

Methodology

The methodology for the 2024 version of the New York Bank Ratings Index (NYBRI) includes two types of scoring: that which is based on specific, objective metrics; and those that are relative, where we compare different banks against each other to group them in different quintiles among the field of the twenty-eight banks. The following are the categories and the methodologies we used in “scoring” each bank.

Individual Methodologies: Traditional Bank Categories

Basic Category Number	Description of Methodology
(1) Total Branch Locations	This methodology evaluates a given institutions total number of branch locations in New York State, and reflects relative scoring. More points are awarded for a higher number of locations based upon an even bell curve distribution for points, with banks with the lowest number of branches receiving the least amount of points and the banks with the highest number of branches receiving the most amount of points. For example, 4 banks were assigned 1 point, 6 banks were assigned 2 points, 8 banks were assigned 3 points, 6 banks were assigned 4 points, and 4 banks were assigned 5 points for a total of 28 banks.
(2) Branch Locations: Distribution in Low-to-Moderate-Income Communities	A formula is used to award points for institutions with the highest number of brick-and-mortar locations in New York State census tracts reflecting greater than 50% low-to-moderate-income households, based on the National Community Reinvestment Coalition’s annual fair lending report. For each of the 28 institutions, a formula is applied that determines a percentage relative to the other banks. That percentage is then used to assign points: 1 point = those scoring no higher than the 20 th percentile in terms of branches found in low-to-moderate-income communities as compared to the other banks in the survey; 2 points = between the 21 st and 40 th percentile according to this category;

	<p>3 points = between the 41st and- 60th percentile according to this category; 4 points = between the 61st -80th percentile according to this category; 5 points = between the 81st-100th percentile under this category. The formula for finding that relative percentage for a given institution, to then apply points, is: $[\% \text{ distribution of bank to be scored}] - [\% \text{ distribution of lowest bank in category}] / [\% \text{ distribution of highest bank in category}] - [\% \text{ distribution of lowest bank in category}]$. For example, if a bank to be evaluated has a distribution of branches in low-to-moderate income neighborhoods of 20% across New York State, the lowest bank in the study has a 5% distribution, and the highest bank in the study has a 35% distribution, the formula would be: $[20\%] - [5\%] / [35\%] - [5\%]$. The final percent value would equal 50%, and the evaluated bank would be assigned 3 points.</p>
(3) Online Banking	<p>Points are awarded based on an itemized list of factors concerning (i) app/website security; (ii) app/website "advanced" features; (iii) app/website "basic" features; and (iv) app/website accessibility. Each of these 4 factors is assigned 5 objective criteria, or 20 total criteria. For example, under (i) app/website security, the 5 criteria are: (1) fraud risk/scam assessment tool, (2) multi-factor authentication, (3) biometric security options, (4) account use warnings, and (5) instant account freeze tool. If a bank's online app or website offered at least 3 of these criteria, then it received 1 point for app/website security. This process is repeated for each of the 4 factors, to award a maximum of 4 points. A bank receives an additional point offering an app or website, and a bank received no points if it did not have an app or website.</p>
(4) ATM Fees Out of Network	<p>Points are awarded for lower out of network fees based on an itemized list.</p>

	<p>1 point = a fee of \$5 or more per transaction; 2 points = a fee of \$4 or more per transaction; 3 points = \$3 or more fee per transaction, 4 points = \$2 or more fee per transaction, 5 points = less than \$2 fee per transaction.</p>
(5) Checking Account Fees	<p>The methodology is itemized and determined based on the most basic level or checkless checking policies between institutions and consumers. Banks were awarded points as follows, based on the objective policy of the basic or checkless checking account offered:</p> <p>1 point = amount required to open the account is \$50 or less; 1 point = monthly maintenance fee for the account is \$15 or less, or \$30 or less if the monthly maintenance fee is waivable by a single transaction deposit; 1 point = the account contains no overdraft fees and non-sufficient funds fees; 1 point = no dormancy or inactivity fees; and 1 point = no fees for cross-app transactions between the basic account and third parties like Zelle. A maximum 5 points may be awarded based on these objective criteria.</p>
(6) Savings Account Fees	<p>Banks were awarded points based on the following:</p> <p>1 point = \$400 minimum deposit to open AND/OR fees are not waivable or waived when a monthly balance of \$2,000 or more; 2 points = \$250-\$400 minimum deposit to open AND/OR fees waived at a monthly balance \$1,000-\$2,000; 3 points = \$100-\$250 minimum deposit to open AND/OR fees waived at a monthly balance \$500-\$1,000; 4 points = \$100 or less minimum deposit to open AND/OR fees waived at a monthly balance \$500 or less; 5 points = no minimum/nominal amount to open AND/OR no monthly fees.</p>
(7) Overdraft Policy Practices	<p>The methodology is itemized as follows, and a bank can qualify for more than one point under this category:</p>

