



The Deposit Mortality Index™

Methodology, version 1.3: measuring institutional deposit runoff exposure from depositor mortality

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The Deposit Mortality Index was created by Martha Sylla Underwood.

Abstract. An estimated \$124 trillion in U.S. household wealth will transfer through 2048 as older generations pass away.¹ For depository institutions this is an actuarially expected transfer exposure distributed across the deposit base: depositors die, surviving spouses consolidate, and published research implies roughly 70 percent of balances that reach heirs leave the incumbent institution.^{3,4} No supervisory metric or public index scores an individual institution's exposure to this runoff. The Deposit Mortality Index™ (DMI) does, using exclusively public data. This paper specifies the methodology step by step, with each step's inputs, outputs, dependencies, and assumptions stated explicitly, so that any analyst can reproduce, critique, or extend the index. It also documents the one-time calibration of the scoring scale, the governance rules that keep published scores comparable over time, and the version 1.3 correction of the Step 3 balance weights, disclosed with its full restatement in Section 6.

For the executive reader. The DMI answers three questions about any bank or credit union (the credit union engine is specified in Section 3b). How much of the deposit base is statistically expected to transfer over ten years as depositors pass away? How fragile is the institution's position when it does: is the money concentrated in fast-exiting products, in aging markets? And does the institution have any structural machinery to capture what transfers? The answers combine into one 0-to-100 score in four tiers: Moderate, Elevated, High, Severe. Sections 1 through 3 explain the build; Section 4 the scoring; Sections 5 through 7 the assumptions, limitations, and how to interpret a score.

1. The measurement problem

Mortality-driven deposit runoff has three properties that make it unlike other deposit risks. It is certain in aggregate (actuarial, not behavioral, in its first cause). It is slow enough to be invisible in quarterly attrition metrics. And it is invisible to the institution itself, because banks do not observe or report the age distribution of their depositors. Supervisory frameworks score rate sensitivity, uninsured concentration, and funding stability; none scores demographic amortization of the deposit base.

The scale is not marginal. Deposit dollars skew heavily old: research on community institutions found average depositor age above 60, with approximately 57 percent of community bank depositors over age 50 versus roughly 35 percent at the fifty largest banks.² And retention of transferring balances is poor: Cerulli finds more than 70 percent of heirs change institutions upon inheriting,³ with its 2025 survey showing only 20 percent of actual inheritors retained the benefactor's provider.⁴

The DMI's design premise is that although no single dataset contains the answer, four public datasets jointly determine a defensible estimate: where an institution's deposits physically sit (FDIC), how old those places are (Census), how deposit dollars distribute across household ages (Federal Reserve), and how mortality distributes across ages (Social Security Administration). The methodology is the disciplined assembly of those four, plus behavioral parameters from published wealth-transfer research.

A note on language. This document uses *actuarially expected transfer exposure* for the quantity the index estimates: mortality is actuarial, while the realization of any outflow is behavioral. Prismm's general-audience materials use the shorthand "scheduled" for the same concept; where the two registers differ, this document governs.

2. The estimation pipeline: five steps

Each step lists its data source, output, dependency, and the assumption it introduces. The dependency structure is strictly sequential: each step consumes the prior step's output, so an error or bias introduced at any step propagates forward and nowhere else. This makes the model auditable layer by layer.

STEP 1 OF 5

Locate the deposits

The FDIC Summary of Deposits (SOD) reports every insured institution's deposits at branch level, geocoded to county, annually as of June 30. Aggregating branches gives the institution's deposit dollars by county.

Source: FDIC SOD (fields DEPSUMBR, STCNTYBR). Output: county-level deposit weights. Depends on: nothing; this is the root of the pipeline. Assumption A1: branch geography proxies depositor geography. Control: the SOD coverage ratio (SOD deposits divided by call report deposits) is computed for every institution; institutions below 80 percent coverage carry an out-of-footprint caveat, because brokered, digital, and corporate balances booked without branch geography are outside the proxy.

STEP 2 OF 5

Age the footprint

Census American Community Survey data gives each county's adult age distribution across six bands (18-34 through 75+). Weighting each county's distribution by the institution's Step 1 deposit share in that county yields the deposit-weighted footprint age mix: the estimated age profile of the population the institution draws deposits from. The same join produces the deposit-weighted footprint median age used in component C3.

Source: ACS 5-year, table S0101, by county. Output: footprint population age shares. Depends on: Step 1 weights. Assumption A2: the institution's depositors mirror the age mix of its weighted footprint population.

STEP 3 OF 5

Age the dollars, not the people

Population shares understate exposure because older households hold disproportionately large deposit balances. Step 3 converts the population age mix into a deposit-dollar age mix using per-household mean deposit balances by age of reference person from the Federal Reserve's 2022 Survey of Consumer Finances. For each age band, the per-household mean equals the percent of families holding the asset multiplied by the conditional mean among holders, summed over transaction accounts and certificates of deposit: 18-34, \$21.2K; 35-44, \$42.6K; 45-54, \$75.4K; 55-64, \$76.8K; 65-74, \$114.9K; 75+, \$95.1K. Each footprint age band is reweighted by its per-household dollar intensity and renormalized. The weights are normalized, so only the relative shape across bands affects scores. Nationally, this step raises the 65-and-over share from roughly 22 percent of the adult population to roughly 38 percent of deposit dollars. Asset scope is deposits only: transaction accounts and CDs, excluding money market mutual funds, brokerage cash, and other near-deposits. Because ownership of transaction accounts is near-universal across adult age bands (96 to 99.8 percent), an explicit ownership-rate term is immaterial at this scope, shifting the 65-and-over dollar share by at most 0.6 percentage points under stressed assumptions; standing condition KI-2026-02 (Section 5) makes the ownership term mandatory should the asset scope ever broaden to lower-ownership assets. Versions through 1.2 used an approximate balance vector; the version 1.3 correction and its effects are disclosed in Section 6.

