

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): May 14, 2014

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

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

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 7.01. Regulation FD.

Customers Bancorp, Inc. (the “Company”) has posted to its website a slide presentation which is attached hereto as Exhibit 99.1 and incorporated into this Item 7.01 by reference.

The information in this Current Report on Form 8-K, including Exhibit 99.1 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 exhibit attached hereto, shall not be deemed incorporated by reference into any of the Company’s reports or filings with the SEC, 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 Current Report on Form 8-K, including the exhibits attached hereto, shall not be deemed an admission as to the materiality of any information in this report on Form 8-K that is required to be disclosed solely to satisfy the requirements of Regulation FD.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

| Exhibit | Description |
|--------------|------------------------|
| Exhibit 99.1 | Slides |

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: May 14, 2014

EXHIBITS INDEX

| Exhibit | Description |
|--------------|------------------------|
| Exhibit 99.1 | Slides |

Customers Bancorp, Inc.



Effortless Banking

Building a Unique High Performing Banking Model

Customers  Bancorp, Inc.

Overall Corporate Strategy

Jay Sidhu

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;
- the integration of the Bank's recent FDIC-assisted acquisitions may present unforeseen challenges;
- 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; and
- 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; and
- 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 also includes estimated guidance regarding our fully diluted earnings per share for the years 2014 and 2015, which we have previously disclosed and is subject to the assumptions and qualifications included in that previous disclosure. 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. In addition, this presentation depicts a hypothetical scenario based on our having assets of \$6.5 billion and certain additional assumptions relating to our strategic plan, including assumptions as to loan assets, return on average assets, return on average equity and efficiency ratio. This hypothetical scenario is not intended to alter or supplement our estimated guidance. As a result, you should not consider this information to be a projection or estimate of our anticipated future performance.

1. The changing face of banks in the United States
2. Our approach in positioning bank to take advantage of this changing environment
3. Customers Bancorp: Where we started and where we are headed
4. Organic growth vs. M&A growth
5. Why Bank Mobile is an additional vertical
6. What investors should expect from CUBI

| Name | Title | Years of Banking Experience | Background |
|------------------------|-------------------------------------------------------------------|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| Jay S. Sidhu | Chairman & CEO | 38 | Chairman and CEO of Sovereign Bank & Sovereign Bancorp, Inc. |
| Richard A. Ehst | President & COO | 46 | EVP, Commercial Middle Market, Regional President (Berks County) and Managing Director of Corporate Communications at Sovereign Bank |
| Robert E. Wahlman, CPA | Chief Financial Officer | 33 | CFO of Doral Financial and Merrill Lynch Banks; various roles at Bank One, US GAO and KPMG. |
| Steve Issa | EVP, New England Market President, Regional Chief Lending Officer | 37 | EVP, Managing Director of Commercial and Specialty Lending at Flagstar and Sovereign Bank. |
| George Maroulis | EVP, Head of Private & Commercial Banking - NY | 22 | Group Director and SVP at Signature Bank; various positions at Citibank and Fleet/Bank of America's Global Commercial & Investment Bank |
| Timothy D. Romig | EVP, Regional Chief Lending Officer | 30 | SVP and Regional Executive for Commercial Lending (Berks and Montgomery County), VST Financial, SVP at Keystone |
| Ken Keiser | EVP, Director CRE and Multi-Family Housing Lending | 37 | SVP and Market Manager, Mid-Atlantic CRE Lending at Sovereign Bank; SVP & Senior Real Estate Officer, Allfirst Bank |
| Jonathan Lewis | EVP, Managing Director Business Development | 30 | State Manager for NY and NJ for Residential Lending for Allied Home Mortgage Capital Corp., President of Atlantic Coast Bank's Mortgage Division |
| Christopher McGowan | EVP, Managing Director Multi-Family Lending | 15 | SVP & Director of Originations for Capital One / Beech Street Capital, Peoples United Bank and Santander Real Estate Capital |
| Glenn Hedde | EVP, President Banking for Mortgage Companies | 27 | President of Commercial Operations at Popular Warehouse Lending, LLC; various positions at GE Capital Mortgage Services and PNC Bank |
| Warren Taylor | EVP, President Community Banking | 34 | Division President at Sovereign Bank, responsible for retail banking in various markets in southeastern PA and central and southern NJ |
| James Collins | EVP, Chief Administrative Officer | 23 | Various positions at Sovereign including Director of Small Business Banking |
| Thomas Jastrem | EVP, Chief Credit Officer | 36 | Various positions at First Union Bank and First Fidelity Bank |
| Robert B. White | EVP, President Special Assets Group | 27 | President RBW Financial Consulting; various positions at Citizens Bank and GE Capital |
| Glenn Yeager | EVP, General Counsel | 36 | Private practice financial services law firm, Senior Counsel Meridian Bancorp, Inc. |
| Mary Lou Scalese | SVP, Chief Risk Officer | 38 | Chief Auditor at Sovereign Bank |

The U.S. Banking Industry

Banking Market

| | |
|------------------------------------------------------|-------|
| Total FDIC Commercial Banks and Savings Institutions | 6,876 |
| Largest Banks > \$5 Billion in Assets | (170) |
| FDIC Problem Banks | (467) |
| Small, Non Problem Banks | 6,239 |

Key Market Statistics

| | <u>Number</u> | <u>% of Total Market</u> |
|------------------------------|---------------|--------------------------|
| Banks with Positive Earnings | 5,641 | 96.0% |
| Banks NPAs/Total Assets < 1% | 2,716 | 46.2% |

Bank Failures by Year

| | |
|-------------------------|------------|
| 2008 | 26 |
| 2009 | 140 |
| 2010 | 157 |
| 2011 | 92 |
| 2012 | 51 |
| 2013 | 24 |
| TOTAL FAILURES | 490 |
| % of Total Banks | 6.7 |

Great Depression

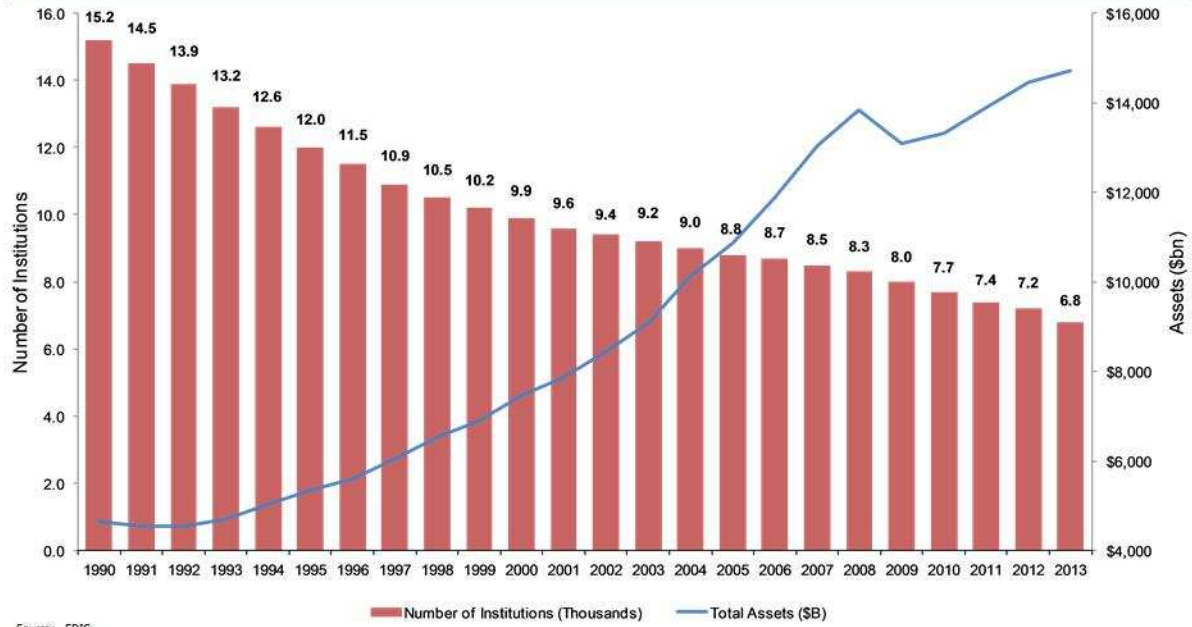
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| TOTAL FAILURES | 10,513 |
| % of Total Banks | 43.7 |

Late 80's/Early 90's

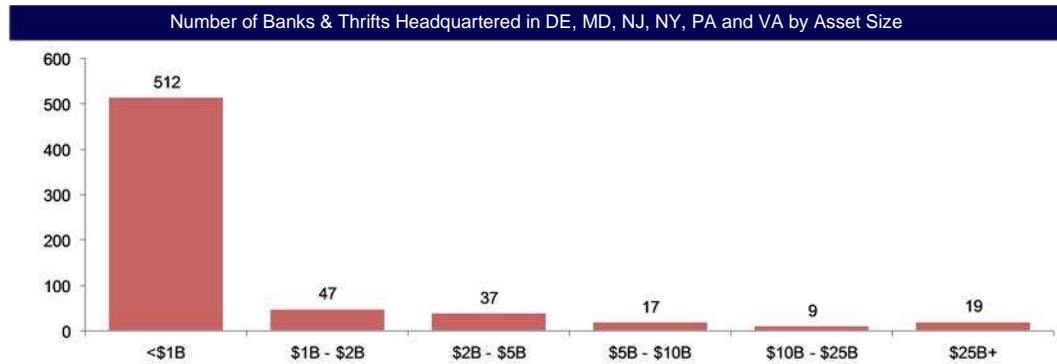
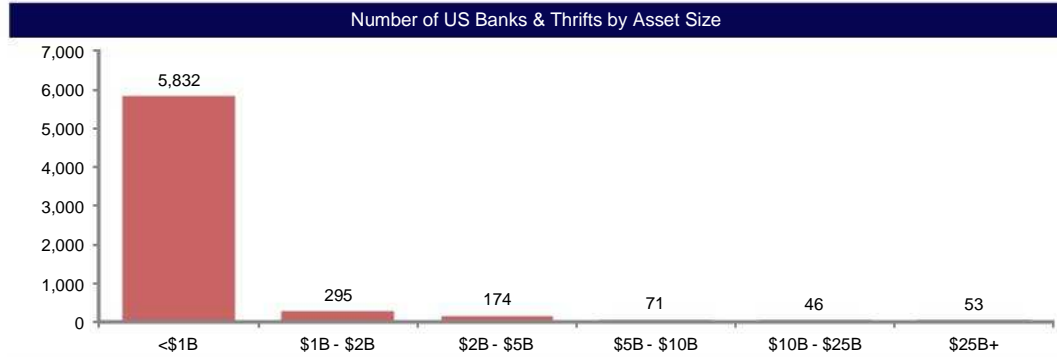
| | |
|-------------------------|--------------|
| TOTAL FAILURES | 1,670 |
| % of Total Banks | 12.7 |

Source: FDIC, SNL Financial as of 12/31/2013

Total U.S. Depository Institutions

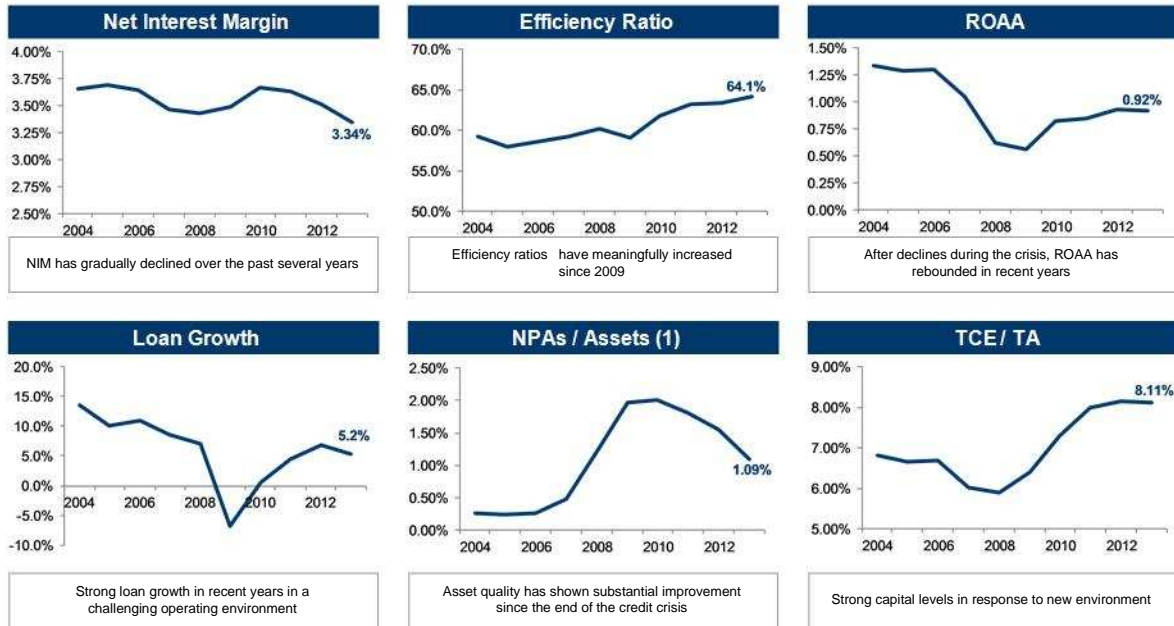


**...And Further Consolidation Expected With Over
90% of Remaining U.S. Banks Less Than \$1B in Assets**



Source: SNL Financial

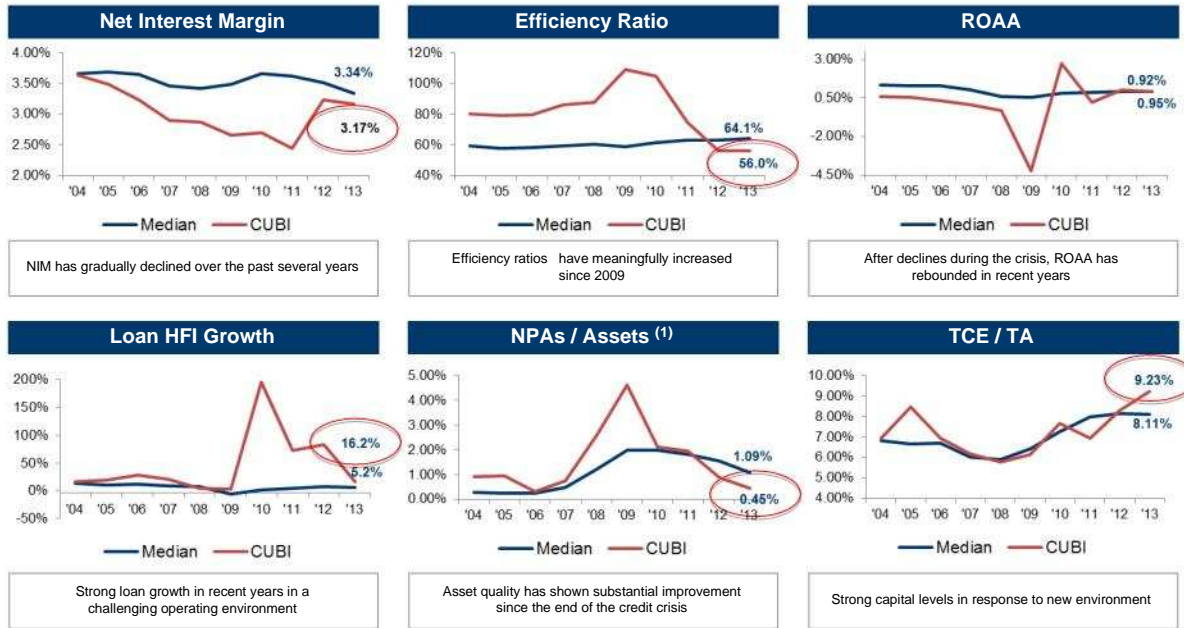
Since the End of the Crisis, U.S. Banks Have Also Shown Meaningful Improvement Across Operating, Credit and Capital Performance Metrics



Source: SNL Financial. Median performance metrics for top 50 U.S. banks.

1. Nonperforming assets defined by SNL Financial as nonaccrual loans and leases, renegotiated loans and leases, and real estate owned.

Customers Bancorp, Inc. Has Already Out Performed The Median Or Kept Pace With The Improvement of US Banks

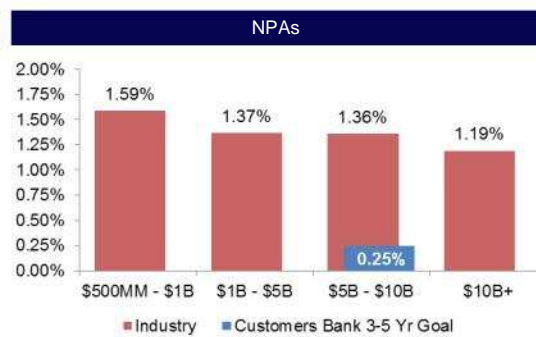
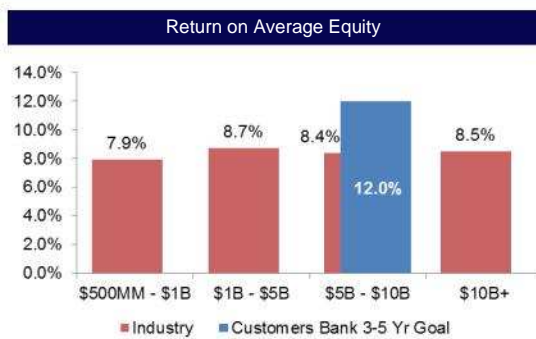
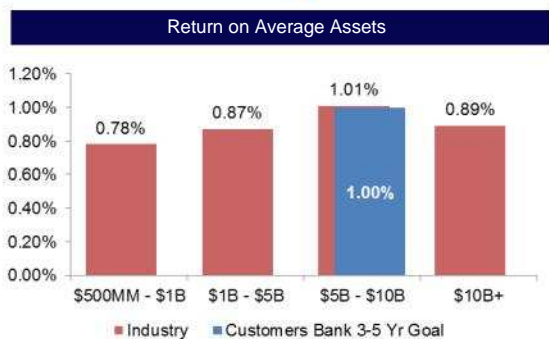


Source: SNL Financial and Company Documents. Median performance metrics for top 50 U.S. banks.

