

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the
Securities Exchange Act of 1934

Date of Report (date of earliest event reported): December 15, 2015

CUSTOMERS BANCORP, INC.
(Exact Name of Registrant as specified in its charter)

Pennsylvania
(State or other jurisdiction
of incorporation)

001-35542
(Commission File Number)

27-2290659
(I.R.S. Employer
Identification No.)

**1015 Penn Avenue
Suite 103
Wyomissing PA 19610**
(Address of principal executive offices, including zip code)

(610) 933-2000
(Registrant's telephone number, including area code)

None
(Former name or former address, if changed since last report)

Check the appropriate box below if the form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions (see General Instructions A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 1.01 Entry into a Material Definitive Agreement

On December 15, 2015, Customers Bancorp, Inc. ("Customers Bancorp") and its subsidiary, Customers Bank ("Customers Bank," and, together with Customers Bancorp, "Customers") entered into an Asset Purchase Agreement (the "Purchase Agreement") with Higher One, Inc. and Higher One Holdings, Inc. (together, "Higher One"), providing for the acquisition by Customers of substantially all of the assets and the assumption of certain liabilities of Higher One's One Account Student Checking and Refund Management Disbursement business (the "Disbursement business").

The transaction contemplates aggregate guaranteed payments to Higher One of \$42 million. The aggregate purchase price payable by Customers is \$37 million in cash, with the payments to be made in three installments: (i) \$17 million in cash upon closing of the acquisition contemplated by the Purchase Agreement, (ii) \$10 million upon the first anniversary of the closing and (iii) \$10 million upon the second anniversary of the closing. In addition, concurrently with the closing, the parties will enter into a Transition Services Agreement pursuant to which Higher One will provide certain transition services to the Customers for a period of up to 12 months following the closing. As consideration for these services, Customers will pay Higher One an additional \$5 million in cash. Customers also will be required to make additional payments to Higher One if, during the three years following the closing, revenues from the Disbursements business exceed \$75 million in a year. The possible payment will be equal to 35% of the amount the Disbursements business related revenue exceeds \$75 million in each year.

The Purchase Agreement includes customary representations, warranties and covenants of the parties. The covenants of Higher One include, among other things, a requirement to conduct its Disbursements business in the ordinary course during the period between the execution of the Purchase Agreement and the closing, a requirement to prepare and file a proxy statement with the Securities and Exchange Commission and seek stockholder approval of the transactions contemplated by the Purchase Agreement, a prohibition against soliciting or encouraging proposals relating to alternative business combinations with respect to the Disbursements business and, with certain exceptions, a prohibition against engaging in discussions or negotiations relating to proposals regarding alternative business combinations transactions with respect to the Disbursements business. Higher One is also obligated to provide certain consulting services to Customers with respect to the Disbursements business for a period of two years following the closing. In addition, the Purchase Agreement requires Higher One, subject to certain exceptions, to indemnify Customers for certain types of losses relating to breaches of the representations, warranties and covenants in the Purchase Agreement and relating to the Disbursements business. Higher One has also agreed not to compete with Customers or to solicit Higher One employees offered employment by Customers for a period of four years following the closing.

Consummation of the transactions contemplated by the Purchase Agreement is subject to certain conditions, including, among others, the approval of the transaction by Higher One's stockholders and creditors, the making of applicable governmental filings, obtaining of any required regulatory approvals and expiration of applicable waiting periods, the absence of an injunction or governmental action prohibiting the transaction or making it illegal, the obtaining of any other required third party consents or approvals, the accuracy of specified representations and warranties of the parties and the compliance by the parties with specified covenants. No approval of Customers Bancorp's shareholders is required to consummate the transactions. The Purchase Agreement may be terminated under certain specified circumstances, including if the transactions contemplated by the Purchase Agreement are not consummated by July 1, 2016.

The representations and warranties of each party set forth in the Purchase Agreement have been made solely for the benefit of the other parties to the Purchase Agreement. In addition, such representations and warranties (i) are subject to materiality and other qualifications and limitations contained in the Purchase Agreement, including information in the schedules referenced in the Purchase Agreement, which may differ from what may be viewed as material by investors, (ii) were made only as of the date of the Purchase Agreement or such other date as is specified in the Purchase Agreement, and (iii) may have been included in the Purchase Agreement for the purpose of, among other things, allocating risk between the parties rather than establishing matters as facts, and should not be viewed or relied upon as a disclosure of factual information relating to the parties or the Disbursement business. The foregoing summary of the Purchase Agreement is not complete and is qualified in its entirety by reference to the complete text of the agreement.

Item 7.01 Regulation FD Disclosure.

On December 15, 2015, the Company issued a press release relating to the transaction with Higher One described above in Item 1.01, attached hereto as Exhibit 99.1, which is incorporated in this Item 7.01 by reference.

The Company has posted to its website a slide presentation relating to the transaction with Higher One described above in Item 1.01, attached hereto as Exhibit 99.2, which is incorporated in this Item 7.01 by reference.

The information in this Item 7.01, including Exhibits 99.1 and 99.2 attached hereto and incorporated by reference into this Item 7.01, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities under that Section. Furthermore, such information, including the exhibits attached hereto, shall not be deemed incorporated by reference into any of the Company's reports or filings with the Securities and Exchange Commission, whether made before or after the date hereof, except as expressly set forth by specific reference in such report or filing. The information in this Item 7.01, including the exhibits attached hereto, shall not be deemed an admission as to the materiality of any information in this Item 7.01 that is required to be disclosed solely to satisfy the requirements of Regulation FD.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release dated December 15, 2015.
99.2	Slide presentation.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CUSTOMERS BANCORP, INC.

By: /s/ Robert E. Wahlman

Name: Robert E. Wahlman

Title: Executive Vice President and Chief Financial Officer

Date: December 15, 2015

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release dated December 15, 2015.
99.2	Slide presentation.



Customers Bancorp
1015 Penn Avenue
Wyomissing, PA 19610

Contacts:
Jay Sidhu, Chairman & CEO 610-935-8693
Richard Ehst, President & COO 610-917-3263
Investor Contact:
Robert Wahlman, CFO 610-743-8074

CUSTOMERS BANK AGREES TO ACQUIRE STUDENT CHECKING CUSTOMERS AND REFUND MANAGEMENT DISBURSEMENT BUSINESS FROM HIGHER ONE, INC.