	<p>1 point is awarded if the policies are clearly disclosed and there is a complete description of overdraft practices in a conspicuous place on the given bank's website;</p> <p>1 point = no ATM or point of service debit card overdrafts allowable;</p> <p>1 point = order of processing transactions occurring from lowest to highest amount;</p> <p>1 point = offers online policy;</p> <p>1 point = no automatic closure of account for overdraft charges applied.</p>
(8) Overdraft Fees	<p>The relative approach is used under this category, ranking the banks, assigning them to quintiles, and awarding points accordingly based on dollar amounts charged. Banks that offer \$0 overdraft charges receive an automatic 5 points.</p>
(9) Basic Credit Cards	<p>The methodology is itemized and uses data provided by the Consumer Financial Protection Bureau's (CFPB) credit card agreement database for the institution's policy agreement that offers the lowest combined APR and annual membership fees. The itemization is as follows: 1 point = offers a basic credit card, but with no features; 2 points = contains 1 feature; 3 points = contains 2 features; 4 points = contains 3 features; and 5 points = contains 4 features. The 4 features are: (i) low-average APR; (ii) low average annual fees; (iii) penalties; and (iv) policies. (i) Low average APR means the APR range middle point of the bank and basic account evaluated is lower than the combined average middle point APR of all 28 banks, or 18.24%; an account with a lower percent is awarded a point. The same methodology was applied for (ii) low average annual fees. (iii) Penalties and (iv) policies used the same methodology in category 3 Online Banking, where each of the 2 features has 5 criteria that can be answered with a yes or no for a total of 10 criteria. If the basic account demonstrates at least 3 of 5 objective criteria, it is awarded 1 point.</p>

<p>(10) Acceptance of Alternate Identification and Opening Accounts</p>	<p>The methodology is itemized to rank an institution's accepted forms of identification for the most basic accounts offered, in compliance with the FDIC Customer Identification Program. There are 3 objective tiers for which an institution can qualify, with an increasing acceptance of alternate identification across each tier, based on the industry standards.</p> <p>1 point = banks do not accept alternate forms of ID, (only Tier 1 IDs) + monthly maintenance fees;</p> <p>2 points = banks accept Tier 1 and Tier 2 + monthly maintenance fees;</p> <p>3 points = banks do not accept alternate forms of ID (only Tier 1 IDs), but no monthly maintenance fees;</p> <p>4 points = banks accept Tier 1 and Tier 2, and no monthly maintenance fees, or contains monthly maintenance fees and accepts Tier 1, Tier 2 and Tier 3.</p> <p>5 points = banks accept Tier 1, Tier 2, and Tier 3 and no monthly maintenance fees.</p>
<p>(11) International Wire Transfer Fees</p>	<p>The percentage formula is used to award points based on the quintile in which a bank appears according to the charges each imposes for international wire transfers.</p>
<p>(12) Market Share of Loans Originated in State; (13) Loan Acceptance Rate in State; (14) Loan Acceptance Rate in State for Black Borrowers; (15) Loan Acceptance Rate in State for Latino Borrowers; (16) Loan Acceptance Rate in State to Low to Moderate Income Purchasers; (17) Percentage of Total Loans Made to Low to Moderate Income Purchasers; (18) Loan Acceptance Rate in Low to Moderate Income Neighborhoods; (19) Percentage of Total Loan to Communities of Color (Census Tracts With 50% or More Non-White Residents).</p>	<p>Categories 12-19 use data drawn from the CFPB's annual Home Mortgage Disclosure Act and National Community Reinvestment Coalition census tract data for communities across New York State. A relative scoring approach formula is used to award points based on the quintile to which each bank is assigned when compared against their performance under these categories. Those points are distributed in a manner similar to that described under Category 2, above.</p>

(20) Customer Service	The methodology is itemized, and awards 1 point each if a bank's app or website demonstrates: (i) real-time service; (ii) weekend service; (iii) 24-hour service; (iv) accessible service (customer service hotline available on home page); and (v) virtual chatbot guide (human or artificial).