1. Nonperforming assets defined by SNL Financial as nonaccrual loans and leases, renegotiated loans and leases, and real estate owned. Customers nonperforming loans do not include covered loans.

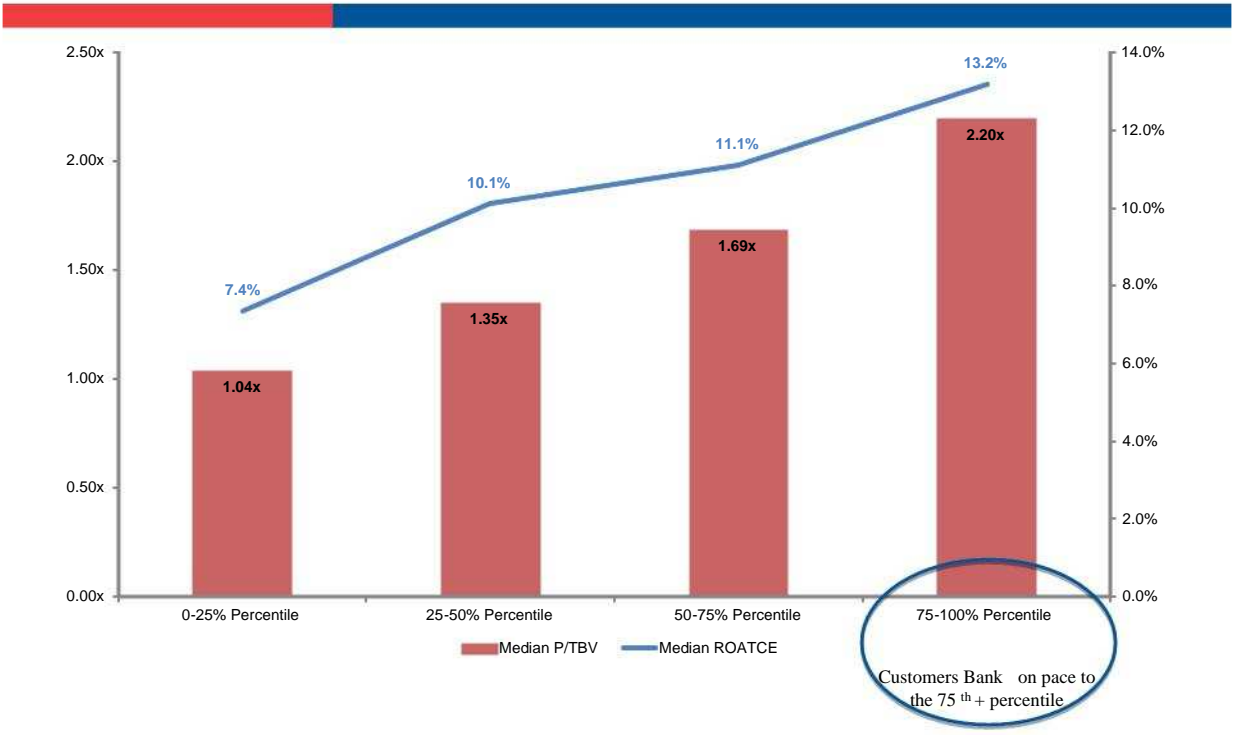


Source: SNL Financial on an LTM basis as of 4Q2013



Source: SNL Financial on an LTM basis as of 4Q2013

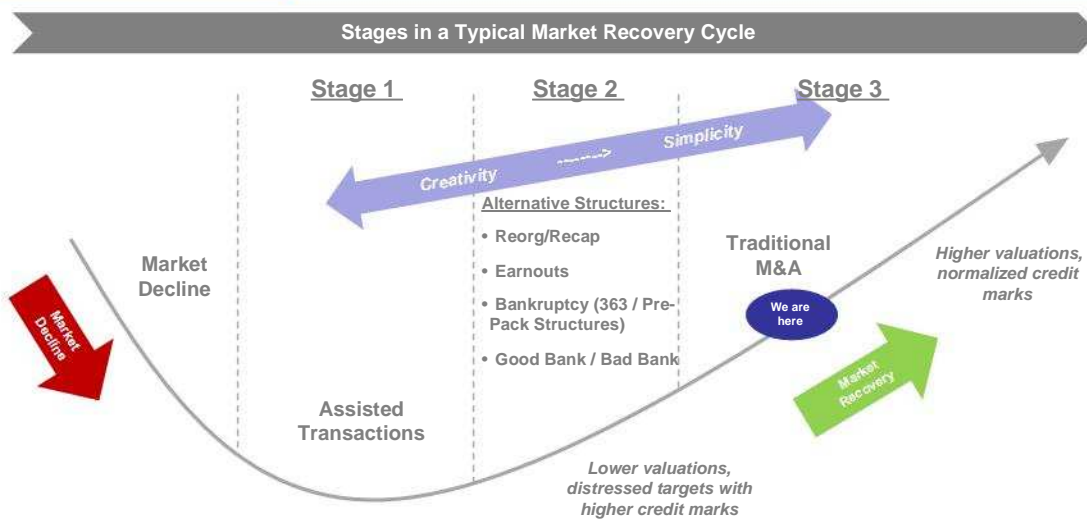
Besides Size, Higher Profitability Key Driver in Premium Tangible Book Value Multiple



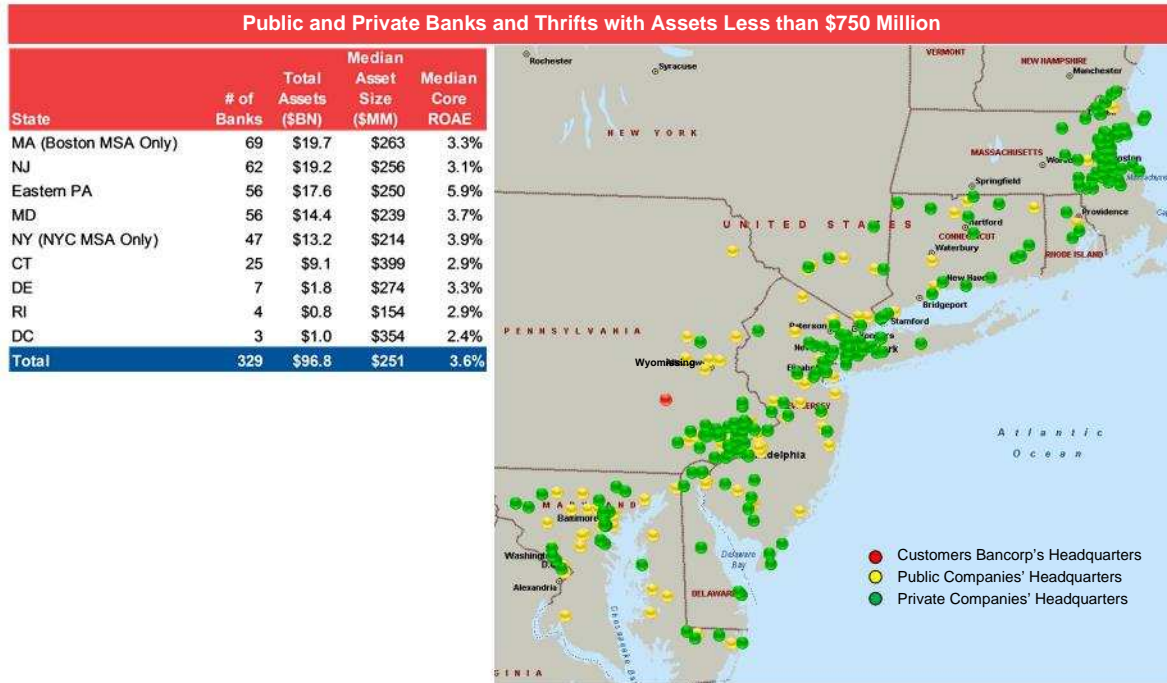
Source: SNL Financial.
Note: All banks with assets between \$1.0 billion - \$20.0 billion and Texas Ratios less than 75%. Excludes merger targets and MHCs.
P/TBV as of 3/14/2014. ROATCE LTM as of most recent quarter available.

Taking Advantage Of This Changing Environment

Organic vs. M&A Growth Strategies

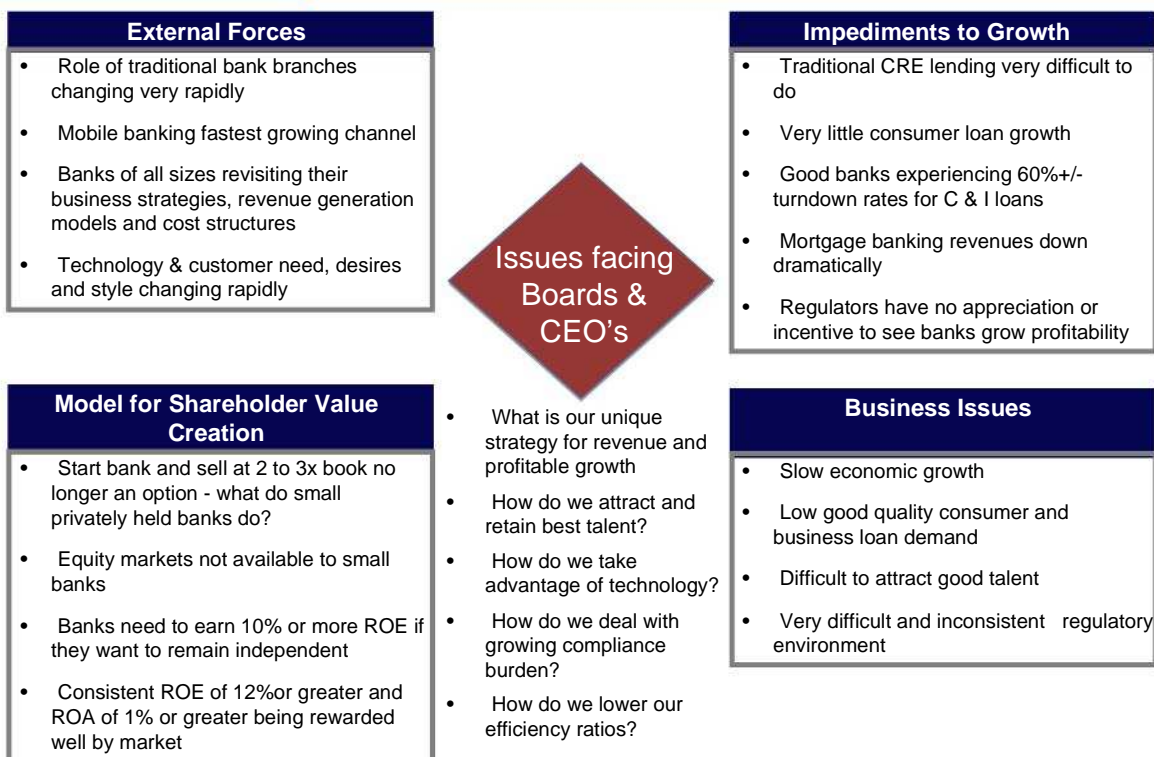


- Entered a new stage in the Recap/Reorg and M&A cycle
- Volume of FDIC assisted deals continues to decline
- Majority of 10% + growth is M&A driven. Few strong “organic” growth banks emerging
- Separation between “builders”, “sellers” and “watchers”
- New models of “banking” emerging



Source: SNL Financial. Data as of most recent quarter available. Excludes merger targets. Eastern PA defined as the Allentown MSA and east of the Allentown MSA.

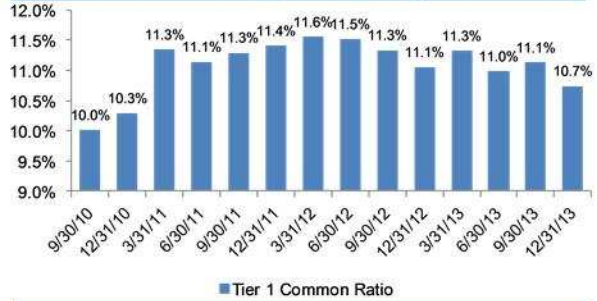
1. Absolute clarity of your vision , strategy , goals and tactics ; there must be absolute alignment between board and management
2. Become a master of your internal environment
 - What's going on inside your bank
3. Be a master of your external environment
 - Competition, economy, technology, regulatory, etc.
4. Highest level of integrity and fairness in all we do
5. Passion for continuous improvement



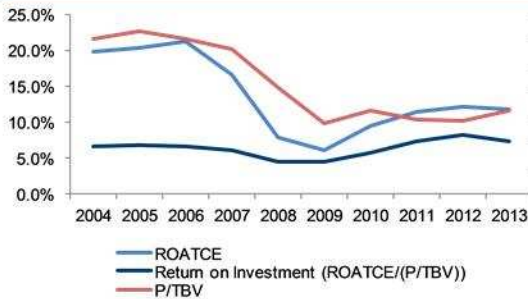
Credit Improving - Though Banks Face a Number of Operational Headwinds

- **Credit Improving**
 - NPAs and NCOs greatly declining across the sector
- **Asset Generation**
 - Banks are starved for interest-earning assets and exploring new asset classes, competing on price and looking into specialty finance business / lending
- **NIM Compression**
 - Low rate environment for the foreseeable future will continue to compress NIM
 - Several institutions have undergone balance sheet restructuring to alleviate near-term NIM pressure
- **Operational leverage**
 - Expense management is top of mind as banks try to improve efficiency in light of revenue pressure and increased regulatory / compliance costs

Capital Accumulation Continues To Create Deployment Challenges



ROI Continues to Trend Below 10% Despite Being Modestly Higher Than Pre-Recession ¹



Source: SNL Financial.
¹ Includes data for top 50 U.S. banks by assets.

Critical to Have a Winning Business Model



Customers Bank

Executing on Building a Unique High Performing
Banking Model

#1 in USA in Organic Top Line Growth in 2013 & 2012

* Excludes banks below \$1 billion in assets

Strong, High Growth, Low Risk, Branch Lite Bank in Attractive Markets

- ~\$5.0 billion asset bank
- Well capitalized at 11% + total risk based capital and 9% + tier 1 leverage
- Target market from Boston to Washington D.C. along interstate 95

Profitability

- ROA goal of 1% + and ROE of 12% + within 3-5 years
- 3.00% net interest margin goal; Targeting efficiency ratio in the 40's
- 97% compounded annual growth in loans since 2009
- DDA and total deposits compounded annual growth of 115% and 78% respectively since 2009
- 300% compounded annual growth in core earnings since 2011

Strong Credit Quality

- No charge-offs on loans originated after 2009
- 0.32% non-performing assets (non-FDIC covered loans)
- Total reserves to non-performing loans of 165.4%

* Includes mortgage warehouse

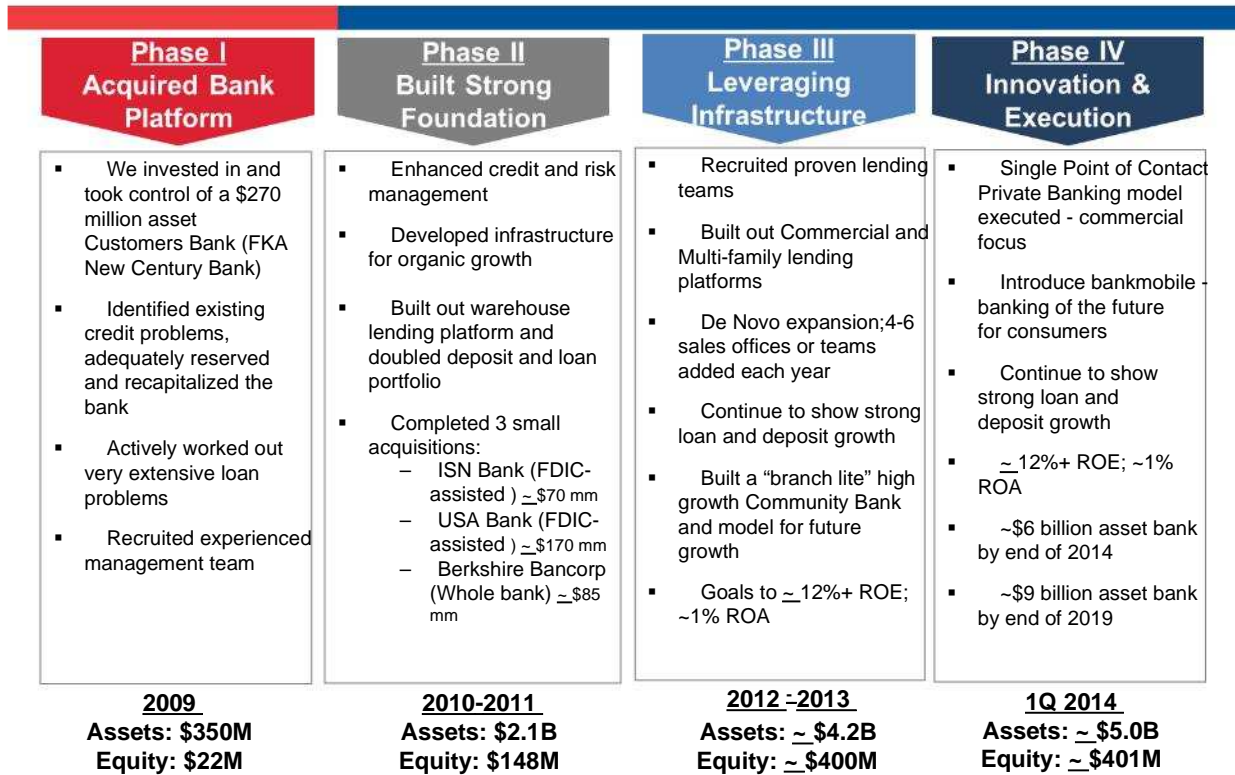
Low Interest Rate Risk

- Over half of the loan portfolio will re-price within one year
- 40% of loans have an average life of 3.8 years
- ~ 20% of deposits are non-interest bearing
- Extending liabilities at this time
- \$150 million in forward starting swaps