Acquisition to bring about 2.0 million student checking customers and add significant interchange fee income and non-interest bearing core deposits

**Plans to combine BankMobile with acquired business to form
a basis for "Uber like Banking"**

Wyomissing, Pennsylvania - December 15, 2015 - Customers Bancorp, Inc. ("Customers") (NYSE – CUBI), through its subsidiary Customers Bank announced today that it will acquire the One Account Student Checking and Refund Management Disbursement Services business ("Disbursements") of Higher One, Inc. ("Higher One") – the leading provider of refund disbursements to about 800 higher education campuses across the United States. The Disbursements business primarily provides educational institutions with a comprehensive turnkey technology-based solution for the disbursement of student financial aid to the students, through deposit accounts opened by students with Higher One's partner banks or to student accounts with other banks. Customers Bank has been a Higher One partner bank since August 2013. Approximately 2.0 million students currently have deposit accounts with Higher One's partner banks, and over 500,000 new student accounts are opened with partner banks annually. The Higher One business unit has processed over \$70 billion in student refund payments over its 14 years of operations. Customers expects the acquired business unit to add about \$65-75 million annually in mostly interchange income. In addition, Customers anticipates onboarding approximately \$250 million of additional core demand deposits from students currently utilizing Higher One disbursement related bank accounts at another partner bank. Customers Bank intends to combine this new business with its BankMobile division offering state-of-the-art digital banking services to students across the country.

"We are very enthusiastic about combining the Disbursements business with our BankMobile Technologies platform," stated Jay S. Sidhu, Chairman & CEO of Customers and BankMobile. "By providing a superior product that is easier to use and is more affordable, we hope to create an 'Uber like banking experience' at BankMobile."

Customers and Higher One have entered into an Asset Purchase Agreement (the "Agreement") which includes non-compete, consulting services and transitions services provisions. Pursuant to the Agreement, Customers acquires all assets of the Disbursements business, including all property and equipment, existing contractual relationships with vendors and educational institutions, and all intellectual property, assumes certain normal business related liabilities, and commits to hire approximately 225 current Higher One employees primarily located in New Haven, Connecticut that manage the business and serve the customers. Customers intends to retain these team members in New Haven. Customers will pay Higher One an aggregate of \$42 million in cash in connection with the acquisition of the Disbursements business. Under the Agreement, Customers will pay Higher One \$17 million in cash at closing and make cash payments of \$10 million each on the first and second anniversaries of the closing. Customers also will pay Higher One \$5 million in cash for Higher One's services under a transition services agreement.

Customers will not assume any regulatory compliance related liabilities for any possible violations of laws or regulations by Higher One identified prior to the closing date as a result of the Agreement. "We plan to leverage our strong Risk Management and Compliance functions and make that a strength for this business", stated Sidhu. The transaction must be approved by the Higher One stockholders, a vote of which is expected to occur in the first quarter of 2016. Customers believes the transaction will close by July 1, 2016, giving it enough time to ensure that the compliance and risk management functions and processes are strong and systems are fully compliant with new Department of Education rules.

Customers launched its BankMobile business in January 2015 creating the first no-fee digital bank in the United States. "We believe it is important to provide middle class Americans and the underbanked and unbanked consumers a very attractive digital banking option. BankMobile currently offers no fee banking, lines of credit to qualified customers, and access to 55,000 ATMs across America for free, charges no overdraft fees and pays a higher than average interest rate for savings. We hope to bring all or most of these banking services to students across America in a favorable and supportive manner with absolute compliance with banking regulations and Department of Education rules regarding banking services for students", Sidhu continued.

"The combined businesses will be reported prospectively in Customers' communications with investors as a separate business segment. The strategic combination of Customers' BankMobile business with the Disbursements business will provide about 2.0 million student depositors with the financial stability of a well-capitalized bank, state-of-the-industry deposit services and access to their money delivered nearly wherever and whenever the student needs them at no or low cost to the student, and provides Customers with the opportunity to become the bank of choice for life for the current student customers as well as many more future students", Sidhu continued.

"Customers Bank's acquisition of the Disbursements business is a wonderful strategic transaction for Customers and will greatly accelerate the development and profitability of our BankMobile product offering," stated Sidhu. Sidhu continued, "This transaction, combined with our plans to combine BankMobile with the Disbursements business and charge students no or low fees to use the student deposit product, is uniquely structured to address consumer and banking compliance issues that have challenged this business for the past half-decade. With this combination we believe we will provide an extremely compliant "best-in-class" deposit account for college students that includes a strong financial literacy and money management component. We look forward to welcoming our new team members and to building a really special business together. This acquisition is not expected to have a material impact to Customers core operating earnings or capital in 2016."

Customers will host a call to discuss the Disbursements transaction on Wednesday, December 16, 2015 at 10:00 am ET. The call information is presented below. In addition, a brief written presentation describing the transaction and the plan to combine BankMobile and the Disbursements business will be available at Customers Bancorp, Inc.'s website www.CustomersBank.com.

Conference Call

Date: Wednesday, December 16, 2015
Time: 10:00 am ET
US Dial-in: 1-800-238-9007
Conference ID: 419408

For those unable to attend the live conference, a replay of the call will be available at 1:00 pm December 16, 2015 through Wednesday, December 30, 2015 at 1 (888) 203-1112; remote replay passcode: 4770485.

Customers Bancorp is being advised by the investment banking firms of Keefe, Bruyette & Woods, Inc., a Stifel Company, and UBS Investment Bank. Customers is using Stradley Ronon Stevens and Young, LLP as its corporate counsel and BuckleySandler LLP as its regulatory counsel.

About Customers Bancorp, Inc.

Customers Bancorp, Inc. is a bank holding company located in Wyomissing, Pennsylvania engaged in banking and related businesses through its bank subsidiary, Customers Bank. Customers Bank is a community-based, full-service bank with assets of approximately \$7.6 billion. A member of the Federal Reserve System with deposits insured by the Federal Deposit Insurance Corporation, Customers Bank provides a range of banking services to small and medium-sized businesses, professionals, individuals and families through offices in Pennsylvania, New York, Rhode Island, New Hampshire, Massachusetts, and New Jersey. Committed to fostering customer loyalty, Customers Bank uses a High Tech/High Touch strategy that includes use of industry-leading technology to provide customers better access to their money, as well as a continually expanding portfolio of loans to small businesses, multi-family projects, mortgage companies and consumers. Additional information about Customers Bancorp, Inc. can be found on the Company's website, www.customersbank.com.

