies for retention, and much more. Here are just a few of the advantages ALP offers to your credit union:

Pricing Flexibility — Accounts are assigned to your defined APR pricing strategies based on behavior and performance, and not by card type alone.

Builds Relationships — Makes your credit card program more competitive and increases retention of valued cardholder accounts, thus maximizing portfolio profitability.

Promotes Account Retention — Allows you to offer lower APRs to valuable cardholders who may otherwise close their account.

Reduces Risk — Systematically mitigates losses on high-risk accounts.

Ease of Maintenance — Accounts are reviewed and repriced systematically with no manual intervention. This allows you to consistently apply lending and risk management criteria across all account types.

Dynamic Allocation versus Scheduled Pricing — Accounts can reprice automatically when the behavior merits a pricing change or you can choose to have your entire portfolio reviewed. The dynamic repricing is an effective way to modify at-risk accounts; reassign a pricing strategy without the need to reissue the plastic.

Reporting

Financial Reports — You will receive monthly reports to monitor finance charge and fee income.

Estimator Reports — We will provide quarterly reports that detail which pricing strategies the system expects your accounts will be assigned to prior to going into production.