Valuation

- Current share price (\$21.85) is 13.0x estimated 2014 earnings, and 11.1x estimated 2015 earnings
- Price/tangible book estimated at 1.3x and 1.2x for 2014 and 2015 respectively

* Includes mortgage warehouse



Vision (our dream)

“We want to build a highly successful bank that makes our customers say “WOW”

Mission (the path)

“We achieve our Visions by taking pride in delivering”:

- Absolutely memorable service to our customers
- High-touch personal or private banking supported by high-tech for all our customers
- Concierge Banking by meeting our customers 7 days a week - wherever and whenever
- Helping our customers succeed

Critical Success Factors (what we consider most important in running a strong bank)

“We will never deviate from the following five critical success factors”:

- We will always put our customers first and execute that strategy by having the best people on our team
- Always attempt to maintain the highest quality loans and investments on our books
- Have best systems, practices and team in place to manage all risks we encounter as we run a profitable bank
- Strive to grow our revenues 2X greater than expenses
- Maintain strong capital levels

Disciplined Model for Superior Shareholder Value Creation

- Strong organic revenue growth + scalable infrastructure = sustainable double digit EPS growth and increased shareholder value
- A clear and simple risk management driven business strategy
- Build tangible book value per share each quarter via earnings
- Any book value dilution from any acquisitions must be overcome within 1-2 years
- Superior execution through proven management team

Consumer Banking Strategy

- Principal focus is getting deposits in a highly efficient and unique model while meeting the needs of all the communities in our assessment area
- Introduce Bank Mobile and Prepaid business for Gen Y and under-banked; strategic partnerships for credit services

Business Banking Strategy

- Loan and deposit business through these segments:
 - Banking Privately Held Businesses
 - Banking High Net Worth Families
 - Banking Mortgage Companies

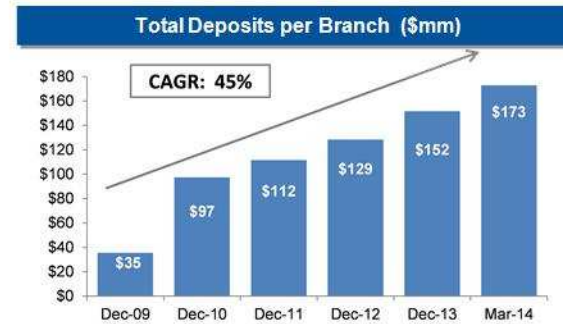
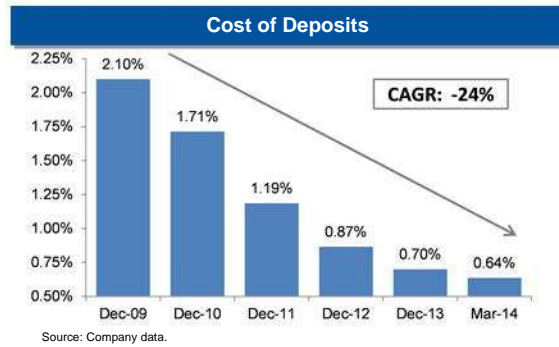
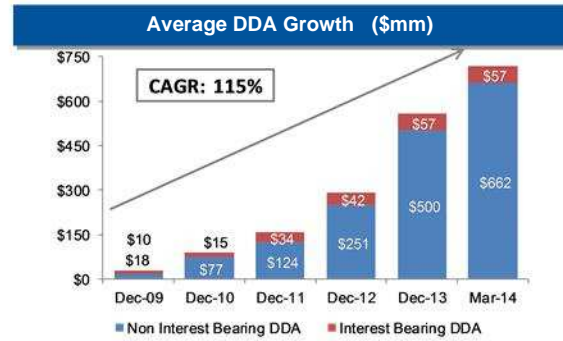
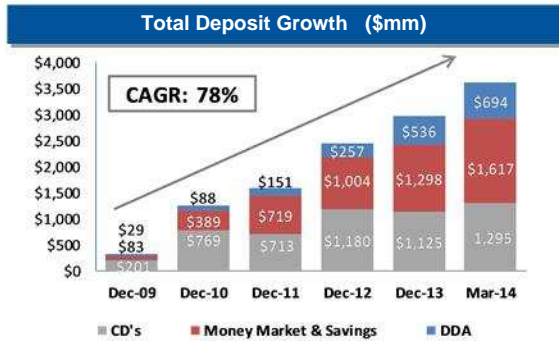
- Organic deposit growth goals of 20%+ a year from consumers

| <u>Concierge Banking</u> | <u>Sales Force</u> | <u>Pricing</u> | <u>Technology</u> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> Takes banker to the customer's home or office, 12 hours a day, 7 days a week Appointment banking approach Customer access to private bankers "Virtual Branches" out of sales offices | <ul style="list-style-type: none"> Experienced bankers who own a portfolio of customers Customer acquisition & retention strongly incentivized | <ul style="list-style-type: none"> Low cost banking model allows for more pricing flexibility Significantly lower overhead costs vs. a traditional branch Pricing/profitability measured across relationship | <ul style="list-style-type: none"> Implementation of technology suite allows for unique product offerings: Remote account opening & deposit capture Internet/mobile banking Free ATM deployment in U.S. |

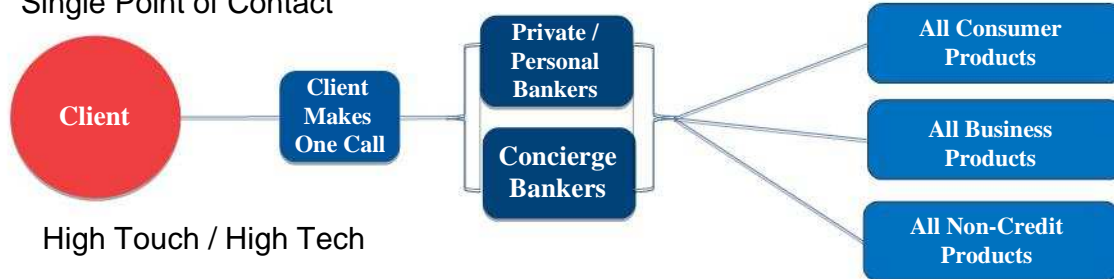
Goal: All-in cost less than competitors funding cost over the long-term

Cost of Funds + Branch Operating Expense - Fees = ALL-IN-Cost < Competitors

Customers strategies of single point of contact and recruiting known teams in target markets produce rapid deposit growth with low total cost



Single Point of Contact



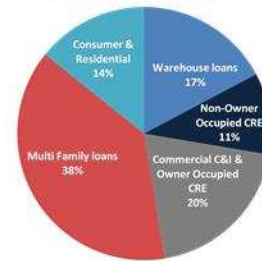
High Touch / High Tech

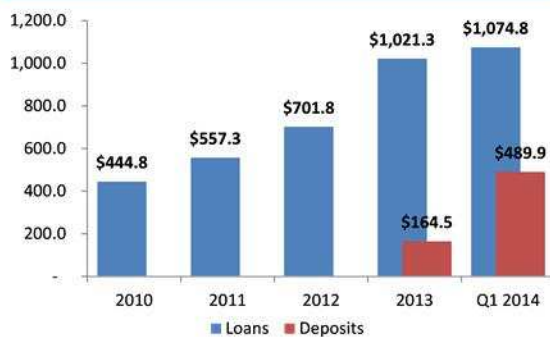
Loan Portfolio Mix (\$mm)

**High Growth with Strong Credit Quality**

- Centralized credit committee approval for all loans
- Loans are stress tested for higher rates and a slower economy
- No losses on loans originated since new management team took over
- 96% compounded annual growth rate on total loans
- Creation of solid foundation for future earnings

Loan Product Mix as of March 2014

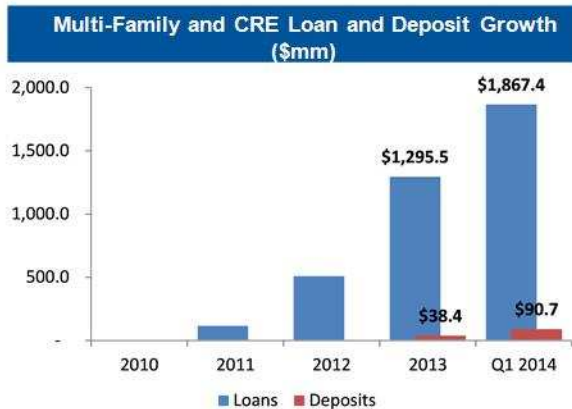


Business Banking Loan and Deposit Growth (\$B)**Banking Privately Held Business****Small Business**

- Target companies with less than \$5.0 million annual revenue
- Principally SBA loans originated by small business relationship managers or branch network
- Current focus PA & NJ markets

Private & Commercial

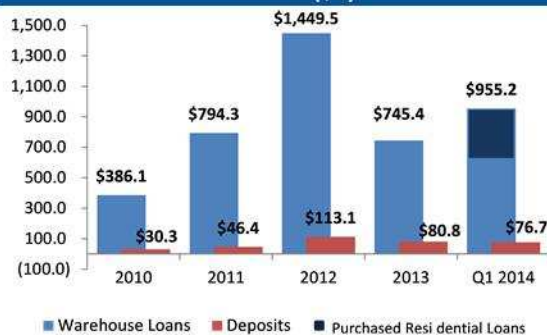
- Target companies with up to \$100 million annual revenues
- Very experienced teams
- Single point of contact
- NE, NY, PA & NJ markets



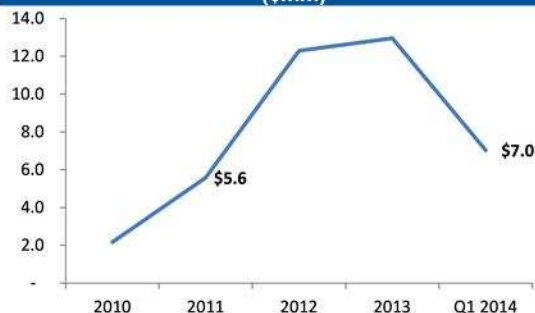
Banking High Net Worth Families

- Focus on families that have income producing real estate in their portfolios
- Private banking approach
- Multi Family and non owner occupied income CRE loan products
- Focus Markets: New York & Philadelphia MSAs
- Average Loan Size: \$4.0 - \$7.0 million
- Remote banking for deposits and other relationship based loans
- 342% compounded annual growth rate since 2011
- Portfolio grown organically from a start up with very experienced teams hired in the past 3 years
- Strong credit quality niche
- Interest rate risk managed actively

Mortgage Warehouse Banking Loan and Deposit Growth (\$B)



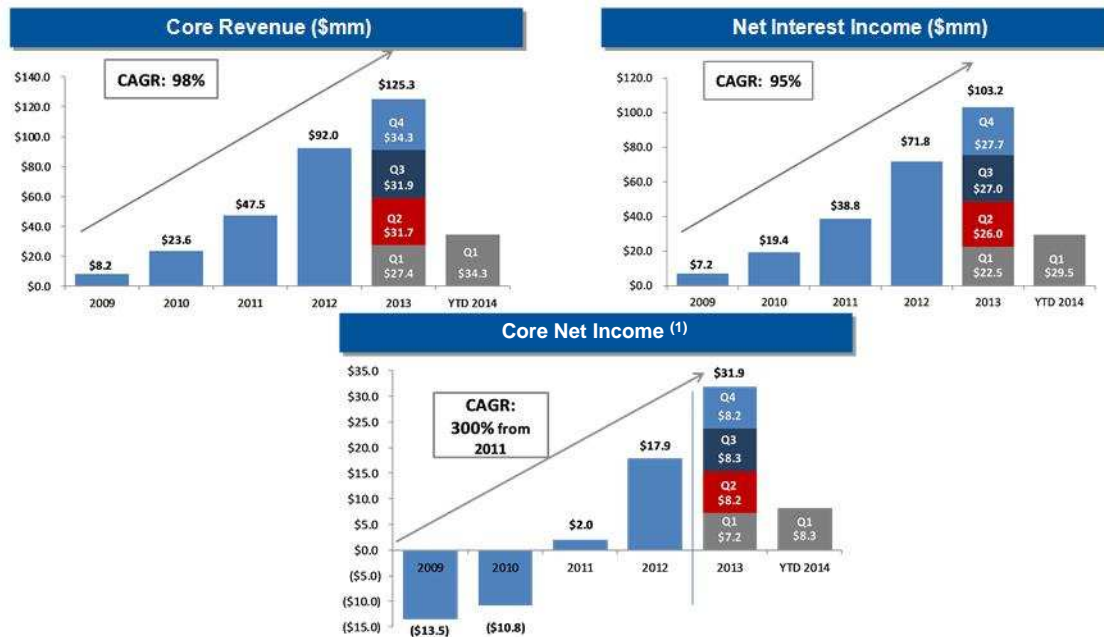
Mortgage Warehouse Banking Annual Fee Income (\$mm)



Banking Mortgage Companies

- Private banking focused on mortgage companies with \$5 to \$10 million equity
- Lower interest rate and credit risk line of business
- ~75 strong warehouse clients
- All warehouse loans classified as held for sale
- All deposits are non-interest bearing DDA's
- Balances not expected to be materially higher in 2014
- Loan balances below 2011 levels but fees and deposits remain strong
- Selected lending against servicing portfolios introduced in 2014
- Opportunistic purchases of variable rate mortgage loans

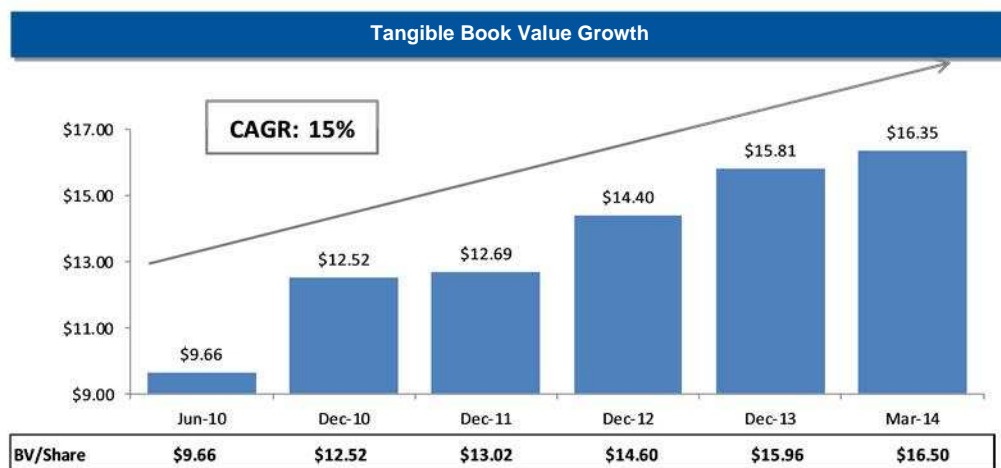
- Strategy execution has produced superior growth in revenues and earnings



Source: SNL Financial and Company data.

(1) Core income, on a diluted per-share basis is net income before extraordinary items, less the after-tax portion of income from investment gains and nonrecurring items. CAGR calculated from Dec-10 to Mar-13.

