Whitepaper

Banking Reform: Bank Fees Skyrocket In Response to New Regulations

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The financial meltdown and ensuing banking crisis of 2008 and 2009 was due to the culmination of decades of lax regulation and unchecked behavior resulting in a near total collapse of the entire global money center. Senators Chris Dodd and Barney Frank responded by enacting legislation that not only holds banks and financial institutions accountable for their actions, but provide a more 'open' framework from which financial companies must operate. Per these new mandates, the hope is that the actions of a few rogue operators, a lack of attention to detail, and a disregard for consequences cannot bring about a crisis of global proportions again.

The Dodd-Frank Wall Street Reform and Consumer Protection Act was enacted in July of 2010 to:

- Protect consumers from abusive financial practices.
- Eradicate the onerous "too big to fail" policy of protecting America's largest financial institutions.
- Put a sensible structure in place that will help stabilize the entire financial and banking system.

Unfortunately, compliance with these new rules and regulations doesn't come without cost. Banks are looking under every rock to replace the margins they used to earn through their risky but profitable pre-crisis business practices. Business customers are finding themselves on the hook to cover ensuing regulatory expenses and lost opportunity costs in the form of egregious fees and near zero interest rates.

Numerous factors leave customers largely at the mercy of their banks, especially:

- Lack of situational awareness about bank services, fees, and rates.
- Ability of banks to dictate fees without consent and pay themselves with your money.
- Fear that attempting to negotiate fees and rates will impact lending potential.
- False bank assertions that 'important' customers don't pay bank fees.
- Few customers truly understand their bank fees and rates no less how to negotiate them.

The good news is that the new regulatory structure has leveled the playing field.

The need for a comprehensive audit to help navigate the impact of this new regulatory structure, and these inherent fees associated with it have created an industry of consultants that are able to assist companies in negotiating their entire banking structure; both in terms of fee reduction and yield enhancement. There is a vacuum of experts in this newly minted field and it is imperative that end consumers understand the need to employ strategies that will help them save time and money on these imposed fees that are esoteric in nature.

The Montauk Group was formed to provide bank relationship management services that deliver hard money gains to corporations in various industries by reducing bank fees and increasing interest rates using a no-risk, pure incentive-based fee model. Our experts evaluate and assess each company's individual needs and tailor a solution to: maximize cash flow, reduce float, and streamline the cash management and treasury process. Montauk ensures that financial institutions' efforts to pass on fees to their customers do not go unnoticed. We work tirelessly to save our clients money and maximize the returns on their liquidity.

Montauk's experts have the experience and know-how to navigate the often confusing world of bank analyses and convoluted fees. Riding side-by-side with their clients, Montauk will help employ a strategy that fits with their clients' long-term goals while maximizing the opportunity cost.

Protecting our client's assets and helping them to achieve their respective financial goals is OUR mission…Make Montauk YOURS.