About Higher One Holdings

Higher One Holdings, Inc. (NYSE: ONE) is a leading financial technology company focused on providing cost-saving solutions that enhance student service for the business office of colleges and universities. Higher One's technologies for higher education institutions streamline the processes of financial aid disbursement and payment acceptance. Higher One also provides options for students and families to manage college-related expenses, such as unique student-banking services, and financial education through Start with Change. Higher One supports more than 1,500 campuses and more than 9 million students across the U.S. More information can be found at www.higherone.com.

"Safe Harbor" Statement

In addition to historical information, this press release may contain "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements with respect to Customers Bancorp, Inc.'s strategies, goals, beliefs, expectations, estimates, intentions, capital raising efforts, financial condition and results of operations, future performance and business. Statements preceded by, followed by, or that include the words "may," "could," "should," "pro forma," "looking forward," "would," "believe," "expect," "anticipate," "estimate," "intend," "plan," or similar expressions generally indicate a forward-looking statement. These forward-looking statements involve risks and uncertainties that are subject to change based on various important factors (some of which, in whole or in part, are beyond Customers Bancorp, Inc.'s control). Numerous competitive, economic, regulatory, legal and technological factors, among others, could cause Customers Bancorp, Inc.'s financial performance to differ materially from the goals, plans, objectives, intentions and expectations expressed in such forward-looking statements. In addition, important factors relating to the proposed acquisition described in this press release and Customer Bancorp's plan to combine its BankMobile business with the acquired business also could cause Customers Bancorp's actual results to differ from those in the forward-looking statements, including: the possibility that the anticipated benefits from the acquisition will not be realized, or will not be realized within the expected time period; the possibility that the acquisition does not close, including, but not limited to, due to the failure to receive the approval of Higher One's stockholders or to satisfy other closing conditions; the risk that the acquired business operations will not be combined successfully with BankMobile and integrated successfully with the operations of Customers Bancorp; the possibility that the additional core demand deposits are not onboarded; and the potential disruption from the acquisition making it more difficult to maintain important business and operational relationships. Customers Bancorp, Inc. cautions that the foregoing factors are not exclusive, and neither such factors nor any such forward-looking statement takes into account the impact of any future events. All forward-looking statements and information set forth herein are based on management's current beliefs and assumptions as of the date hereof and speak only as of the date they are made. For a more complete discussion of the assumptions, risks and uncertainties related to our business, you are encouraged to review Customers Bancorp, Inc.'s filings with the Securities and Exchange Commission, including its most recent annual report on Form 10-K for the year ended December 31, 2014 and subsequently filed quarterly reports on Form 10-Q. Customers Bancorp, Inc. does not undertake to update any forward-looking statement whether written or oral, that may be made from time to time by Customers Bancorp, Inc. or by or on behalf of Customers Bank.



Customers  Bancorp, Inc.

Acquisition of Student Checking Customers, New Customer Acquisition Model and Refund Management Disbursement Business

Investor Presentation

December 15, 2015

NYSE: CUBI



Customers  Bank
Member FDIC


BANKMOBILE
A division of Customers Bank

This presentation as well as other written or oral communications made from time to time by us, may contain certain forward-looking information within the meaning of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. These statements relate to future events or future predictions, including events or predictions relating to our future financial performance, and are generally identifiable by the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," "plan," "intend," "target," or "anticipates" or the negative thereof or comparable terminology, or by discussion of strategy or goals that involve risks and uncertainties. These forward-looking statements are only predictions and estimates regarding future events and circumstances and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. This information is based on various assumptions by us that may not prove to be correct. Important factors to consider and evaluate in such forward-looking statements include:

- changes in the external competitive market factors that might impact our results of operations;
- changes in laws and regulations, including without limitation changes in capital requirements under the federal prompt corrective action regulations;
- changes in our business strategy or an inability to execute our strategy due to the occurrence of unanticipated events;
- our ability to identify potential candidates for, and consummate, acquisition or investment transactions;
- the timing of acquisition or investment transactions;
- constraints on our ability to consummate an attractive acquisition or investment transaction because of significant competition for these opportunities;
- the failure of the Bank to complete any or all of the transactions described herein on the terms currently contemplated;
- local, regional and national economic conditions and events and the impact they may have on us and our customers;
- ability to attract deposits and other sources of liquidity;
- changes in the financial performance and/or condition of our borrowers;
- changes in the level of non-performing and classified assets and charge-offs;
- changes in estimates of future loan loss reserve requirements based upon the periodic review thereof under relevant regulatory and accounting requirements;
- inflation, interest rate, securities market and monetary fluctuations;
- the timely development and acceptance of new banking products and services and perceived overall value of these products and services by users;
- changes in consumer spending, borrowing and saving habits;
- technological changes;
- the ability to increase market share and control expenses;

- continued volatility in the credit and equity markets and its effect on the general economy;
- the effect of changes in accounting policies and practices, as may be adopted by the regulatory agencies, as well as the Public Company Accounting Oversight Board, the Financial Accounting Standards Board and other accounting standard setters;
- the businesses of the Bank and any acquisition targets or merger partners and subsidiaries not integrating successfully or such integration being more difficult, time-consuming or costly than expected;
- material differences in the actual financial results of merger and acquisition activities compared with expectations, such as with respect to the full realization of anticipated cost savings and revenue enhancements within the expected time frame;
- revenues following any merger being lower than expected;
- deposit attrition, operating costs, customer loss and business disruption following the merger, including, without limitation, difficulties in maintaining relationships with employees being greater than expected.

These forward-looking statements are subject to significant uncertainties and contingencies, many of which are beyond our control. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Accordingly, there can be no assurance that actual results will meet expectations or will not be materially lower than the results contemplated in this presentation. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document or, in the case of documents referred to or incorporated by reference, the dates of those documents. We do not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events, except as may be required under applicable law.