- Per share tangible book value up 31% since December 2010
- Focused on continuous growth of TBV aligns executive management compensation with shareholder value creation
- Any tangible book value dilution from acquisition must be recovered within 1 to 2 years



Focus in future years

- Single point of contact model - “High touch supported by high tech”
- Only superior credit quality niches
- Above average organic growth
- Expense management

Earnings per share growth estimated at ~ 17% year over year

- Assumes no additional common shares are issued during 2014 or 2015

Expecting banking for mortgage companies balances to remain flat and continue to shrink as a percentage of total assets

Strategically aligned technology partners

- Core Banking Platform - Fiserv
- Mobile Banking Platform - Malauzai

Unique branch model

- 24 hours concierge bankers
- All-In-Cost (interest expense + operating cost)
- Alternative channels emerging in our model
- Use of technology to reduce branch traffic
- Bank Mobile & prepaid cards

| Criteria | 3 -5 Year Targets |
|---------------------|------------------------------|
| Return on Assets | 1% or greater |
| Return on Equity | 12% or greater |
| Net Interest Margin | ~ 3% |
| EPS | 15% annual compounded growth |
| Efficiency Ratio | ~ 40% * |

| Year | EPS Expectations |
|----------|------------------|
| 2014 EPS | \$1.65 - \$1.70 |
| 2015 EPS | \$1.95 - \$2.00 |

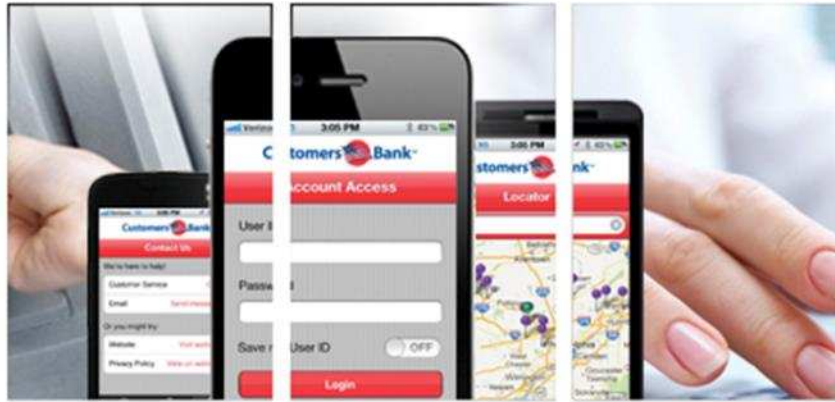
*Efficiency ratio = non-interest expenses/(net interest income + non-interest income - securities gains)

- Banks each year charge \$32 billion in over draft fees - that's allowing or creating over 1 billion over drafts each year....Why??
- Payday lenders charge consumers another \$7 billion in fees
- That's more than 3x what America spends on Breast Cancer and Lung Cancer combined
- Combined this is about 50% of all America spends on Food Stamps
- Some of banking industries most profitable consumer customers hate banks
- Another estimated 25% consumers are unbanked or under banked


This should not be happening in America

We hope to start, in a small way, a new revolution
to address this problem

Customers Bank Views Itself As A Marketing Company With A Bank Charter



 bank**mobile**
Always on.

- New banking vertical supplementing Consumer and Community Banking
- Marketing Strategy 
- Target technology dependent <35 years old and larger depositors >50 years old segments
- Reach markets through Affinity Banking Groups
- Revenue generation from debit card interchange and margin from low cost core deposits
- Total investment not to exceed \$5.0 million by end of 2015 but expected to be offset by revenues
- Expected to achieve above average ROA and ROE within 5 years

- Strong high performing ~\$5.0 billion bank with significant growth opportunities
- “High touch, high tech” processes and technologies result in superior growth, returns and efficiencies
- Shareholder value results from the combination of increasing tangible book value with strong and consistent earnings growth
- Attractive risk-reward: growing several times faster than industry average but yet trading at a significant discount to peers
- Experienced management team delivers with strong results
 - Ranked #1 overall by Bank Director Magazine in the 2012 and 2013 Growth Leader Rankings
- Introducing among the 1st mobile banking application for account opening and complete mobile platform based servicing in the USA

High Performance Regional Banks

| | | MRQ Profitability | | | | Capitalization | | | | Asset Quality | | Market Trading | | |
|-----------------------------------------|-------|-------------------|-----------|-----------|--------------|---------------------|----------------|---------------------|-------|-------------------|-----------------|-------------------|-----------|---------------|
| | | Assets (\$MM) | Core ROAA | Core ROAE | Effic. Ratio | TCE/TCATier 1 Ratio | Leverage Ratio | Total Capital Ratio | | NPA's/ Assets (1) | Reserves/N PL's | Market Cap (\$MM) | Price/TBV | Price/LTM EPS |
| Name | State | | | | | | | | | | | | | |
| OFG Bancorp | PR | \$7,856 | 1.06% | 9.51% | 58.4% | 8.0% | 14.8% | 9.5% | 16.6% | 2.9% | 70.0% | \$773.6 | 1.24 x | 9.6 x |
| NBT Bancorp Inc. | NY | \$7,753 | 0.99% | 9.10% | 64.0% | 8.2% | 11.8% | 9.1% | 13.1% | 0.8% | 116.4% | \$1,066.3 | na | 14.9 x |
| Provident Financial Services, Inc. | NJ | \$7,501 | 0.92% | 6.74% | 60.0% | 8.4% | 11.6% | 8.5% | 12.9% | 2.0% | 44.2% | \$1,099.6 | na | 15.1 x |
| Community Bank System, Inc. | NY | \$7,397 | 1.25% | 10.14% | 59.2% | 7.5% | 14.2% | 9.5% | 15.3% | 0.4% | 177.0% | \$1,586.5 | 3 x | 19.7 x |
| Boston Private Financial Holdings, Inc. | MA | \$6,705 | 0.96% | 10.34% | 68.9% | 8.9% | 13.7% | 10.2% | 15.0% | 1.0% | 111.6% | \$1,082.4 | 2.37 x | 18.5 x |
| Tompkins Financial Corporation | NY | \$5,042 | 1.03% | 11.01% | 64.7% | 7.4% | NA | 8.7% | 13.7% | 0.8% | 79.6% | \$726.0 | 1.99 x | 14 x |
| S&T Bancorp, Inc. | PA | \$4,707 | 1.23% | 9.84% | 59.2% | 8.9% | 12.4% | 9.8% | 14.4% | 1.2% | 81.7% | \$704.3 | 1.74 x | 13.5 x |
| TrustCo Bank Corp NY | NY | \$4,579 | 0.88% | 10.83% | 51.3% | 8.1% | 17.1% | 8.1% | 18.4% | 1.4% | 87.4% | \$665.7 | 1.79 x | 16 x |
| WSFS Financial Corporation | DE | \$4,546 | 1.50% | 16.73% | 65.5% | 8.2% | 13.5% | 10.7% | 14.7% | 1.2% | 79.9% | \$636.4 | 1.72 x | 12.1 x |
| Dime Community Bancshares, Inc. | NY | \$4,280 | 0.93% | 8.73% | 48.4% | 9.1% | 12.5% | 9.2% | 13.1% | 0.8% | 65.3% | \$623.5 | 1.62 x | 14 x |
| Sandy Spring Bancorp, Inc. | MD | \$4,169 | 1.09% | 8.87% | 61.6% | 10.4% | 14.6% | 11.4% | 15.9% | 1.0% | 98.3% | \$625.6 | 1.47 x | 14 x |
| Eagle Bancorp, Inc. | MD | \$3,804 | 1.34% | 12.34% | 51.9% | 10.0% | 11.6% | 10.8% | 13.0% | 1.2% | 115.2% | \$937.7 | na | 20.1 x |
| Washington Trust Bancorp, Inc. | RI | \$3,194 | 1.22% | 11.56% | 59.8% | 8.7% | 12.4% | 9.6% | 13.6% | 1.2% | 69.2% | \$623.3 | 2.29 x | 16.6 x |
| Financial Institutions, Inc. | NY | \$3,016 | 0.95% | 10.81% | 57.1% | 6.6% | 10.9% | 7.5% | 12.1% | 0.6% | 166.9% | \$318.9 | 1.63 x | 12.6 x |
| OritaniFinancialCorp. | NJ | \$3,006 | 1.45% | 8.18% | 38.5% | 17.5% | 17.0% | 14.6% | 18.2% | 0.7% | 182.6% | \$723.1 | 1.37x | 16x |
| Median | | \$4,579 | 1.06% | 10.1% | 59.2% | 8.4% | 13.0% | 9.5% | 14.4% | 1.0% | 87.4% | \$723.1 | 1.63 x | 14.9 x |
| | | | | | | | | | | | | | | |
| Customers Bancorp, Inc. | MA | \$5,014 | 0.76% | 8.5% | 60.6% | 7.9% | 10.9% | 9.1% | 11.6% | 0.4% | 162.1% | \$507.0 | 1.28 x | 15 x |
| | | | | | | | | | | | | | | |
| Aspirational Banks | | | | | | | | | | | | | | |
| Signature Bank | NY | \$23,104 | 1.17% | 14.25% | 36.1% | 8.3% | 14.1% | 8.5% | 15.1% | 0.3% | 235.2% | \$6,123.5 | 3.2 x | 24.7 x |
| Texas Capital Bancshares, Inc. | TX | \$12,144 | 0.97% | 10.95% | 58.5% | 8.7% | 9.9% | 11.6% | 12.7% | 0.4% | 196.0% | \$2,789.7 | 2.63 x | 25.7 x |

Source: SNL Financial, Company documents, Market data as of 3/31/2014. Consists of Northeast and Mid-Atlantic banks and thrifts with assets between \$3.0 billion and \$8.0 billion and most recent quarter core ROAA greater than 90 bps. Excludes merger targets and MHCs.

(1) Customers Bancorp NPAs/Assets calculated as non-covered NPAs divided by total assets. Non-covered NPAs excludes accruing TDRs and loans 90+ days past due and still accruing.

(2) Customers Bancorp Core ROAA & ROAE include adjustments for securities gains along with unusual provision related to significant growth at the end of March.

Customers Bank Operating Strategies

Richard A. Ehst

Critical Success Factors - Driver of Consistent High Performance

Talent & Execution of SPOC

- Creating an exceptional customer experience at a low cost.

Asset Quality

- Maintain exceptional underwriting standards.

Master of External Environment

- Develop keen awareness of external influences on the operating model.

Master of Internal Environment

- Maintain the culture.

Expense Management

- Generate \$2 in revenue for every \$1 in expense.

Well capitalized

Branch Lite Community Banking Model

Warren Taylor

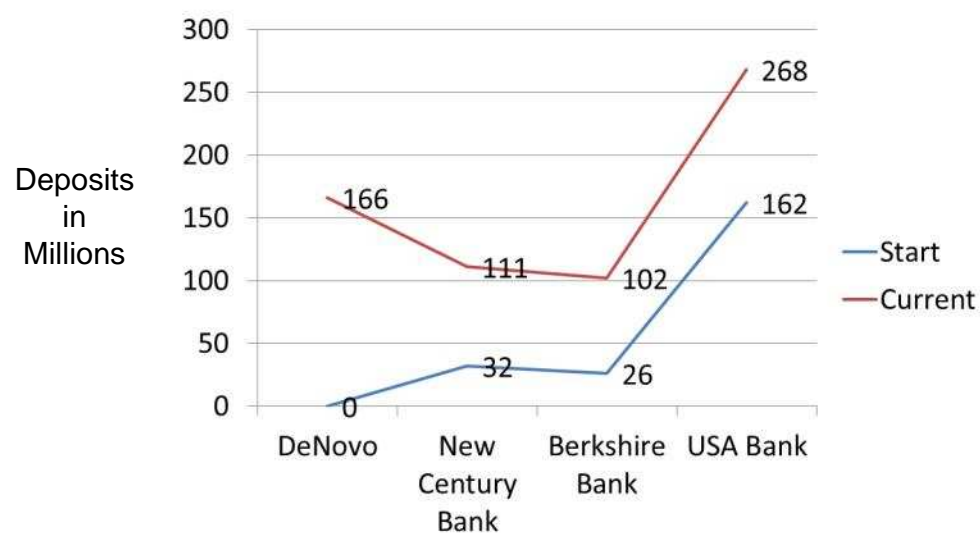
Primary Goal - Low cost core deposits from consumers and commercial in Southeast PA, NY, and NJ.

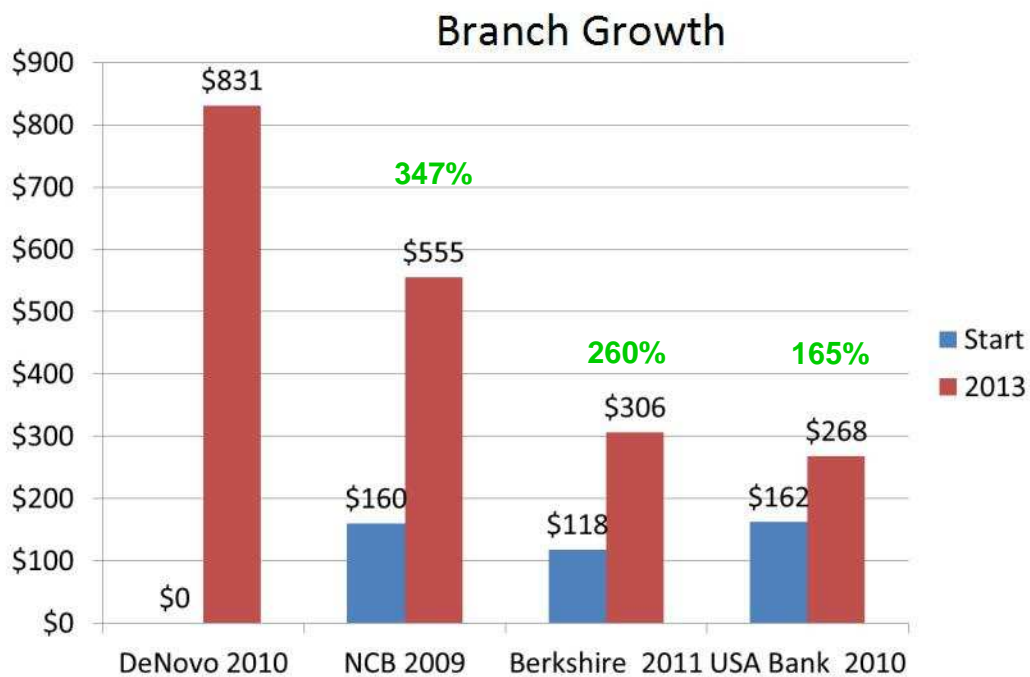
Deposit Strategy- High Tough, High Tech

| <u>Concierge Banking</u> | <u>Sales Force</u> | <u>Pricing</u> | <u>Technology</u> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> Takes banker to the customer's home or office, 12 hours a day, 7 days a week Appointment banking approach Customer access to private bankers "Virtual Branches" out of sales offices | <ul style="list-style-type: none"> Experienced bankers who own a portfolio of customers Customer acquisition & retention strongly incentivized | <ul style="list-style-type: none"> Low cost banking model allows for more pricing flexibility Significantly lower overhead costs vs. a traditional branch Pricing/profitability measured across relationship | <ul style="list-style-type: none"> Implementation of technology suite allows for unique product offerings: <ul style="list-style-type: none"> Remote account opening, deposit capture & Picture Pay Internet/mobile banking Free ATM deployment in U.S. |

Goal: All-in cost less than wholesale funding cost over the long-term

| |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Cost of Funds</p> <p><u>Plus</u> : Branch Operating Expense</p> <p><u>Less</u> : Fees</p> <p>1.64% = All-in Cost < Competitors</p> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|





Wyomissing Office



1.19%
All-In Cost

\$163
Million in
deposits

\$22.6
million in
DDAs



Low
Overhead

Rent
\$24,000 / yr

\$134 million
in deposits

- **Effortless banking** coupled with:
 - Maintaining extremely **low overhead**
 - Hiring the **best bankers** in the market
 - Providing a **better value** proposition for customers
 - Service designed to build relationships and loyal customers.
 - Convenience via **technology** that enables customers to manage their money from anywhere, anytime
 - We support our Commercial partners through SPOC
- But... what if we could:
 - Drive overhead lower, “Branch” anywhere, increase our value proposition even more, target customers better, and open thousands of accounts in a day?

Banking to Private Owned Business'

George Maroulis

Steve Issa

Tim Romig



CB Private & Commercial Banking

New York Metropolitan Division

George Maroulis

gmaroulis@cbpcb.com

212.843.2490



Vision/Mission of Division

- ❖ Our mission is to **grow organically to \$1 Billion** in earning assets and liabilities, respectively, within 4 - 5 years; and build a highly successful bank that makes our customers say “wow!”
- ❖ Provide absolutely memorable service to our customers.
- ❖ **High-tech, high touch** private banking **model** for all of our customers

Values

- ❖ Always putting our **customers first**
- ❖ Practicing the **highest level of integrity**
- ❖ Delivering exceptional results for our investors, customers, and team members

Execution

- ❖ New York Metropolitan Area (NYM, NY Metro): the world's most lucrative & competitive banking market
- ❖ Compete using a **unique game-changing model**
- ❖ Attract deposits with the current operating model
- ❖ Model produces **better assets** and **deeper relationships**
- ❖ Organic, low-cost growth yields superior and sustainable ROE over time
- ❖ Model produces a **superior efficiency ratio**
- ❖ Model **aligns** the interests of **shareholders, customers, team members & management**

CBPCB's New York Metro (NYM) Division

- ❖ NYM's primary footprint is our assessment area
- ❖ NYM's secondary footprint is defined as the Federal Reserve Bank's Second District
- ❖ Banking Groups follow their clients beyond the primary marketing area



Secondary Market



Compete By Being Unique

- ❖ Execute on a **unique operating model** that affords us to compete in overbanked yet underserved markets by being different
- ❖ Game changing method of interacting with your clients/customers using a **high-tech, high-touch model via a single point of contact**
- ❖ Make every client/customer feel like they are our only client/customer
- ❖ \$1 billion deposits = **only a 0.077% market share**
- ❖ Longstanding and deep relationships in the C&I lending world located within a 20 block radius of our Manhattan Divisional headquarters.

