



U.S. Bank Launches Simple Loan to Meet Customers' Short-Term Cash Needs

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Customers can borrow between \$100 and \$1,000 with no hidden fees

MINNEAPOLIS--(BUSINESS WIRE)--Sep. 10, 2018-- U.S. Bank has launched a new small-dollar loan product called Simple Loan, designed to help customers deal with unexpected or short-term cash needs with a transparent, easy-to-understand installment loan.

According to a Federal Reserve study released in May 2018, about 40 percent of U.S. adults said they would not be able to cover a \$400 unexpected expense or would cover it by selling something or borrowing money. Among those not able to pay the expense in full using cash or savings, 29 percent would have no other means to be able to pay for the expense.

"As a company, we are all focused on powering the potential of our customers. So, every day we work to be there in the moments that matter to them the most," said Lynn Heitman, executive vice president, U.S. Bank Consumer Banking Sales and Support. "Sometimes those moments are the unexpected ones when customers need short-term access to funds they don't have on hand. We saw this as a need we could help with by providing customers with a trustworthy, transparent loan option."

With Simple Loan, U.S. Bank checking account customers can borrow between \$100 and \$1,000 with no hidden fees. Repayment takes place over three months via three fixed payments. The loan provides immediate access to funds with simplified pricing of \$12 for every \$100 borrowed with autopay from a U.S. Bank checking account, or \$15 for every \$100 if paid manually. The terms of the loan are detailed on our website at usbank.com/simpleloan.

"Simple Loan is straightforward, transparent and more affordable than many other products in the market. It meets a critical credit need for customers who might otherwise be forced to seek a loan that can carry interest charges of more than several hundred percent," said Paul Woodruff, executive director, Prosperity Connection, and member, U.S. Bank Community Advisory Committee. "People need access to small-dollar credit. U.S. Bank is answering the call and providing a pathway for customers to save money and meet their needs."

U.S. Bank worked closely with, and provided full transparency to, regulators while developing this product, and is the first national bank to offer this type of short-term loan solution. The company first tested the product with select customers in 2016 and 2017. Customer feedback overwhelmingly indicated that people who used the product greatly appreciated the simple pricing structure and immediate access to funds. In addition, customers shared they valued that their loan was reported to credit agencies, giving them the ability to build their credit.

U.S. Bank wants to ensure that, while this is helping to cover critical needs for many customers, it also helps set them up for success and the ability to move past that moment of need. Therefore, each customer can obtain only one Simple Loan at a time and, after repayment, there is a 30-day waiting period before a customer can apply for an additional loan.

"Simple Loan is a major step for a national bank to provide small-dollar loans with longer payment schedules to fit consumers' complicated financial lives," said José Quiñonez, founder & CEO, Mission Asset Fund, and member, U.S. Bank Community Advisory Committee. "I only hope that others follow U.S. Bank's lead in the future, because consumers all across the country desperately need credit, even if it's \$100 or \$1,000 at a time."

In keeping pace with the evolving ways customers interact with the bank, Simple Loan offers a streamlined application that is entirely digital, from application to underwriting to booking to funding for approved customers. It will be available only through online banking and the bank's mobile app, and the entire process will take just a few minutes.

About U.S. Bank

U.S. Bancorp (NYSE: USB), with 74,000 employees and \$461 billion in assets as of June 30, 2018, is the parent company of U.S. Bank, the fifth-largest commercial bank in the United States. The Minneapolis-based bank blends its relationship teams, branches and ATM network with mobile and online tools that allow customers to bank how, when and where they prefer. U.S. Bank is committed to serving its millions of retail, business, wealth management, payment, commercial and corporate, and investment services customers across the country and around the world as a trusted financial partner, a commitment recognized by the Ethisphere Institute naming the bank a [2018 World's Most Ethical Company](#). Visit U.S. Bank [online](#) or follow on [social media](#) to stay up to date with company news.

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