This presentation is for discussion purposes only, and shall not constitute any offer to sell or the solicitation of an offer to buy any security, nor is it intended to give rise to any legal relationship between Customers Bancorp, Inc. (the "Company") and you or any other person, nor is it a recommendation to buy any securities or enter into any transaction with the Company. This presentation also includes certain estimated guidance regarding our earnings per share. The guidance consists solely of estimates prepared by management based on currently available information and assumptions of future performance of the company and the general economy. Our independent registered public accounting firm has not audited, reviewed or performed any procedures with respect to the guidance and, accordingly, does not express an opinion or any other form of assurance with respect to this data. Our actual results may differ from the guidance, and any such differences could be material. Accordingly, undue reliance should not be placed on this information. The factors discussed above should be considered and evaluated with respect to our guidance.

CUBI Agrees to Acquire Student Checking Customers & Refund Disbursement Business (“Disbursements”) from Higher One

■ Strategically compelling acquisition for CUBI and transformational transaction for **BANKMOBILE**, making it one of the top digital banks in the US

- Business to be combined with **BANKMOBILE** platform marking inflection point in its development
- Assume servicing of ~2mm new student checking customers holding over \$500mm in non-interest bearing deposits
- Immediately accelerates **BANKMOBILE** evolution from investment phase to shareholder return phase

■ Powerful customer acquisition model drives maximum lifetime customer value

- Proven and sustainable business model; 14 year operating history and over \$70bn in payments processed
- Generates over 500,000 new student checking accounts annually
- Positions **BANKMOBILE** as the primary banking relationship as students evolve to young professionals and target retail consumer base changes from Gen X to millennials

■ CUBI uniquely positioned to capitalize on low risk transaction

- Customers Bank has a deep understanding of the business given existing Higher One relationship coupled with extensive due diligence
- Deal structured to address past regulatory and reputational risk of legacy practices
- Extensive dialogue with relevant regulators to preview transaction and go-forward operating model

■ Financially attractive transaction to CUBI shareholders while creating one of the most technologically advanced businesses in banking today

- Accretive to core EPS in first full year following close
- Limited TBVPS dilution with rapid breakeven despite 100% cash transaction
- Practically all payments to Higher One are tax deductible
- Highly attractive IRR

Low risk transaction structured to align incentives between CUBI, Higher One and regulators

Key Terms

- Asset Purchase Agreement between CUBI and Higher One
 - CUBI will assume the OneAccount Student Checking and related Refund Management Disbursement business of Higher One in exchange for a total \$42mm including \$5 million for transition services, to be paid over 24 months

(in \$ millions)	At Close	End of Yr 1	End of Yr 2
Net Assets	✓		
Transition Service ⁽¹⁾ (paid monthly)	✓	✓	
Consulting ⁽²⁾	✓	✓	✓
Non-Compete ⁽³⁾	✓	✓	✓
Total	\$17	\$15	\$10

- Incentive payments beginning in 2017 for three years if existing revenue streams exceed \$75mm
- Escrow account funding: \$20mm
- Anticipate closing by July 1, 2016

Notes:

(1) Higher One's assistance beyond closing date on governance, IT, operations and other activities

(2) Consulting regarding the OneAccount structure and operation, marketing, managing client relationships, regulatory compliance, pricing and vendor contracts for a two year period

(3) Higher One to not compete with the purchased business for a four year period

Assets, Liabilities, People

What is "Included"

- Higher One's refund disbursement and student checking account business (~2mm existing customers and over 500,000 new customers annually from 800 campuses)
- All contracts, equipment, intellectual property, applications, accounts, ATMs, and records related to those businesses
- ~225 employees

What is NOT

- Regulatory Settlement / Claims / Taxes / Other Past Liabilities
- Any regulatory and other liabilities between date of announcement and date of closing
- Higher One's eRefund, and payments businesses
- Associated debt

Proven and sustainable business model recalibrated for new regulatory environment

Refund & Disbursements

- Helps higher education institutions and students by streamlining the process of financial aid payments
- Provides technological solution to the paper-intensive disbursement process
- Provides robust problem handling (lost checks, stop payments, exceptions lost cards, call center support)
- Offers students choice of:
 - (a) use their existing bank account
 - (b) new bank account (**BANKMOBILE** student checking)
 - (c) paper check, if needed

Business — Recalibrated

- Business generates revenue sources:
 1. Interchange income for debit card usage
 2. Transaction based fees - account services, etc.
 3. Recurring subscriptions from higher education institutions for refund management
 4. Spread income from deposit balances
- Revenues **recalibrated** going forward after July 1, 2016 given new Department of Education rules, existing banking regulatory framework and **BANKMOBILE** no-fee to low-fee strategies for students
- Business is now within a regulated bank
- Compliance heavy framework: ED, FDIC, FRB, etc.

Size and Scope

- Largest refund disbursements provider in the education sector – ~26% market share of colleges & universities in the U.S.
- ~2mm student Deposit Accounts with Higher One's two partner banks (CUBI is one)
- Over 500,000 student accounts opened annually
- More than 800 universities and colleges
- Over \$70bn processed so far through Higher One unit
- ~\$500mm of core, low-cost deposits (avg over school year)
- ~225 skilled employees (sales, tech, support, banking operations and compliance)
- No systems conversion necessary
- OneAccount rebranded as student **BANKMOBILE**

Unique opportunity facilitated by historical relationship, regulatory developments and strategic fit with CUBI / **BANKMOBILE**

Higher One

- Operating Challenges Disclosed:
 - New Dept. of Education Rules⁽¹⁾
 - Possible Federal Reserve and FDIC actions expected against Higher One⁽²⁾
 - Potential Restitution payments for 2014 and prior period asserted violations⁽²⁾
- Deep understanding of issues surrounding Higher One
- CUBI in a deposit relationship with Higher One since August 2013 (OneAccounts)
- CUBI has assisted Higher One in improving its compliance risk management practices since beginning its involvement in August 2013

Disbursements

Performance during recent turmoil:

- Maintained 26% market share
- Highly sophisticated product offering
- Superb Higher Ed. Institutional retention (~94%)
- Product & Services truly needed by institutions and students
- Maintained attractive revenue profile and margins

Regulatory Overlay

- Disbursement of financial aid and other refunds to students is a highly regulated, resource-consuming and recurrent obligation of higher education institutions