"While big banks have traditionally had an advantage over smaller banks in terms of convenience of branch locations and technology, their disadvantage was often in the personal service customers desired " ¹

-- Jim Miller

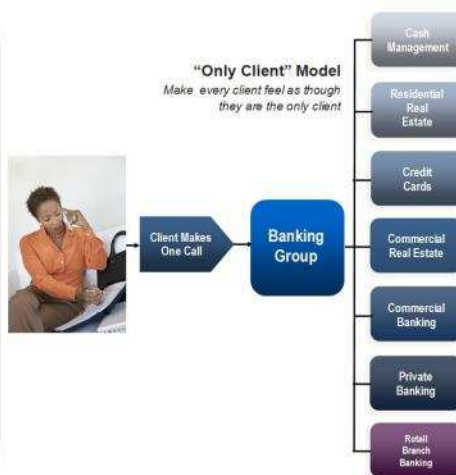
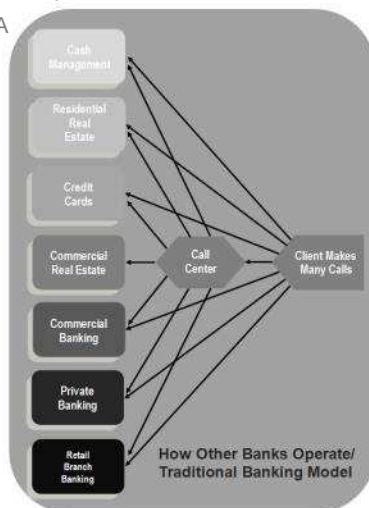
Senior Director of Banking
J.D. Power & Associates

¹ Press Release: J.D. Power and Associates Reports. 19 April 2013.



Single Point of Contact

- ❖ Aligns the interests of **shareholders, clients, team members & management**
- ❖ “Bank within a bank” model yields a **superior efficiency ratio** over time
- ❖ Can be integrated into current sales & client management structure
- ❖ Deeper and **more profitable** and “sticky” **relationships**
- ❖ Higher quality and more profitable assets
- ❖ Deeper KYC & BSA mitigates risk
- ❖ Minimizes attrition
- ❖ Scalable



Division Sourced & Manages **More Deposits than 4,634 Institutions** in the US ²

With just **1** in-market **branch** and
in approximately **6 months** of
operation, we are **26%** of our
\$1 billion in deposits
by 2017 **goal !**

¹ The Division's deposit gathering activities occur **solely** out of the Bank's Rye Brook Branch located at 14 Rye Bridge Plaza, Rye Brook, NY 10573.

² Balances and statistic are as of 5 May 2014. As of the same search date there were 6,725 institutions in the United States. Source: FDIC.gov.

What We Primarily Do in C&I:

- ❖ **Commercial and Industrial (C&I) lending to the middle market**¹ including primary, bi-lateral, club, assignments, syndicated facilities and other direct lending
- ❖ **Business Banking**² C&I **lending**
- ❖ Owner-occupied commercial mortgages
- ❖ Small Business Administration guaranteed lending programs & lending using other government-backed economic incentives

What We Primarily Do With High-net Worth Individuals:

- ❖ **Competitive loan to value facilities** for Investor real estate³
- ❖ Primary and secondary residence portfolio lending
- ❖ Personal loans >\$1 million used for commercial purposes
- ❖ Secured non-purpose lending⁴

Competitive Advantage:

- ❖ Rapid and thoughtful decisioning
- ❖ Highly experienced in-market chief lending officer

¹ Commercial obligors ≥ \$20 million - \$2 Billion in total revenue.

² We define Business Banking by deal structure and or total exposure and we do not employ a pure gross revenue definition as is common in the marketplace.

³ We rely on and do not deviate from, the Bank's Commercial Real Estate policy.

⁴ Loans secured by marketable securities for non-specified purposes

Talent in the marketplace is attracted to Customers Bank because of our:

Culture:

- ❖ At the core of the company is a culture built on trust and teamwork—NO SILOS

Values:

- ❖ Shared values that puts customers/clients first
- ❖ Mutual respect among all whom we deal
- ❖ Practicing the highest level of integrity
- ❖ Delivering exceptional results with a positive attitude

Leadership:

- ❖ Jay Sidhu
- ❖ Richard Ehst
- ❖ Entire executive management team
- ❖ Flatter organization

Current Banking Groups

CPPCB NY Metro - 99 Park Avenue, Suite 1550 Loan Production Office /Representative Office

| Perrin - Ziozis Banking Group Group 1 - C&I | Abdalla Banking Group Group 2 - Hybrid | Douros Banking Group Group 3 - Liabilities | Kennedy Banking Group Group 4 - C&I | Heid Banking Group Group 5 - C&I Healthcare | New York Metro Credit ¹ |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Marshall Perrin EVP, Banking Group Head - 31 Years of experience - BHL, HNB, Citibank, AB - NBG, National Westminster Bank - Boston University MBA; Marietta College | Sammy Abdalla MD, Banking Group Head - 16 Year of experience - Capital One Bank, Wells Fargo, Bank of America, Textrol Financial - Ohio University | Peter M. Douros SVP, Banking Group Head - 25 Year of experience - Signature Bank, SNE, Citibank, UBS, Oppenheimer, Dean Witter - Fordham University, MBA, New York University | Eugene M. Kennedy, III MD, Banking Group Head - 16 Years of Experience - FNBNY, JP Morgan Chase, Chase Manhattan Bank - UCLA - MBA, Trinity College | Blaise Heid MD, Banking Group Head - 29 years of experience - AMBA AMRO Bank, Torlugas Healthcare - New York University MBA; University of Washington | J. Monahan Chief Lending Officer - 20 Years of experience - BNI, HNB, HSBC EAB - ABN AMRO - Dowling College - MBA, CUNY |
| Costas Ziozis EVP, Co-Banking Group Head - 23 Years of experience - BHL, HBN, Citibank, ABN AMRO, AB - NBG, LaSalle, EAB, Nat West - St. John's University | Demetrios Kastanis VP, Senior Client Manager - 10 Years of experience - Quenle Bank, Alma Bank, Marathon National Bank - Pace University, MBA & BBA | TBD VP, Client Manager | TBD VP, Client Manager | TBD SVP, Senior Client Manager | Jim Marruggi SVP & Portfolio Manager - 36 Years of experience - Citibank, Chemical Bank - St. Francis College |
| Peter McGovern Senior Vice President - 38 Years of experience - CEIS Review, Citoorp, Fleet, CT, B&T, & Bankers Trust - New York University MBA, Villanova University - USN & USNR Commander (total 27 years of military service) | | | | | Anthony R. Cerminaro AVP & Credit Analyst - 14 Years of experience - Coventry, Fidelity Bank, RBC Dan Rauscher, Charles Schwab - University of Wisconsin - Madison |
| CPPCB NY Metro - Rye Brook Branch & CBPCB Deposit Production Office (new accounts & customer service) | | | | | |
| Elizabeth Schwartz Associate Client Manager - Bank Hapoalim - Israel - Pennsylvania State University | Jacob Danielski VP, Client Manager - Capital One Bank, North Fork Bank - Baruch College, BMCC | Sylvia Wisniewska AVP, Associate Client Manager - Signature Bank, PSFCU - CUNY | TBD AVP, Associate Client Manager | TBD AVP, Associate Client Manager | |
| | Gwen Zaffar AVP, Associate Client Manager - Bank of America, MBNA - Florida A&M University | | | | |

¹ The regional Chief Lending Officer (CLO) and the credit staff are locally based at the Division's NYC office. CBPCB's CLO reports directly to the Bank's Chief Credit Officer located in Phoenixville, PA. This setup permits the Division to be very responsive to client credit request while simultaneously maintaining a "Chinese Wall" between the credit and line functions.

Experienced Team

Customers  Bancorp, Inc.

Over 275 years of experience forged at premiere institutions



Why Buy Banks When Seasoned Banking Group May Be Recruited?

- ❖ **Growth by** sourcing **seasoned & established** Banking **Groups** from competitors.
- ❖ Branch based talent sourced in branches with >\$100mm in footings
- ❖ Each new location can house several groups
- ❖ **Phase 1**, 2015 plan: grow to six groups
- ❖ **Phase 2**, 2015 - 2016 plan: onboard new groups in strategic locations & obtain branch licensing
- ❖ **Phase 3**, 2016 - 2017 plan: expand into strategic areas of Long Island, Westchester County and Northern New Jersey
- ❖ **Preferred locations** are close to courthouses, major offices complexes and industrial parks
- ❖ New banking groups will determine new locations
- ❖ Occupancy rates outside of Manhattan are significantly lower and have little or no commercial lease tax, **resulting in new groups attaining profitability over a shorter period**







New England Commercial & Specialty Lending

Team Overview

- Currently have 2 commercial offices in NE; Providence, RI and Boston, MA and recently opened Specialty group in PA. A total of 18 team members, that provide full commercial banking services in each location.
- Majority of the team has worked together for over 15 years with a successful track record of starting/building a successful commercial business.
- Highly talented energized individuals with the right “ **DNA** ” that demonstrate strong “ *Integrity, Commitment & Values.*”
- Diverse experience in each position within each team structure; providing a “ *High-touch world class service* ” experience to every customer.
- Depth of long-term relationships with customers and referral sources, ie (CPA's, Atty's, Investment bankers, State and local economic development agencies)
- Average deal size is \$3MM to \$10MM.
- Focused on high quality commercial loans diversified by industry, region and collateral type.
- Our target industries include, mfg, service businesses, professional firms, distributors, etc..
- Strong cash mgmt products & services as well as in-market product specialists to offset lack of branches.

Seasoned Management Team

Steve Issa - EVP, Serving as NE Market president & Managing Director of Commercial & Specialty Lending

- Over 35 years of experience in Commercial Banking in Northeast.
- Former EVP & Managing Director of Commercial & Specialty Banking at Flagstar Bank, prior to that Sovereign & Fleet Bank.

Paula Pais - SVP, Serving as NE Director of Planning & Administration

- Over 25 years of experience in Commercial Banking in Northeast.
- Former VP of Planning & Administration at Flagstar Bank, prior to that Sovereign Bank

Kevin Farrell - SVP, Serving as Market Manager of Commercial & Specialty lending in RI/CT

- Over 27 years of experience in Commercial Banking in Northeast.
- Former SVP & Market Manager of Commercial Banking for RI/ SE Mass at Flagstar Bank, prior to that Sovereign & Fleet Bank.

Joe O'Leary - SVP, Serving as Market Manager of Commercial lending in Mass

- Over 32 years of experience in Commercial Banking in Northeast.
- Former SVP & Market Manager of Commercial Banking for Mass, prior to that Sovereign & Fleet Bank.

George Drapeaux - SVP, Serving as NE Cash Mgmt Sales Manager

- Over 25 years of experience in Cash Management in Northeast.
- Former SVP & Treasury Mgmt Sales Director at Flagstar Bank, prior to that Sovereign Bank.

Lyle Cunningham - SVP, Serving as Managing Director of Specialty Finance

- Over 28 years of experience in Specialty Finance in Northeast.
- Former Managing Director at National City bank sponsor finance.

Relationship Managers, Loan Administrators, & Product specialists

- Seasoned sales teams with avg of 18 yrs in commercial banking in Northeast.
- Live and work in the communities they serve.
- Volunteer in community outreach efforts

2013 Accomplishments

- Seamless transition to Customers Bank in Q2 2013 with 100% customer and team member retention.
- Total middle market relationships grew by 40% since March, \$215MM from \$150MM, despite a 78% turndown rate.
- 2013 fees totaled \$500K .
- Instituted a bank wide SWAP program working with Treasury, Finance, Credit and Risk Management which resulted in approximately \$750K in total first year bank-wide swap fees.
- Total commercial deposits were \$26MM with cash mgmt fees totaling approximately \$120K in revenue.

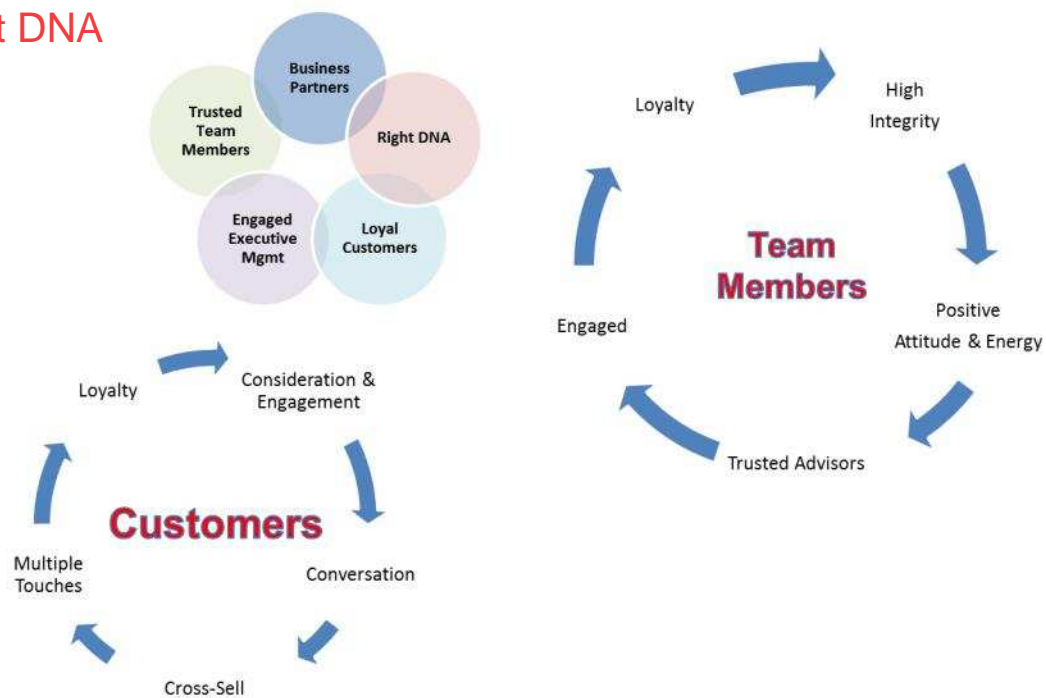
Strategic Plan to \$1Billion GOAL over next 3-4 years

- Continue to deliver profitable growth with solid profit margins, strong fee income, relatively flat expenses, steady deposit growth, while maintaining a strong credit culture.
- Plan to grow net loan outstanding's on an annual basis, in the \$200MM range to achieve the \$1Billion over the next 3-4 years.
- Plan to add loan fees on cash basis of \$1MM within the next 12-18mths.
- Continue to cross sell “*high tech, high touch*” world class products, exceptional service, value & convenience.
- Pay for performance by aligning **Rewards with Behaviors** .
- Sustained business development efforts with our key referrals sources for Commercial & Specialty finance.

Strengths & Opportunities

- Local decisioning and authority with a Senior credit officers that reside in each market.
- Maintain excellent rapport with credit risk admin teams.
- Deal screen prepared on each deal to provide quick level of interest.
- Quick response time with multiple client touches & communication.
- Large banks seem to be internally focused
 - Lack of attention to client needs
 - Very intense & slow credit approval process
 - High turnover of Rm's - business lines have no authority
- Grow & Deepen relationships thru compelling and timely cross-sell/up-sell that will prompt a willingness for Customers Bank to service their entire banking relationship.

Right DNA





Philadelphia, Pennsylvania - Series 2

Pennsylvania and New Jersey Banking Private Owned Business

Strategic Vision

- Porters model of competitive advantage employing both **Cost Leadership** and **Differentiation** to achieve superior financial results.
- Strategically located branches and loan production offices in high performing markets.
- Leverage technology to cost effectively gather and manage deposits and deploy the low cost deposits to high quality small business and corporate borrowers .
- Differentiate from competition by employing Single Point of Contact strategy.
- The Single Point of Contact strategy will be delivered through a flat, regionally based sales force, with local leadership and decision making capabilities.
- Outperform the ten billion plus asset banking institutions that have become disconnected from the marketplace, caught in corporate bureaucracy, are slow to respond and compete primarily on price.
- Outperform local smaller community banks who routinely provide the Private Banking style of service, but lack the effective size, technological sophistication and resources to effectively meet the clients needs.

Target Market

- “Mutual Fund” approach to target client base.
- Average size of credit relationship \$2.5 to \$7.0 million
- Broad spectrum of business and industries, no concentrations
- Clients that need “Value Add” in a relationship
- Price important but willing to pay up for a relationship
- Long term relationship oriented
- Clients with proven track records, experienced management, strong credit quality

Strengths:

- Highly skilled team members that can execute the Single point of contact strategy. Private Relationship Managers that add value, not just order takers.
- The Commercial Banking staff has an average of 20 years experience in commercial banking.
- Technology as a way of doing business. Continued emphasis on Remote Deposit Capture and the adoption of Mobile Banking on both a business and personal level. High Tech and High Touch model.
- Flat organization with no business silos. Private Relationship Manager delivers the Bank to the Client.
- Localized approval and decision making, bankers are part of the community they serve.
- Continued emphasis on strong and conservative credit culture, no compromise on credit quality.

Pennsylvania and New Jersey Where Do We Stand Today

Current Infrastructure and Talent: The Commercial Banking function in Southeastern Pennsylvania and New Jersey is presently broken down into four (4) regional sales teams and a small business portfolio management/SBA Guaranty Lending Team. Additionally there is a commercial deposit services team consisting of four people that support the entire footprint.

| <u>Region</u> | <u>Team Leader</u> | <u>Private RM</u> | <u>Portfolio Outstanding</u> | <u>Average Assets Private RM</u> |
|------------------|--------------------|-------------------|------------------------------|----------------------------------|
| Berks | 1 | 4 | \$272 million | \$54.5 million |
| Del-Val | 1 | 2 | \$129 million | \$43.2 million |
| Bucks | 1 | 1 | \$ 70 million | \$35.0 million |
| Phila | 0 | 2 | \$ 11 million | \$ 5.5 million |
| <u>Small Bus</u> | <u>1</u> | <u>3</u> | <u>\$ 48 million</u> | <u>\$16.0 million</u> |
| 5 teams | 4 | 12 | \$530 million | \$40.0 commercial/\$12 sm. bus |

Pennsylvania and New Jersey Where Do We Stand Today

2013 Production Highlights:

- Originated \$265.4 million in new commercial and small business loans.
- Increased outstanding Loan balances \$126 million dollars .
- Generated a Gain on sale of SBA Guaranty Loans of \$1.0 million
- Increased commercial deposits outstanding by \$70.1 million

Pennsylvania and New Jersey as a One Billion Dollar Market

- The goal is to make Pennsylvania and New Jersey a \$1.0 billion dollar market in three to five years.
- Execution of the Single Point of Contact Strategy, a unique market strategy
- Drive business referrals from centers of influence and existing client base.
- Employ Technology to efficiently gather deposits and manage client relationships
- Create loyal customer base and limit customer turnover
- Build out the four (4) existing markets and teams
- Expand into contiguous sales markets by opportunistically hiring experienced teams.
- Specialty Teams support the entire regional market
- Measurable Goals, Metrics and Regional Business Plans

SBA and Government Guaranty Lending

- Customers Bank generated SBA 7-A loans totaling \$13.2 million with a gain on sale of \$1.0 million in 2013
- Customers Bank ranked in top 10 percent nationwide of 2,344 SBA lenders and number 10 in the Philadelphia District, in total SBA guaranty lending.
- Incorporate SBA loan goals into relationship manager and branch manager goals
- Expand the SBA sales effort to cover the entire bank footprint from New England to Washington DC.
- Hire an SBA Sales manager and SBA Specialists in each market.
- Continue to partner with third party service providers for back office and technical support
- Increase partnerships with local CDC and other economic development groups in market to generate new loan opportunities
- Target niche industries including Medical/Dental/Pharmaceutical, Veterinary, Funeral Services and Franchise Food and Hospitality Services.
- Direct marketing into trade publications and conferences on a regional basis.

New Market Expansion

We will look to be opportunistic and hire teams of experienced commercial lenders in contiguous markets with the below two markets being identified as expansion opportunities.

Mercer County New Jersey: We are already in this market from a retail branch perspective. We are presently interviewing a potential team of lenders in this market in the Robbinsville area and would look to locate a team in the Robbinsville, Princeton or Trenton area. It is necessary from a CRA standpoint that we develop a lending presence in this market. This is contiguous to our Bucks County market .

Lancaster County Pennsylvania: This market is contiguous to the Berks market and has similar market characteristics. We have already been approached by a team of lenders to join us but were unable to agree on compensation. We will actively look for other teams in this market .

Customers  Bancorp, Inc.

Banking to High Net Worth Families

Christopher McGowan
Jonathan Lewis

Ken Keiser - EVP, Director of Multi-Family and Investment CRE Lending

- Over thirty-seven (37) years as a banking professional including:
- Eight (8) years as SVP and Market Manager responsible for CRE Lending in Sovereign Bank's Central PA region
- Twenty-five (25) years with Bank of Pennsylvania (now part of M&T Bank) in various positions including Senior Real Estate Officer
- Worked as a consultant to Banks participating in the FDIC's Shared Loss Program

Jonathan Lewis - EVP, Managing Director Business Development

- Over thirty (30) years of Lending experience including:
- Eight (8) years as the State Manager for NY and NJ for Residential Lending for Allied Home Mortgage Capital Corp.
- Former President of Atlantic Coast Bank's Mortgage Division

Christopher McGowan, - EVP, Managing Director Multifamily Lending (The Meridian Relationship)

- Over 15-years of experience in Commercial Lending in the Northeast.
- Former SVP & Director of Originations for Capital One / Beech Street Capital (Fannie Mae / Freddie Mac seller servicer), prior to that Peoples United Bank, prior to that Santander Real Estate Capital

Banking The High Net Worth Families (Individuals and Family Offices)

- 4 of the top 10 MSA's are within our core market and house some of the oldest real estate families in the US, primarily NYC and Philadelphia.
- These folks are our target customer for 3 reasons: geography, reputation, net worth & liquidity.
- These are the folks who have the time tested ability to manage through any type of market.
- Typically 2, 3rd and 4th generation of the family in the business with thousands of multifamily units under management and over 30-years of operational experience. These folks also own other asset types like retail, office and warehouse. Customers has the expertise to execute for all of these but the multifamily loan remains our core focus for these folks.
- Their reputation is paramount. These are not the folks who make late payments, but the flip side is they demand a very high level of service and a quality execution. This what they are used to.

Banking The High Net Worth Families (Individuals and Family Offices)

- Typical entry to this client base is through a multifamily real estate loan. \$4-\$7MM average size located in the 5- boroughs of NYC and Philadelphia.
- The Customers Unique 5 Point Approach - build on relationships, speed, flexibility, creativity, certainty of execution that these clients demand.
- Primary focus is also Meridian Capital Group. Largest broker of multifamily loans in the NYC market.
- As we grow as an institution we are exploring all options that our capabilities allow including: Originating loans for our balance sheet, originating loans to sell to other Banking institutions or investors (servicing retained or released).
- Our unique approach allows us the ability to generate assets in an efficient way and our expertise gives us the tools to meet our customers needs and the needs of the organization.

Three years ago We were given the task of Building Lasting Relationships with High Net Worth Families

Phase I-Planting (CRE has been the initial tool to make introductions)

- Meet
- Set Expectations
- Communicate
- Exceed Expectations

When our customers speak to their friends we want to be a topic of conversation.

The **WOW** factor.

Phase 2-Pollination

Our Results

- \$121.5 Million of Loans in first 6 months of 2011
- \$399 Million in 2012
- \$836 Million in 2013. In the last quarter of 2013 we ramped up to meet Bank needs.
- \$623 Million in the Q1 2014.
- Total deposits currently \$75 Million growing at \$7 Million per month.

By being responsive to requests, honoring our term sheets and closing quickly we created excitement in the industry.

WE ALWAYS ASK FOR REFERRALS AND DEPOSITS

Phase 3-Harvesting

- Follow up with customers
- Determine other needs
- Cross Sell Products-In the last 3 months we have identified over \$100 million of C&I opportunities
- Get Referrals

Review results and repeat.

Customer Mix

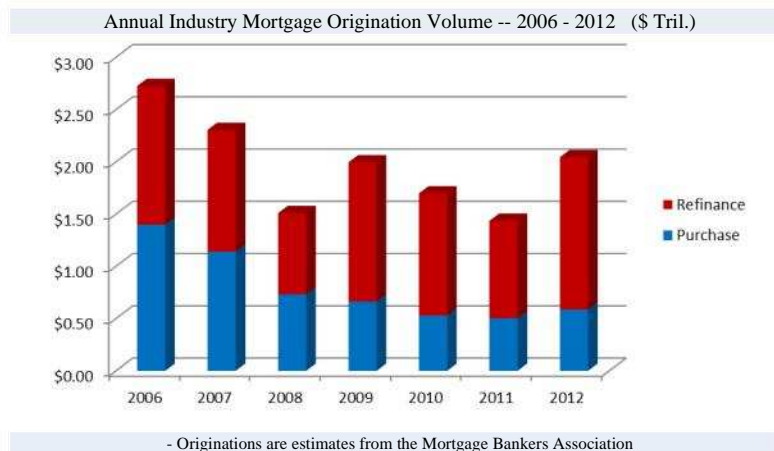
- 355 Plus Transactions
- 150 Different customers
- Five C's (Character, Capability, Credit, Collateral, Cash Flow)-We are highly focused and disciplined.
- We continue to be laser focused on credit quality.
- Our Q1'14 efforts taught us that a thoughtful quick response is a Strategic Advantage
- Our customers are willing to pay a ¼ of a percent more for quicker execution and certainty
- We believe that we are making an extra \$4,500,000 per year as a result of our execution

Banking to Mortgage Companies

Glenn Hedde

State of the Industry (prior to mid-2013):

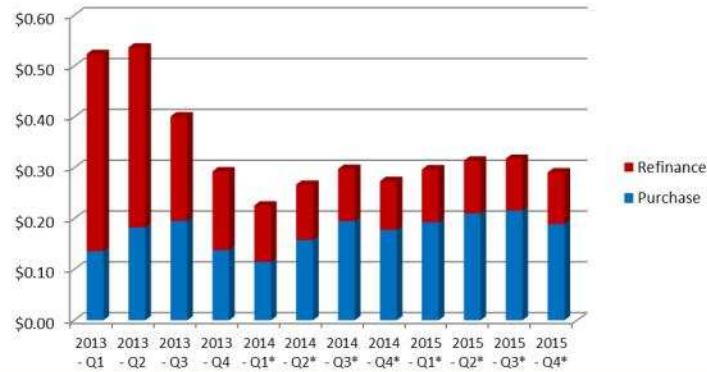
- Industry enjoyed strong origination volume post-crisis driven by refinance activity due to low interest rates
- Strong margins due to limited industry capacity



Current State of the Industry:

- Mortgage Rate increase in mid-2013 led to 50-60% drop in volume
- Profit margins shrink with excess industry capacity
- Moderate growth predicted in - 2014 thru 2016

Industry Quarterly Mortgage Originations 2013 & 2014 (\$ Tril.)



* - Indicates forecasted periods per the Mortgage Bankers Association

Customers Bank Business Growth

- Business unit grown from \$0 in late 2009

CB/Industry Origination Analysis



** Industry originations figures are shown in \$100's

Key Success Factors:

- Very experienced team in sales, credit and operations
- Institutional Understanding/Commitment of Business
- High Service model driven by single point of contact model
- Strong Risk Management Controls

Attractive Financial Results:

- Fee Income
- Deposit Gathering

Differentiating Factors:

- Financing mortgage servicing rights on a term basis
- Warehouse Construction-to-perm loans and other salable products
- Private Banking for owners of mortgage companies

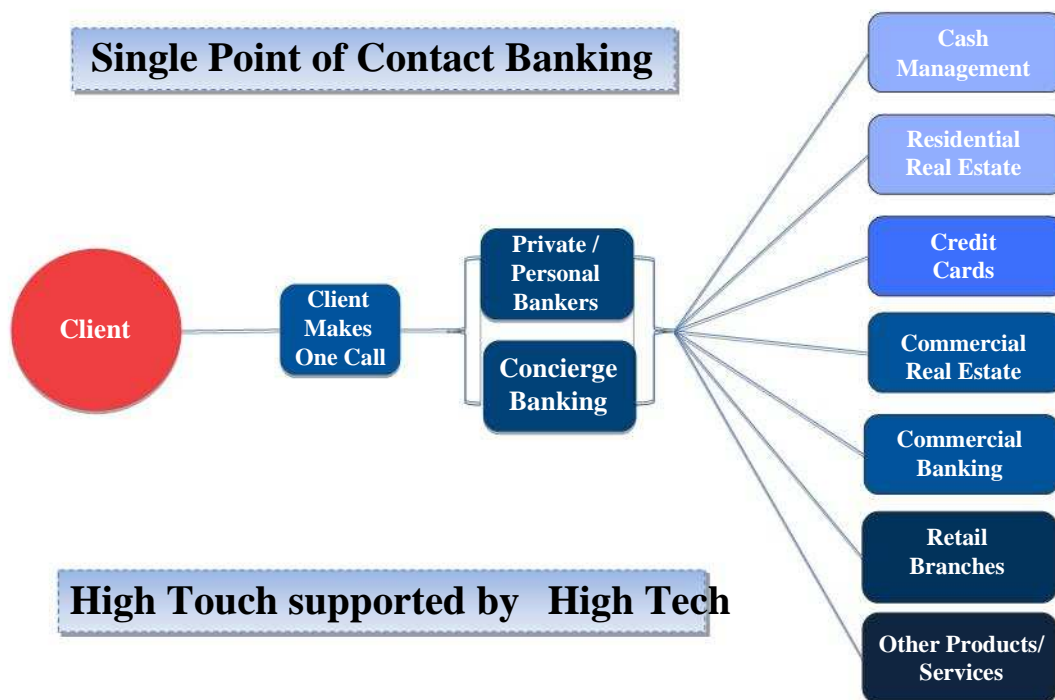
Customers Bank Operating Strategies

Q & A

Technology

Jim Collins

| | |
|--------------------------------------------------------|-----|
| • Customers Bank Advantage..... | 101 |
| • Single Point of Contact - CRM | 102 |
| • Single Point of Contact - Business Intelligence..... | 103 |
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| • Security..... | 117 |
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- **Account Management Features:** Contact records – demographic information, as well as account history.
- **Activity Management Features:** Calendars, task assignments, Outlook integration, etc.
- **Customer Service Features:** Case/ticket management, agent workflow tools, service resolution tools (i.e. decision trees)
- **Mobile Support:** Dedicated apps, HTML5.
- **Reporting and Analytics:** Real-time dashboards for marketing, sales and service.
- **Sales Management Features:** Lead generation, qualification, and pipeline management.

Data Analytics and Distributed Data Views

- Provisioning the data analytics and mobile distribution will be accomplished by **QlikView** (Qlik Technologies).
- Leading edge provider for this service and leader in the financial services field particularly



Foundation Data Warehouse Architecture

- **Oracle** will be the primary database used to support the data warehouse
- **Fiserv** will be contracted to provide **OpenData** table updates for consolidated DNA information tables



Concierge Banking

High Touch

- Takes banker to the customer's home or office, 12 hours a day, 7 days a week
- Appointment banking approach
- Customer access to private bankers
- "Virtual Branches" out of sales offices
- Commercial & Retail account opening capabilities



Technology

High Tech

- Implementation of technology suite allows for unique product offerings:
 - Remote account opening
 - Remote & Mobile deposit capture
 - Mobile banking
 - Picture Pay
 - Internet Banking transition to Smart Web App

Customers and Partners

Mission - Cool SmartApps, Easily Managed and Measured

170+ Customers in Live Production with:

- 15 different core systems
- 3 different bill payment systems

6 Strong Business Partners

- **Computer Services Inc.** - 460+ core customers
- **Catalyst Corporate Federal Credit Union** - 1,200+ capitalized members
- **Corporate Central Credit Union** - 300+ capitalized members
- **CFC Technology** - 500+ payment customers
- **Bottomline Technologies, Inc.** - 600+ business and commercial banking customers
- **Jack Henry Symitar Division** - 300+ core customers

4 Mobile Platforms - iOS, Android, Native iPad, SmartwebApps

3 Applications - Consumer, Business and Corporate, Enterprise Employee-Facing

People

- Forty+ Full-time Employees
- Strong Leaders
 - **Tom Shen**
Co-Founder/CEO
 - **Robb Gaynor**
Co-Founder/Chief Product Officer
 - **Joe Gomez**
Chief Operating Officer
 - **Lou Anne Moody**
Chief Sales Officer
 - **Danny Piangerelli**
Co-Founder/Chief Technology Officer
 - **Steve Reich**
Chief Partnership Officer
- Strong Board of Directors
 - **Joe McDoniel**
Former EVP of Digital Insight Corporation (DGIN)
 - **Mike Young**
Former EVP and Division President of Fiserv, Inc. (FISV)
 - **Steve Powless**
CEO and Board Member of Computer Services, Inc. (CSVI)
 - **Tony Ficarra**
EVP of Fidelity National Information Services, Inc. (FIS)
 - **Norm DeLuca**
Managing Director of Bottomline Technologies, Inc. (EPAY)
 - **Tom Shen**
CEO and Chairman of the Board of Malauzai Software, Inc.

Standard “Cool” Features

- Mobile Onboarding- Sign up for a new account via a mobile device
- Real-Time Account Data- Stay up-to-date with your account balances
- Quick Balance- Access balances/history with the touch of a button
- Picture Bill Pay- Take a picture of a bill to make payments
- Mobile Check Deposit- Deposit checks from anywhere, anytime
- Debit Card Management- Turn On/Off your debit card in REAL-TIME
- Personalized SmartApp- End-user defined custom views

Advanced “Sizzle” Features

- Can I Buy?- Automated cash calendar that predicts future balances
- Voice Mobile Banking- Allow end-users to talk to mobile SmartApp
- Video Chat- Deliver a superior remote service experience
- Gamification- Mobile rewards program to increase end-user engagement
- Mobile Payments- Pay any merchant, anytime, anywhere (future)
- Mobile Mortgage Quotes- Take a picture of a house & get a quote (future)
- Biometric Login- Increase security with fingerprints, voice and pictures

“Can I Buy” Feature

This feature allows a customer to see if they can afford to buy something either today or in the future. Based on their cash available and an estimate of a future balance, a customer can make an immediate decision on what they can buy. A customer can take a picture of a bar-code of a product OR enter details manually (such as for a TV that does not have a package or bar code) AND decide on when they want to buy and the Mobile Banking SmartApp will tell them if they can afford it.