Dept. of Education	<ul style="list-style-type: none"> Federal Cash Management 3rd Party Provider Registration FERPA New regulations effective July 1, 2016
Banking	<ul style="list-style-type: none"> FDIC Insurance All regulatory compliance Regulation E, DD, UDAAAP, etc.
Security & Privacy	<ul style="list-style-type: none"> Gramm Leach Bliley Act FTC Rule on Safeguarding Personal Info
CFPB / FRB / FDIC	<ul style="list-style-type: none"> UDAAAP International Money Transfer Disclosures

Clarity now exists on New Rules and Regulations that impact the Disbursements business

Our Approach

- CUBI is a less than \$10bn in assets, regulated bank with strong compliance and risk management capabilities
- CUBI and **BANKMOBILE** platform have absorption capacity
 - Retain and utilize acquired staff
 - Integrate "hard and soft" assets
 - Handle regulatory and banking requirements and compliance
 - Achieve cost savings
- Materially streamline fees to achieve harmony given new fee requirements of:
 - ED Title IV rules⁽¹⁾
 - FRB & FDIC
 - CFPB
- Maintain high quality of service
- Overlay additional **BANKMOBILE** offerings – make this a growth business
- Assure Higher Ed Institutions of business continuity and systemic compliance

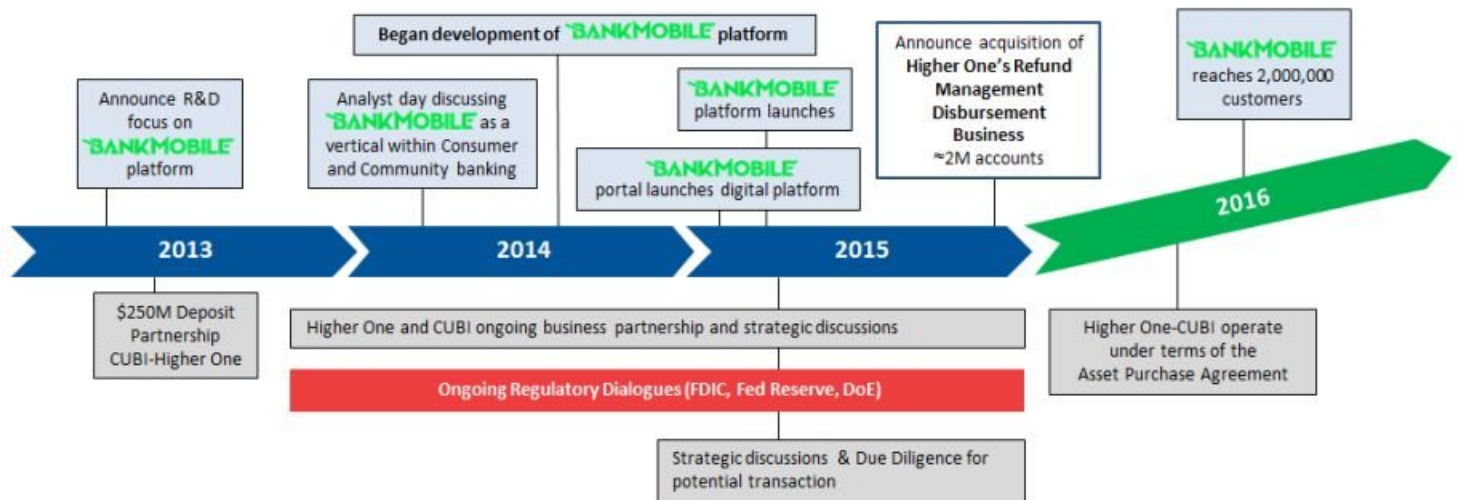
Source:

(1) Department of Education - Title IV Cash Management

(2) Higher One Holdings, Inc. Form 10Q for September 2015

Path to Inflection Point to Create A FinTech Company with a Bank Charter

Confluence of Our Digital Strategy and Unique Opportunity



Our Competitive Advantage

- Past relationship with Higher One as a bank partner for deposits
- Knowledge – Strong compliance and risk management culture with years of experience with Higher One and regulators
- BANKMOBILE R&D
- Branchless banking mindset
- CUBI is under \$10bn in assets (no Durbin friction)
- CUBI is a Bank... Not too big, not too small, strong in Risk Management and Compliance
- Innovative culture — Ability to execute

Financially attractive to CUBI shareholders with conservative operating assumptions

Key Assumptions / Observations	Attractive Standalone Transaction Metrics
<ul style="list-style-type: none"> ▪ Balance Sheet & Capital “Lite” Business ▪ No need for Common issuance to assume business ▪ Any minimal capital charge will be offset with retained earnings, slow down in balance sheet growth or a small preferred offering ▪ All payments in cash....and over time ▪ As an asset purchase transaction, an estimated 90% of payments will be tax deductible ▪ ~\$500mm of non-interest bearing deposits (~250mm of incremental deposits) ▪ Operating Assumptions: <ul style="list-style-type: none"> ○ Materially lower revenue than historical for Disbursement Business due to new rules and BANKMOBILE strategy ○ Conservative assumptions on adoption and fee schedules (low to no NSF fees) ○ Base revenue of ~\$65-\$75mm, down from ~\$124mm at Higher One⁽¹⁾ ○ Approximately \$10m of goodwill and intangibles possible⁽²⁾ 	<ul style="list-style-type: none"> ▪ Creates the top digital bank in U.S. with several options for CUBI ▪ Still maintain 2016E guidance of \$2.40-\$2.50 per share excluding transaction related one-time charges⁽³⁾ ▪ Estimate mid-single digits accretion to 2017E core EPS⁽³⁾ ▪ \$0.25-\$0.35 Tangible Book Value per Share dilution possible with rapid breakeven despite 100% cash transaction⁽⁴⁾ ▪ IRR well above cost of capital ▪ Maintains capital and liquidity metrics <ul style="list-style-type: none"> – No material change to capital ratios – \$250mm of anticipated additional DDA bolsters liquidity ▪ Enhances revenue mix via further diversification <ul style="list-style-type: none"> – Fee income ~30% of total revenues ▪ Anticipate a mid-to-high 50% Efficiency Ratio in spite of non-recurring payments for non-compete, consulting and transition services

Notes:

(1) Annualized Higher One disbursement segment revenue for 9 months ended September 30, 2015

(2) Final purchase accounting impact and goodwill amount will be resolved following completion of accounting analysis completed prior to closing