The SmartApp will automatically predict funds available based on looking at previous transactions i.e., there will be no data entry, which is critical to making this work as if people have to enter data, they will not use the feature. Think of this as automated Personal Financial Management (PFM).

The “Innovation”:

Helping customers manage their funds i.e. making PFM useful to the masses and the automation as it will require no data entry.

Voice Mobile Banking Features

This feature allows a customer to interact with Mobile Banking using voice commands. First, a customer will be able to hear their balances when they enter the SmartApp. Especially when the customer is in “SmarText-Mode”, the App will tell them their balance right away. Second, a customer will be able to access certain features, such as bill pay or P2P by talking to the SmartApp.

This covers both using voice as an “output” mechanism, i.e. read me my balance and recent history AND using voice as an “input” mechanism, i.e. Issuing requests to pay a bill or send money to a friend.

The “Innovation”:

Use of voice and ease of interaction with the bank via BankMobile SmartApp.

Mobile Picture Banking

This set of features allows the customer to extensively use the camera to perform banking transactions. Starting with opening an account where they take a picture of their drivers license, through funding the account by taking a picture of a check, and including taking pictures of bills to make payments, the camera will be a main-stay of BankMobile's SmartApp.

The "Innovation":

extensive use of the camera which is unique the mobile device.

Real Time Person to Person Payments

This feature allows a customer to transfer money to a friend in REAL-TIME.

Using a friends debit card, which they take a picture of, a customer can transfer money in seconds to a friend. This innovation here it REAL-TIME transfers. Current P2P (via Harland as Customers Bank is doing it) uses ACH to settle and it keeps volumes very very low. The debit card number and the Visa settlement rails make this an instant transfer.

The "Innovation":

REAL-TIME settlement AND the use of the camera to minimize data entry.

Cash Deposits Anywhere

This feature allows a customer to make a cash deposit at a merchant such as Walmart and get access to the funds Immediately. It is called MoneyPak today (as implemented by Higher One). The feature uses the GreenDot network to settle the funds. To our knowledge there are very few banks doing this and one of them is Higher One.

The "Innovation":

Ability to allow cash deposits from anywhere in the nation and the fact that few others are doing it in association with a bank account (usually used for pre-paid cards).

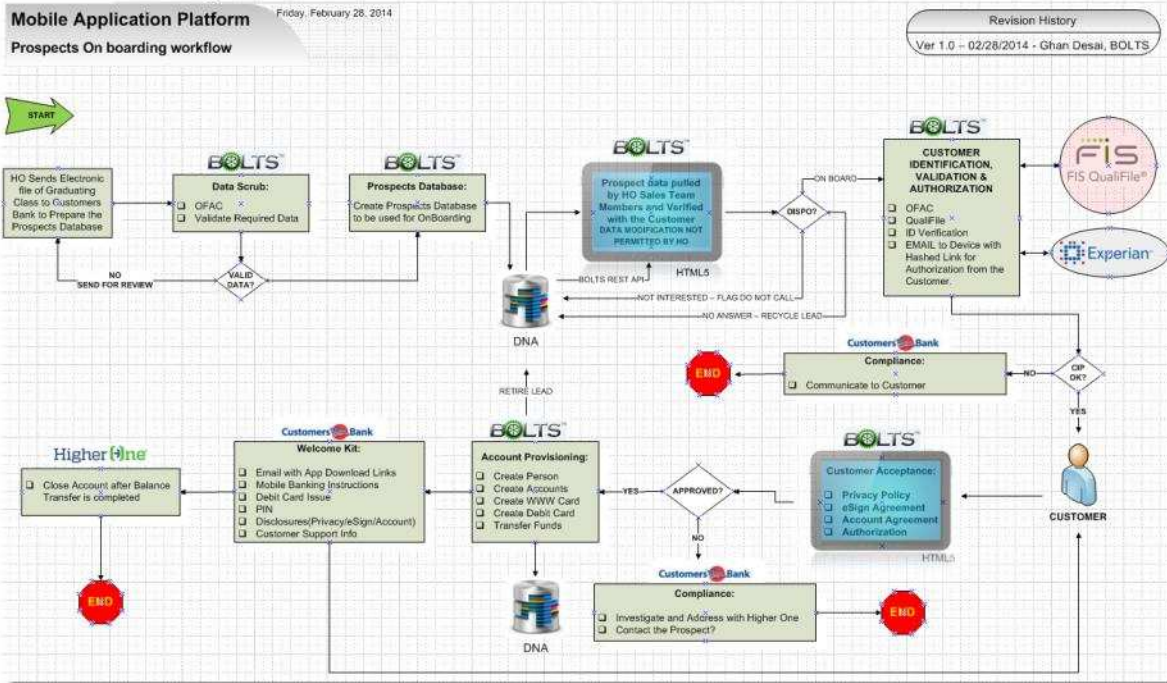
What is BOLTS all about.....

- Serves Community Banks and Credit Unions in Solving Complex Technology Challenges and Helps them Bring Innovative Products and Services to the Market Faster, Better, Cheaper
- Uses Process-Centric Approach to Deliver Streamlined Back Office
- Develops Integrated Products that Drastically Reduce Costs by Reducing/Eliminating Manual Processes
- Leverages Technology to Solve Today's Demanding Risk & Compliance Challenges by Embedding Controls in the Process Engine
- Provides Enterprise Business Process Work Flows to Connect 3rd Party Systems with Bank's Line Functions to Reduce Errors and Improve Service to Internal and External Customers
- Provides Support As A Service Using Multi-Channel, Unified, Customer Contact Management Platform to Address the Needs of Today's Mobile Customer



- BOLTS team is providing integration and work-flow based framework to ensure a fully automated customer onboarding & support solution that includes:
 - Real-time Customer Identification, Verification & Validation
 - Real-time Account Provisioning (Checking and Saving with Overdraft)
 - Real-time Debit Card Provisioning
 - Real-time Exceptions Management
 - Full Integration with Back Office Functions for Fully Automated Work Flow
 - Welcome Kit Provisioning
 - Support Case Management
 - Contact Management Center Solutions for Mobile Customers
 - Information Security Management
- Deep expertise in systems integration & agile product development
- Innovative solutions to reduce operating costs, increase efficiencies and expand customer relationships

bankmobile Automated Onboarding Business Process



Customer Support & Contact Management Solutions

Mobile Application Platform March 9, 2014

Phase 1 – Customer Support Channels and Functions

bankmobile Always on.

SELF SERVICE CALL CENTER LIVE CHAT HOW-TO VIDEOS @CUSTOMERSHELP FACEBOOK LINKEDIN

BANKING

- Accounts Summary
- Accounts Details
- Check Images
- Remote Deposit
- Pay Person
- Bill Pay
- Picture Pay
- Internal Transfers
- External Transfers
- Payroll Direct Deposit
- Add Savings Account
- Add Time Deposit
- Request Loan
- Make Loan Payment
- Reports/Statement

DEBIT CARD

- Block
- Unblock
- Report Lost
- Report Fraud

PROFILE

- Reset Password
- Change Username
- Alerts
- Address Change
- Email Change
- Phone Change
- PIN Change

SUPPORT

- Call
- Email/Contact Me
- Chat
- Social Media

BANKING

- Customer Verification
- Relationship Summary
- Accounts Details
- Check Images
- Transaction History
- Internal Transfers
- External Transfers
- Add Savings Account
- Add Time Deposit
- Request Loan
- Reports/Statement

DEBIT CARD

- Block
- Unblock
- Report Lost
- Report Fraud
- Cancel
- New Issue

WWW CARD

- Remove
- Add
- Remove Accounts
- Add Accounts
- Transfer Settings

PROFILE

- Reset Password
- Change Username
- Alerts
- Address Change
- Email Change
- Phone Change
- PIN Change

BANKING

- Customer Verification
- Relationship Summary
- Accounts Details
- Check Images
- Transaction History
- Internal Transfers
- External Transfers
- Add Savings Account
- Add Time Deposit
- Request Loan
- Reports/Statement

DEBIT CARD

- Block
- Unblock
- Report Lost
- Report Fraud
- Cancel
- New Issue

WWW CARD

- Remove
- Add
- Remove Accounts
- Add Accounts
- Transfer Settings

PROFILE

- Reset Password
- Change Username
- Alerts
- Address Change
- Email Change
- Phone Change
- PIN Change

EDUCATION

- Mobile Banking Overview
- Picture Pay
- Bill Pay
- External Transfers
- Internal Transfers
- Remote Deposit
- Managing Security
- Preventing Fraud
- Personal Financial Management

MARKETING

- New Products
- New Services
- Discount Offers

POLICIES

- Privacy Policy
- eSign Agreement
- Account Agreement

SUPPORT INFO

- Call
- Email
- Chat
- Social Media

COMMUNITY INFO

- Community Events
- Interviews/Press Releases
- Customers Bank in News
- Customer Stories

ANNOUNCEMENTS

- Outages
- Security Breaches
- Customer Support Issues
- Positive Experiences
- Direct Messaging

MARKETING

- New Products
- New Services
- Discount Offers

SUPPORT INFO

- Call
- Email
- Chat
- Social Media

ANNOUNCEMENTS

- Outages
- Security Breaches
- Customer Support Issues
- Positive Experiences
- Refer a Friend

MARKETING

- New Products
- New Services
- Discount Offers

SUPPORT INFO

- Call
- Email
- Chat
- Social Media

COMPANY PROFILE

- Updates
- Security Breaches
- Customer Support
- Positive Experiences
- Refer a Friend
- Jobs
- Financial News

MARKETING

- New Products
- New Services
- Discount Offers

SUPPORT INFO

- Call
- Email
- Chat
- Social Media

Current Threat Environment

- Malware
- Hacking
- Social Engineering
- Identity Theft
- Card Breaches
- ACH / Wire



Solutions & Business Partners

- Enhanced Multi-Factor Authentication
- Intrusion Detection Tools
- Anti-Malware & Anti-Virus Tools
- Vulnerability Management
- Security Administration



Technology.....

.....drives innovation

.....enables a superior customer experience

.....creates operational efficiency

.....supports regulatory, compliance, and security mandates

.....significantly impacts the bottom line of the organization



BankMobile.com

Warren Taylor
Luvleen Sidhu



Banking of the Future
Mobility. Simplicity. No Fees.



1. Effortless experience
2. Loyalty Creation
3. Win / Win Outcome



- 90% of US Deposits are in “brick and mortar” banks
- Capitol One, Schwab, Ally - have less than 4% of US Deposits
- “Big Banks” can’t compete
 - Durbin interchange impact
 - Overhead, structure, bureaucracy
 - Technology lags
 - Value - fees, rates, service



Gen Y

What are their banking expectations?

Mobility has revolutionized our world...

AlixPartners

With the widespread adoption of smartphones, the use of mobile banking services is expected to approach 50% by 2016 versus 15% today

Google

Four out of five U.S. smartphone owners, use phone to help with shopping

IAC QUIRE

70% of mobile searches lead to online action within an hour.

...however, banks have been slow to adapt

FAST COMPANY

**SORRY BANKS,
MILLENNIALS HATE YOU**

A THREE-YEAR STUDY FINDS THAT MILLENNIALS ARE LOOKING FOR WAYS TO LIVE A BANK-FREE EXISTENCE IN THE FUTURE.

AMERICAN BANKER

**Millennial Desperate for a
Better Banking Experience**

(50%) indicate they are counting on start up firms to overhaul how banks work

TIME
Magazine

Millennials Want Change!

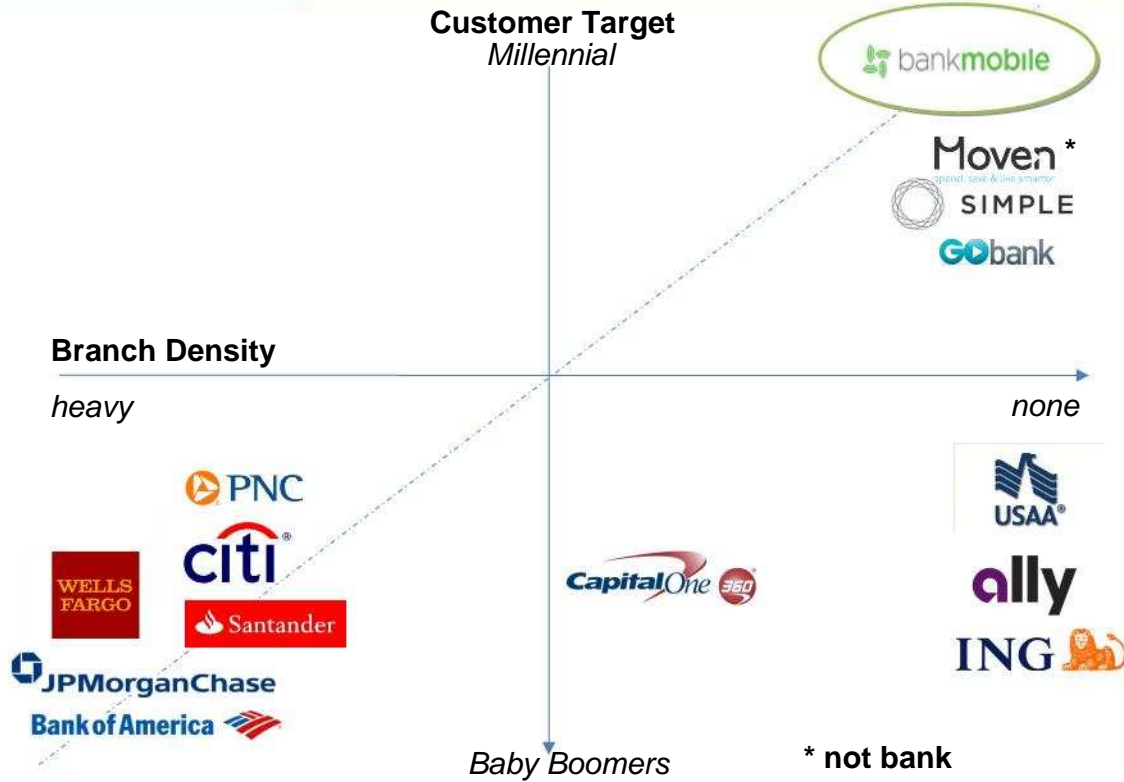
(75%) say they would prefer financial services from the likes of Google, Amazon, and Paypal.



- bankmobile is a **virtual bank** designed for the **on-the-go lifestyle** and **specific needs** of the **digital consumer**
- Our mission is to make the **frustrated millennial** say “**Wow! I finally found a transparent, effortless bank!**”
- bankmobile brings all your banking to your smartphone & tablet letting you bank **where** , **when** , and **how you** want



Competition



Bank of America 

Traditional Banks

 JPMorgan Chase

They just have a mobile banking app...

- 1 Mobile banking is only an add on service adding costs
- 2 Low rates & High fees
- 3 Product offering/pricing the same whether you open an account in a branch or on mobile device
- 4 Defensive: Mobile apps are not used to attract new customers; Only to respond to demand for mobile with a costly & large branch network still there