(3) Core EPS excludes the impact of the Non-Compete, Consulting and Transition Services Agreements related to the transaction

(4) After-tax basis

Additional option value for CUBI Shareholders created by *pro forma* **BANKMOBILE** platform

Significant Value for **BANKMOBILE** with Embedded Upside

- ≈2 million active deposit customers on day one
- Over 500,000 new accounts per year
- Potential for long-term growth rate of 15% - 20%
- Existing students with automatic recurring growth
- Unique opportunity to capture lifetime value of customers and cross-sell value added products and services
- Pro forma **BANKMOBILE** platform has significant additional growth prospects via partnerships (lending products) and select acquisitions

End Game

- Fee Revenue Expansion can drive P/E Expansion
- Valuation on Payments Processors & FinTech sector for a **BANKMOBILE** business segment
...think multiple of revenues....
- CUBI shareholders participate in **BANKMOBILE** platform contributions:
 - A division of Customers Bank
 - Retain Intellectual Property (IP), rent for fee
- CUBI to explore various strategic options for **BANKMOBILE** to maximize shareholder value

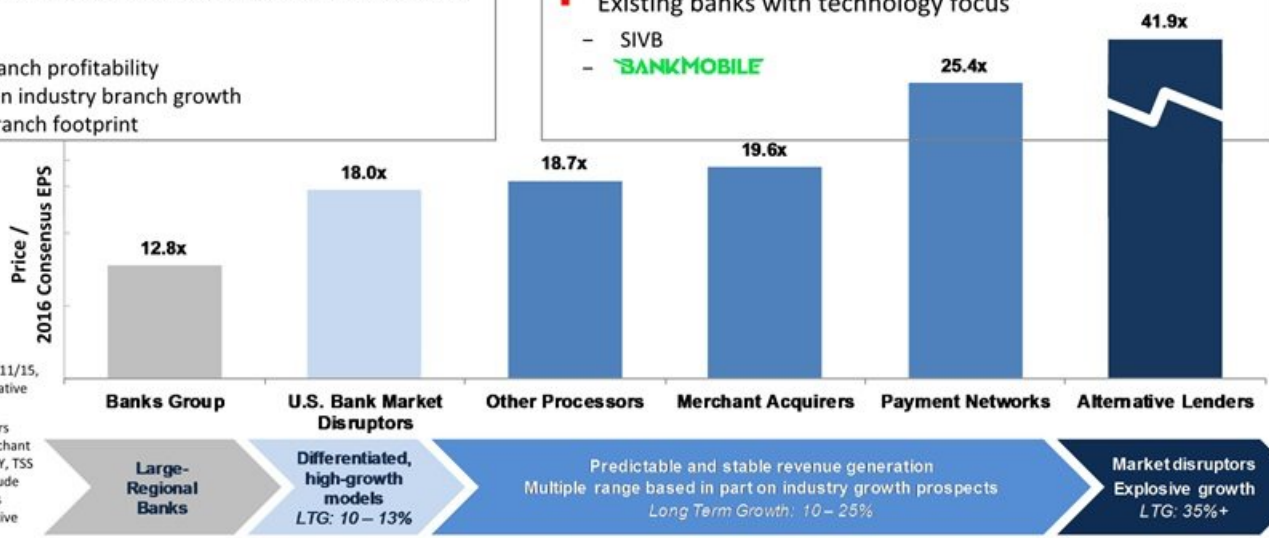
The old retail branch model is being disrupted by new technology

Challenges for Retail Branch Banking

- Traditional retail bank branch model
 - Originates only a handful of net new accounts per month
 - Customer traffic declining rapidly
 - Branches serving as expensive billboards to project brand
 - Role changing dramatically
- Recent industry trends
 - Deemphasize branching (inefficient customer acquisition model)
 - Increasing compliance and legal costs
 - Technological innovation reduces need for physical presence
- Results
 - Reduced branch profitability
 - Stagnation in industry branch growth
 - Shrinking branch footprint

Tech Solutions to Evolve Banking Valued Highly

- Technological capabilities for existing banks
 - BBVA acquires FinTech firm Simple Technology
 - \$117M acquisition value
 - Estimated 33,000 customer accounts
 - 5 year old company
- Technology driven growth in new consumer segments
 - Lending Club \$1B IPO in 2014
 - OnDeck Capital \$230M IPO in 2014
 - Live Oak Bancshares \$94M IPO in 2015
- Existing banks with technology focus
 - SIVB
 - **BANKMOBILE**



Source: SNL and FactSet as of 12/11/15, Bank Innovation - 10 Most Innovative CEOs in Banking 2015

Note: U.S. Bank Market Disruptors include FRC, LOB and SBNY; Merchant Acquirers include EVTC, GPN, HPY, TSS and VNTV; Other Processors include FLT and WEX; Payment Networks include MA, PYPL and V; Alternative Lenders include LC and ONDK

Immediate shift from Investment Phase to Shareholder Return Phase

Strategy Launched in 2013-2014

- Consistent with core strategy articulated by CUBI
- Invested capital, R&D and HR in **BANKMOBILE**
- High Touch combined with High Tech
- Innovative platform with proprietary in-house technology
- Create a highly efficient customer acquisition platform
- Higher One is an opportunistic transaction that delivers on our digital banking strategy