Banks are looking for ways to cut their branch networks

Branch Sales and Closings Since 12/31/12 by Top 50 Largest Banks

| Institution Name | Ticker | Total Assets (\$Bn) | Branches Sold | Deposits Sold (\$MM) | Branches Closed | Deposits at Closed Branches (\$MM) | Total Branches Sold or Closed | Deposits at Branches Sold or Closed (\$MM) |
|-------------------------------------|--------|---------------------|---------------|----------------------|-----------------|------------------------------------|-------------------------------|--------------------------------------------|
| Bank of America Corporation | BAC | \$2,149.9 | 169 | \$5,344 | 245 | \$38,736 | 414 | \$44,081 |
| JPMorgan Chase & Co. | JPM | \$2,477.0 | 0 | \$0 | 148 | \$39,915 | 148 | \$39,915 |
| Wells Fargo & Company | WFC | \$1,546.7 | 0 | \$0 | 71 | \$16,252 | 71 | \$16,252 |
| PNC Financial Services Group, Inc. | PNC | \$323.4 | 0 | \$0 | 208 | \$6,670 | 208 | \$6,670 |
| Citigroup Inc. | C | \$1,894.7 | 21 | \$1,200 | 48 | \$4,301 | 69 | \$5,501 |
| Popular, Inc. | POP | \$36.7 | 41 | \$2,132 | 8 | \$981 | 49 | \$3,113 |
| SunTrust Banks, Inc. | STI | \$179.5 | 0 | \$0 | 123 | \$1,888 | 123 | \$1,888 |
| BB&T Corporation | BBT | \$184.7 | 0 | \$0 | 45 | \$1,756 | 45 | \$1,756 |
| Capital One Financial Corporation | COF | \$290.5 | 0 | \$0 | 48 | \$1,546 | 48 | \$1,546 |
| KeyCorp | KEY | \$90.8 | 0 | \$0 | 62 | \$1,046 | 62 | \$1,046 |
| TCF Financial Corporation | TCF | \$18.8 | 0 | \$0 | 49 | \$970 | 49 | \$970 |
| Hancock Holding Company | HBHC | \$19.0 | 10 | \$60 | 37 | \$870 | 47 | \$930 |
| Fifth Third Bancorp | FTB | \$129.7 | 0 | \$0 | 16 | \$727 | 16 | \$727 |
| BOK Financial Corporation | BOKF | \$27.4 | 0 | \$0 | 16 | \$717 | 16 | \$717 |
| M&T Bank Corporation | MTB | \$88.5 | 0 | \$0 | 30 | \$578 | 30 | \$578 |
| Huntington Bancshares Incorporated | HBAN | \$61.1 | 0 | \$0 | 33 | \$570 | 33 | \$570 |
| U.S. Bancorp | USB | \$371.3 | 0 | \$0 | 41 | \$476 | 41 | \$476 |
| Zions Bancorporation | ZION | \$56.1 | 4 | \$138 | 14 | \$331 | 18 | \$469 |
| First Horizon National Corporation | FHN | \$23.9 | 0 | \$0 | 11 | \$468 | 11 | \$468 |
| First Citizens BancShares, Inc. | FCNCA | \$22.2 | 0 | \$0 | 24 | \$445 | 24 | \$445 |
| People's United Financial, Inc. | PBCT | \$33.1 | 0 | \$0 | 11 | \$417 | 11 | \$417 |
| Susquehanna Bancshares, Inc. | SUSQ | \$18.4 | 0 | \$0 | 18 | \$392 | 18 | \$392 |
| Fulton Financial Corporation | FULT | \$16.9 | 0 | \$0 | 17 | \$366 | 17 | \$366 |
| Associated Banc-Corp. | ASBC | \$24.8 | 3 | \$66 | 13 | \$293 | 16 | \$359 |
| UMB Financial Corporation | UMBF | \$15.9 | 2 | \$57 | 14 | \$298 | 16 | \$355 |
| Synovus Financial Corp. | SNV | \$26.4 | 4 | \$205 | 3 | \$111 | 7 | \$316 |
| Prosperity Bancshares, Inc. | PB | \$18.9 | 0 | \$0 | 17 | \$288 | 17 | \$288 |
| Bank of New York Mellon Corporation | BK | \$368.2 | 0 | \$0 | 5 | \$288 | 5 | \$288 |
| Regions Financial Corporation | RF | \$117.9 | 0 | \$0 | 10 | \$285 | 10 | \$285 |
| Investors Bancorp, Inc. (MHC) | ISBC | \$16.4 | 0 | \$0 | 7 | \$276 | 7 | \$276 |
| Wintnir Financial Corporation | WTFB | \$18.2 | 0 | \$0 | 6 | \$272 | 6 | \$272 |
| BankUnited, Inc. | BKUI | \$15.8 | 0 | \$0 | 2 | \$270 | 2 | \$270 |
| First Niagara Financial Group, Inc. | FNFG | \$38.0 | 0 | \$0 | 10 | \$265 | 10 | \$265 |
| Commerce Bancshares, Inc. | CBSH | \$22.8 | 3 | \$75 | 11 | \$168 | 14 | \$243 |
| East West Bancorp, Inc. | EWBC | \$27.4 | 0 | \$0 | 4 | \$163 | 4 | \$163 |
| EverBank Financial Corp. | EVER | \$17.6 | 0 | \$0 | 1 | \$161 | 1 | \$161 |
| Northern Trust Corporation | NTRS | \$103.8 | 0 | \$0 | 3 | \$142 | 3 | \$142 |
| Cullen/Frost Bankers, Inc. | CFR | \$24.7 | 0 | \$0 | 12 | \$120 | 12 | \$120 |
| City National Corporation | CYN | \$29.7 | 0 | \$0 | 3 | \$102 | 3 | \$102 |
| FirstMerit Corporation | FMER | \$24.5 | 0 | \$0 | 9 | \$99 | 9 | \$99 |
| Webster Financial Corporation | WBS | \$21.2 | 0 | \$0 | 3 | \$97 | 3 | \$97 |
| Comerica Incorporated | CMA | \$65.7 | 0 | \$0 | 5 | \$71 | 5 | \$71 |
| Valley National Bancorp | VLY | \$16.3 | 0 | \$0 | 5 | \$69 | 5 | \$69 |
| New York Community Bancorp, Inc. | NYCB | \$47.6 | 0 | \$0 | 6 | \$59 | 6 | \$59 |
| Total | | | 257 | \$9,278 | 1472 | \$124,318 | 1,729 | \$133,595 |

Source: SNL Financial. Market data as of 4/30/14, operating data as of most recent quarter

Virtual Banks

| Internet Banks | Neo Banks | bankmobile |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">• Attract age 55+, higher balance, rate sensitive customer• Not focused on creating simplistic mobile experience with innovative banking features   | <ul style="list-style-type: none">• Provide superior user experience, simplified banking and above average customer service• Revenue model built entirely around interchange fee from debit or prepaid cards• Do not provide a full suite of banking products & services. Little cross-sell capabilities    | <ul style="list-style-type: none">• One of the first mobile virtual bank• Effortless, simple, superior user experience, premium customer service, free ATM access• Absolutely NO Fees is our goal; HIGHER rates, a full suite of banking products• Commitment to building a trusting community of loyal customers through financial education and transparency  |



Keep it **simple** - with goal of NO FEES



Best-in-class **user experience** and **customer service** are **how we will win**



We need to **speak** with an **authentic voice** - absolute transparent disclosures



You can't **manage** what you can't **measure**

| July 2014 | October 2014 | Jan 2015 & Beyond |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">• Picture account opening• Checking account• Savings account• Real time account data• Remote check deposit• P2P payments• Picture bill pay• Traditional bill pay• Debit card management (on/off capability)• 4 digit pin• E-statement viewer• Automated customer service | <ul style="list-style-type: none">• Video chat for personalized customer service• Text chat• PFM integration• Marketing offers• Daily financial tip “push notification”• Increase debit card limit• Real time P2P payments | <ul style="list-style-type: none">• Can I buy feature• Voice mobile banking• Gamification• Biometric login• Auto loans• Mortgages• Credit cards• Prepaid cards• Insurance |



1. Principally Target Millennials

Who are they?

- Ages 18-35; Largest generation at around 84 million
- Not just future customers, but influencers
- Millennials rank the four largest banks among the 10 least loved brands in America

Why are they attractive?

- Tech savvy, tech dependent, largest group of mobile users
- 33% say they are switching banks in the next 90 days
- Overburdened with debt
- Purchasing power over \$1.3 trillion
- Looking for banks to provide financial knowledge and advice

How will we do it?

- Partnership with Higher One; access to ~250K graduates each year
- Create hype and engagement through multiple social media platforms
- Utilize college students as brand ambassadors
- Develop & distribute content on financial topics to build loyalty & trust
- Digital ad campaign

Attract users leveraging a multi-channel marketing approach

| Channel | Strategy Detail |
|----------------------------|-------------------------------------------------------------------------------------------------|
| PR | Target key blogs & publications. Pitch 'mobile' and 'community bank' focused message |
| Social Media | Establish FB & Twitter presence & drive traffic through commentary & questions |
| Blog | Leverage to give bankmobile a personal touch and communicate our feelings and opinions to users |
| Conferences & Events | Secure panel & presenter opportunities to promote the bankmobile team & brand |
| SEO | Entire site is optimized for content search and discovery |
| Affiliate Marketing | Affiliate sales model / campus ambassadors |
| Gorilla Marketing | Campus activations, campus tours, etc. |
| Above the line advertising | Select advertising through digital channels, including paid search and targeted banner ads |

2. Affinity Marketing

Objective

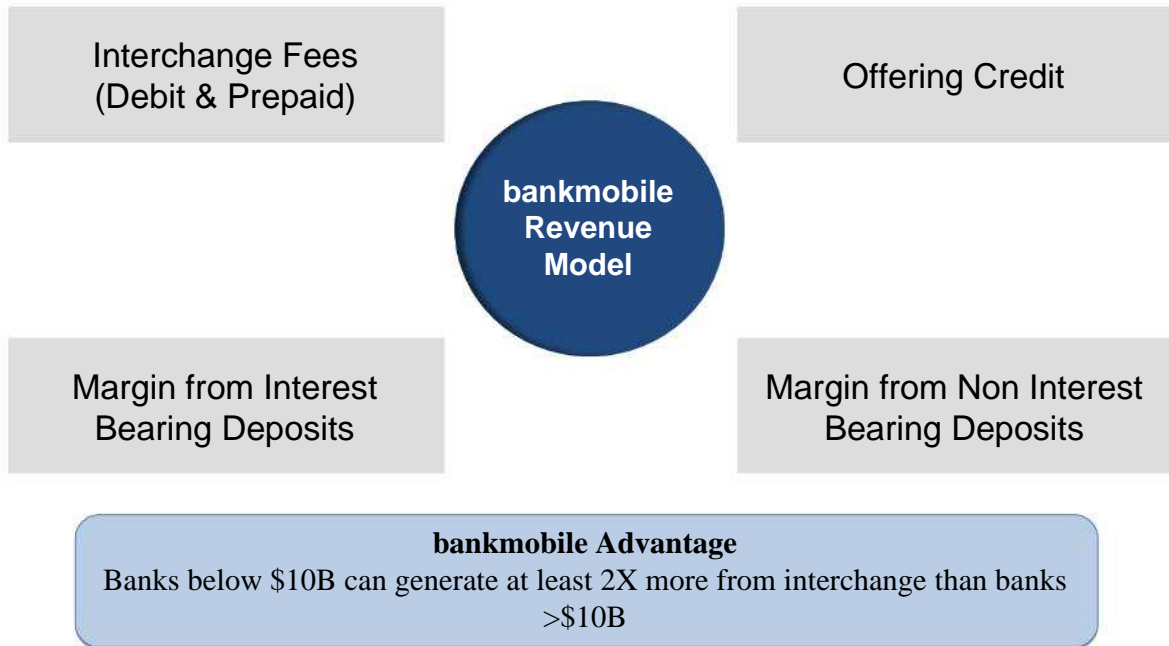
- Create affinity relationships with not for profits as well as profit generating organizations
- Members, followers, or customers must feel passionate about the organizations we partner with

Partnership Structure

- Develop a win/win partnership - Enter into a marketing fee agreement
- Customers receive a branded banking experience
- We financially compensate the organization our customers are passionate about
- We receive loyal banking customers

Examples

- Credit card companies targeting affinity groups in the 80's
- USAA & Veterans
- Bancorp Bank & T Mobile
- We plan to target alumni associations, foundations, charities, advocacy groups religious groups etc





- 1 Over a 5 year period, acquire ~250,000 customers
- 2 Make 1.25% plus ROA
- 3 Make 15% plus ROE



“ ideas are just one thing; execution
is *everything* .”

- Jay Sidhu, CEO Customers Bank

Any questions?



Future Financial Model/ Risk Management

Robert Wahlman

- We are building a new kind of bank using technology and relationship building to develop a new kind of customer relationship
- Our innovative organic growth model is a great way to build a profitable bank and create shareholder value at a low cost
 - The branch lite, high touch/high tech, single point of contact approach builds strong relationships while it lowers costs
- Selective M&A of smaller financial companies gives us access to new geographies or products that we expand with our organic growth model
- We focus on rapid growth of strong credit quality niche products and deposit products providing above average returns
- We support our businesses with state of the art technology obtained through partners, converting developmental costs to variable costs
- Bank Mobile provides an incredible opportunity for future profitable growth

Q1 2014 Results

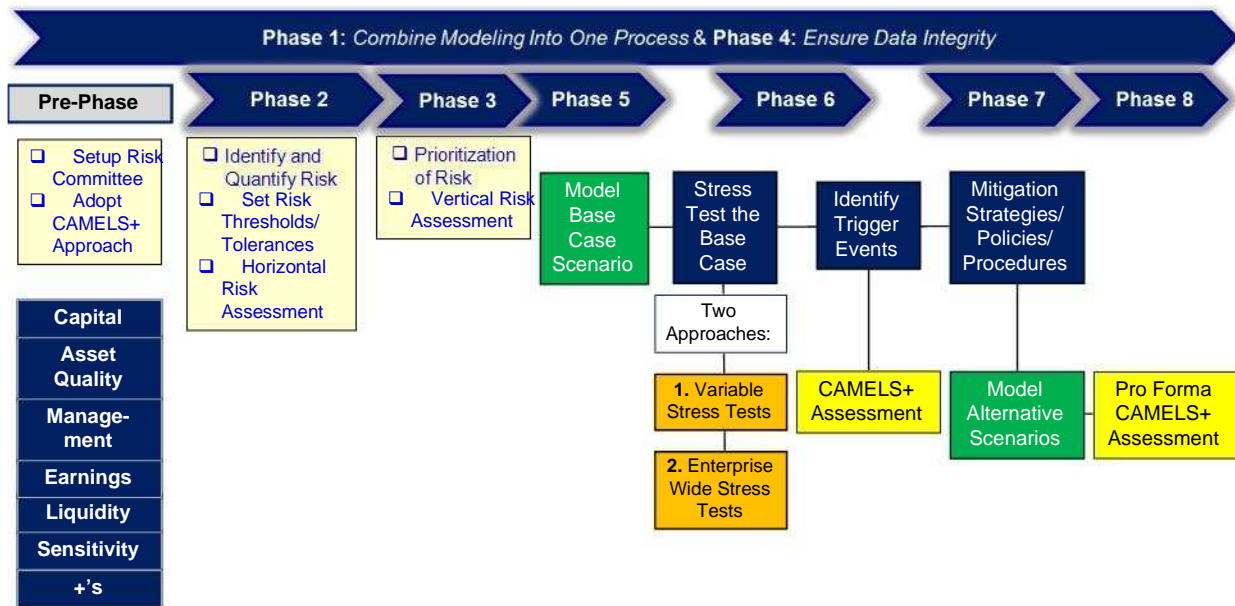
| Q1 2014 Actual | Q1 Core Estimate | | Annualized Core as % of Average Assets |
|---------------------------|-----------------------------|------------------------------|---------------------------------------------------|
| \$ 29,512 | \$ 29,500 | Net interest income | 2.70% |
| 7,590 | 5,000 | Non-interest income | 0.46% |
| <u>21,169</u> | <u>21,000</u> | Operating expenses | 1.92% |
| 15,933 | 13,500 | Pre-tax pre-provision income | 1.24% |
| 4,368 | 500 | Provision for loan losses | 0.05% |
| <u>3,429</u> | <u>4,700</u> | Income tax expense | 0.43% |
| <u>\$ 8,136</u> | <u>\$ 8,300</u> | Net income | 0.76% |
| | | | |
| <u>\$ 0.32</u> | <u>\$ 0.32</u> | Fully diluted EPS | |

- With one time items, in both revenue and expense, of ~\$3.0 million each the net change to our core earnings was immaterial.

Hypothetical \$6.5 Billion Bank

| Quarterly Performance | | Annualized Core as % of Average Assets |
|------------------------------|---------------------------------|-----------------------------------------------|
| \$ 43,375 | Net interest income | 2.67% |
| 6,000 | Non-interest income | 0.37% |
| <u>23,000</u> | Operating expenses | 1.42% |
| 26,375 | Pre-tax pre-provision income | 1.62% |
| 2,000 | Provision for loan losses | 0.12% |
| <u>8,500</u> | Income tax expense | 0.52% |
| <u>\$ 15,875</u> | Net income | 0.98% |
| | | |
| \$ 0.67 | Fully diluted EPS | |
| 0.95% | Return on average assets | |
| 13.50% | Return on average common equity | |
| 47.00% | Efficiency ratio | |

Customers has adopted a CAMELS+ approach to identify, measure, monitor and control risk throughout the organization. The eight phase process is shown graphically below . . .



| Enterprise Risk Management | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| Tone at the Top • Risk Management Compliance Program | | |
| Board of Directors • Board Risk Committee • Board Audit Committee • Board Compliance Committee Capital Committee • Loan Committee • Management Risk Committee • Asset Liability Committee • Management Compliance Committee | | |
| C | ALCO Capital Committee Treasury | Capital Policy Capital Plan Capital Metrics Capital Stress Testing |
| A | Risk Management Committee Loan Committee Watch List Committee ALLL Committee Credit and Loan Review | Performance Metrics and Monitoring Migration Analysis Credit Concentration Analysis Underwriting Policies |
| M | Risk Management Committee Various and numerous Policies and Committees Corporate Ethics Policy | All Metrics and Monitoring All Stress Testing Strategic Plan and Budget All Scorecards Enterprise Risk Management |
| E | ALCO Business Review Committee FP & A | Annual Budget and Continuous Forecast Annual Strategic Plan Performance Metrics Monitoring Budget to Activate at Manager Level |
| L | ALCO Treasury Risk Management Committee | Liquidity Plan Liquidity Performance Metrics and Monitoring Contingency Funding Plan Liquidity Stress Testing |
| S | ALCO Treasury Risk Management Committee | Interest Rate Sensitivity Analysis Interest Rate Risk Metrics and Monitoring Interest Rate Risk Guidelines Interest Rate Risk Stress Testing |

| Enterprise Risk Management | | |
|------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------------------------------------------------|
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| Capital Committee • Loan Committee • Management Risk Committee • Asset Liability Committee • Management Compliance Committee | | |
| | | Board Compliance Committee |
| | | Management Compliance Committee |
| | | IT Steering Committee |
| | | Internal Audit |
| | | Legal, Finance, Technology, Operations Functions |
| | | Operating Policies and Procedures |
| | | Annual Internal Control Review and Effectiveness Assessments |
| | | Public Relations Plan |
| | | Investor Relations Plan |
| | | Security Information Plan |
| + | Compliance | |
| + | CRA and Fair Lending | |
| + | Bank Secrecy Act | |
| + | Legal and Regulatory | |
| + | Reputation | |
| + | Operational Risk | |
| + | Information Technology | |

Q & A