BANKMOBILEtoday

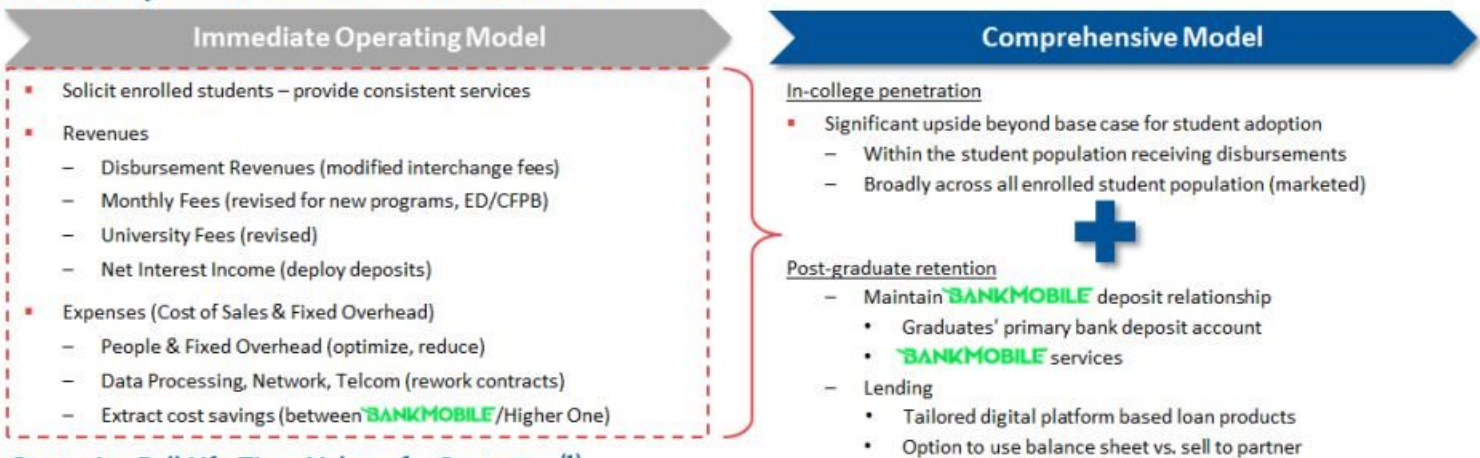
- Executing Ahead of Plan**
 - 100,000+ **BANKMOBILE** accounts to date
 - 200,000 accounts expected by mid-year 2016
 - Exceeded 1 year goal of 25,000 accounts
- Full-Service High-Touch/High-Tech Mobile Banking**
 - New no-fee banking accounts
 - 25bps higher-interest savings
 - 55,000 ATMs nationwide
 - High-touch personal banker and financial literacy based service
 - Sleek mobile interface



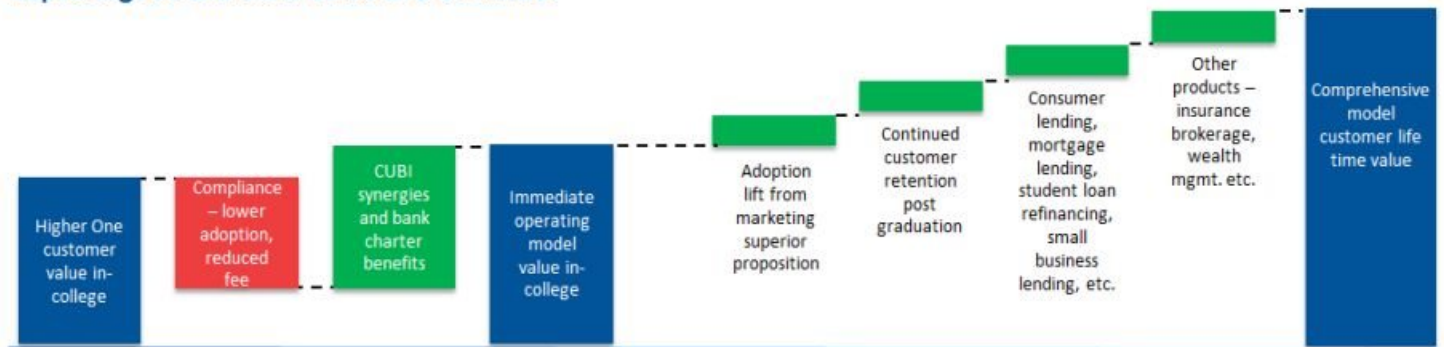
FinTech Bank with Disruptive Growth Potential

- Combined branded as: **BANKMOBILE**
- Profitable, Scalable FinTech Company
- Online bank with over 2 million customers combined
- ~\$65M-\$75M annual non-interest income, predominately interchange
- Revenue generated principally from debit card interchange and margin from low cost core deposits
- Built in over 500,000 account annual growth driver
- Attractive customer demographic
- Optionality to improve performance (extracting full cost efficiencies identified)
- Ramp-up account retention after graduation
- Increased product offerings to expanded client base
- Network effects from growing user base
- Durbin Amendment a unique opportunity for **BANKMOBILE**

Higher One Disbursement in combination with BANKMOBILE positions BANKMOBILE as the primary banking relationship to maximize lifetime customer value




Capturing Full Life Time Value of a Customer⁽¹⁾



Note:
(1) Illustrative purpose only

Milestone Events & Activities

- **Analyst Day: February 2016 — New York, NY**
 - Discuss the core strategy of **Customers  Bank** as a business bank and opportunities for future gains
 - A deep dive into the **BANKMOBILE** platform and strategic options for value creation

- **Prior to Acquisition Closing**
 - Refine pricing strategies for certain products
 - Any further regulatory actions related to Higher One resolved
 - ED Title IV Cash Management rules go into effect July 1, 2016
 - Copious testing and compliance
 - Ongoing, open discussions with regulators

- **Anticipate closing by July 1, 2016**

- **Customers Bank remains committed to its core business banking strategy**
 - "High-touch, supported by high-tech" and "Single Point of Contact" value proposition with branch-lite model from Boston to Philadelphia footprint
 - History of robust organic growth, profitability and efficient operations supported by diversified client base
 - Emphasis on strong risk management and compliance culture

- **The acquisition is a crystallization of CUBI's **SANKMOBILE** consumer banking strategy**
 - Unique opportunity facilitated by focus on branch lite or branchless banking model, strong risk culture, historical relationship with Higher One, regulatory communications and strategic fit
 - Accelerates evolution of **SANKMOBILE** from investment phase to shareholder return phase
 - Powerful, proven customer acquisition model drives maximum lifetime customer value, with **SANKMOBILE** positioned as the primary banking relationship

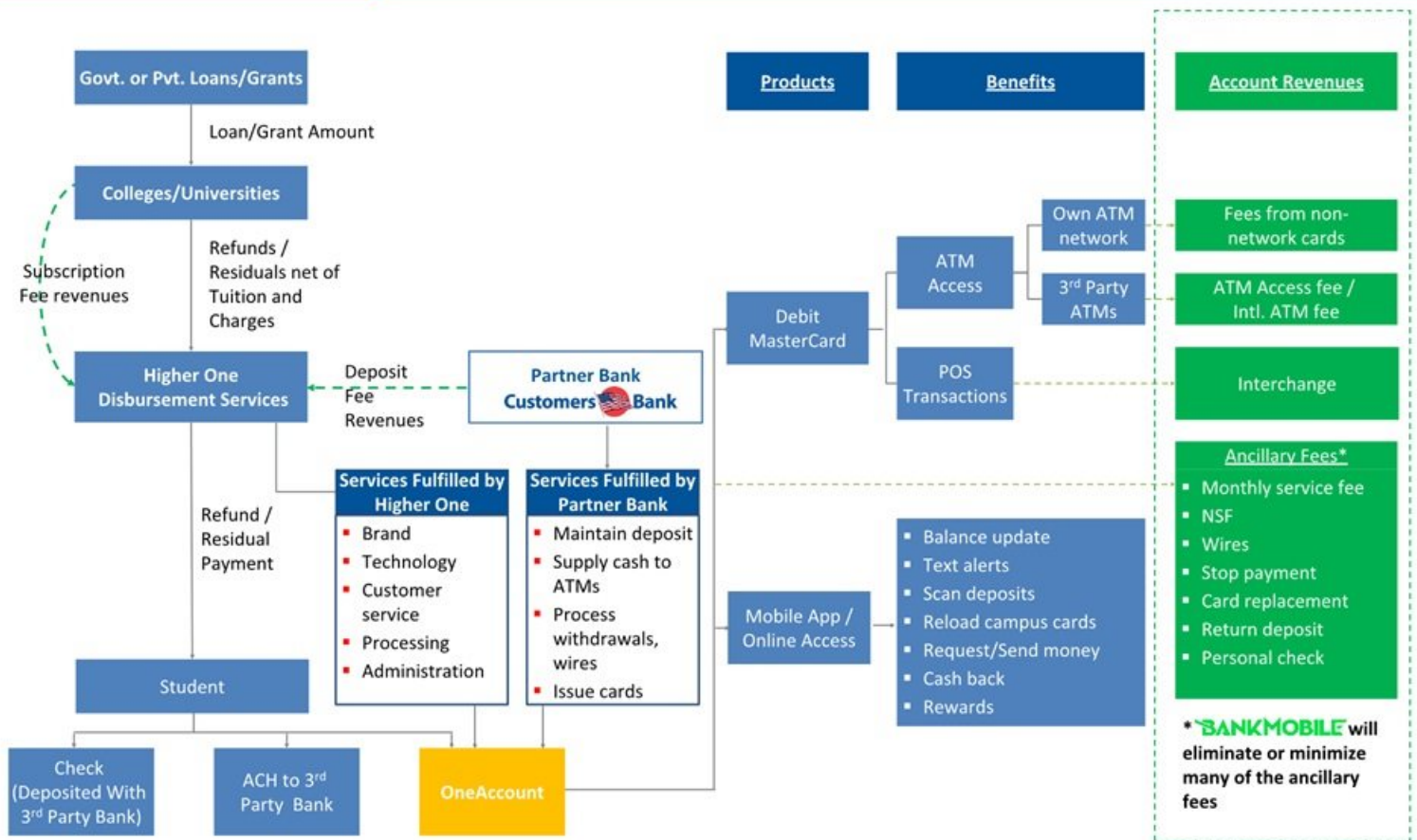
- **CUBI uniquely positioned to capitalize on low risk, financially attractive deal**
 - Transaction structured to align incentives between CUBI and Higher One
 - Financially attractive to CUBI shareholders with conservative operating assumptions
 - Additional upside for shareholders created by pro forma **SANKMOBILE** platform



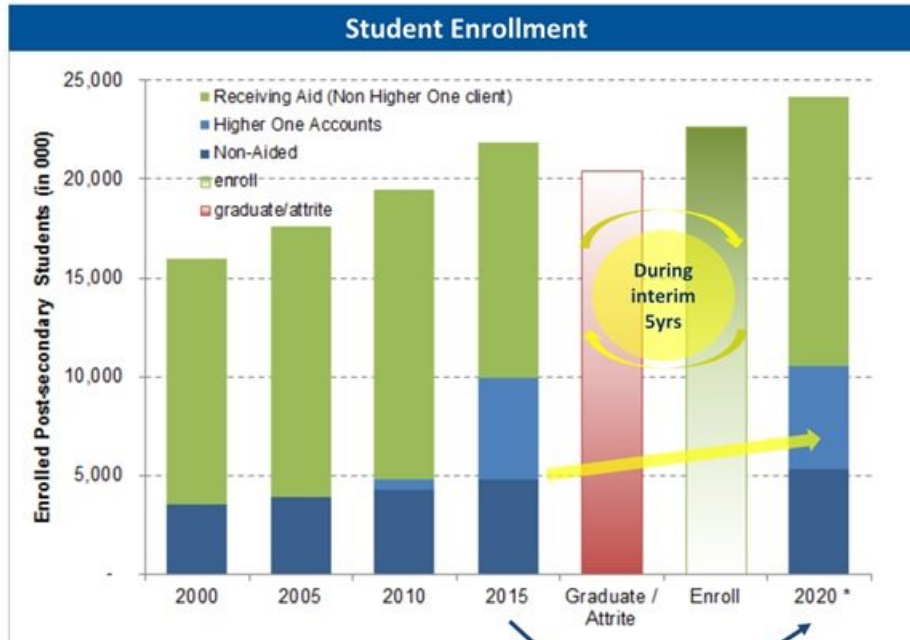
Appendix

Customers  Bancorp, Inc.

Higher One Current Disbursement Business Model



How many Students? What is the scope of opportunity?



Commentary

- Net enrollment in post-secondary education continues to grow (net 2%-4% /yr)
- Velocity of enrollment & attrition means that approximately 20-25 million new students over next 4-5 years
- Between 70% and 85% of students receive some sort of financial aid (4yr higher than 2 yr students)
- Higher One has roughly 5 million students
- OneAccount has ~2 million students

KEY OPPORTUNITY

- Retaining % of graduating students
- Attracting greater student participation by demonstrated performance and value

Source: National Center for Education Statistics, US Dept. of Education (2015), Higher One company reports. * Forward projections based on 10-year student enrollment growth rates.

Company:

Robert Wahlman, CFO

Tel: 610-743-8074

rwahlman@customersbank.com

www.customersbank.com

Jay Sidhu

Chairman & CEO

Tel: 610-301-6476

jsidhu@customersbank.com

www.customersbank.com