Source: Federal Reserve SCF 2022, published tables (percent holding $\times$ conditional mean, transaction accounts + CDs), verified September 2026. Output: deposit-dollar age shares. Depends on: Step 2 mix. Assumption A3: national holdings-by-age patterns apply within each footprint.

STEP 4 OF 5

Apply mortality

SSA period life tables convert each band into a ten-year cumulative mortality probability at the band midpoint. The sum of dollar shares times band mortality is the gross exposure: the share of deposit dollars held by customers statistically expected to pass away within ten years. Pilot cohort gross exposures ran 14 to 19 percent of deposits (computed at calibration under the version 1.2 vector; the version 1.3 correction lowers net runoff by roughly a quarter of a percentage point at typical footprints, per Section 6).

Source: SSA Actuarial Period Life Tables. Output: gross 10-year mortality-weighted runoff. Depends on: Step 3 dollar mix. Assumption A4: band-midpoint period mortality adequately represents the band.

STEP 5 OF 5

Net for transfer behavior

Two behavioral parameters convert gross mortality into net institutional runoff, and both are stated here for what they are. First, the spousal offset: wealth transfer is a two-step process, with roughly \$54 trillion of the national transfer moving horizontally to surviving spouses before descending to heirs.⁵ A spousal retention offset of 35 percent is applied for balances initially retained in-institution by a surviving spouse. This offset is a modeling assumption, not an observed bank-retention rate: its anchor establishes the sequence of transfer, not the share of a deceased depositor's balance that remains at the incumbent institution. It operationalizes that sequence conservatively and is registered as an assumption pending direct evidence; version 1.4 replaces it with a household-state model estimating first-to-die and second-to-die exposure from marital structure. Second, heir attrition: 70 percent of balances that transfer to heirs are assumed to leave. This parameter is an advisor-derived behavioral proxy: its sources measure the disruption of financial-advisor relationships at inheritance (more than 70 percent of heirs likely to change advisors in 2021; only 20 percent of actual inheritors retaining the benefactor's provider in 2025),^{3,4} which evidences strong relationship disruption at transfer but does not directly measure bank-deposit movement; no public study yet does. The index therefore publishes exposure under a scenario band of attrition assumptions (60, 70, and 80 percent) alongside the central case, and treats the central 70 percent as an assumption to be replaced by observed transfer data as it becomes available.

$$\text{Net 10-yr runoff} = \sum_{\text{bands}} [\text{dollar share}_b \times \text{mortality}_b] \times (1 - 0.35) \times 0.70$$

Sources: Cerulli Associates; Bank of America Institute. Output: net 10-year runoff (percent and dollars), published with the scenario band. Depends on: Step 4 gross. Assumptions A5, A6; see register, Section 5. Pilot cohort net runoff: 6.6 to 8.6 percent of deposits (at calibration, v1.2 vector; see Section 6).

3. From estimate to index: the four components

The net runoff answers "how much leaves." The composite answers "how exposed is the institution overall," adding how fragile the deposit mix is, how concentrated the franchise is in aging markets, and whether the institution has machinery to capture transfers. Each component scores 0 to 100 on an absolute scale, so scores are comparable across institutions and over time rather than merely ranking a cohort.

C1. Actuarial exposure (weight 50%)

The Step 5 net runoff, mapped linearly onto a 0-100 scale between a 5.5 percent floor and a 10.5 percent ceiling. The anchors carry meaning: the floor approximates the modeled runoff of a young, geographically diversified national footprint; the ceiling approximates a severe case, a small institution concentrated in the oldest decile of U.S. counties, materially worse than the oldest large-market footprint observed (Puerto Rico, 8.6 percent). Section 6 documents the calibration. At-risk dollars (as distinct from the C1 rate) are scaled by each institution's IPC-eligible share of deposits, from Call Report Schedule RC-E line 1 (RCONB549 plus RCONB550). The IPC-eligible book comprises deposits of individuals, partnerships, and corporations as reported in Schedule RC-E: it is broader than household deposits, including business and organizational balances, and certain brokered or reciprocal deposits are presumed IPC where beneficial-owner information is unavailable. It is the closest public approximation of the household base, not a measurement of it; because it includes corporate treasury balances, the scaling is an upper bound at commercial-heavy institutions, disclosed as such (v1.1), and institution-supplied data can replace it under the Verified tier.

C2. Composition fragility (weight 20%)

How fast can the at-risk money leave? Two call-report ratios, equally weighted: time deposit share (Schedule RC-E, NTRTIME over DEP; scored against a 40 percent cap) and estimated uninsured share (Schedule RC-O Memorandum 2, DEPUNINS over DEP; scored against a 60 percent cap). Time deposits held by older customers are the fastest-exiting balances at death, and uninsured balances move without friction or penalty.

C3. Market concentration in aging markets (weight 15%)

Geographic concentration alone is not demographic fragility; concentration in an aging market is. The component therefore crosses a market-level Herfindahl index with footprint age:

$$C3 = HHI_{\text{CBSA}} \times \text{AgeFactor}, \quad \text{AgeFactor} = 0.5 + 0.5 \times (\text{median age} - 39) / 7, \text{ bounded } [0.5, 1.0]$$

The HHI is computed on deposit shares by market, where markets are OMB Core-Based Statistical Areas (metropolitan and micropolitan), the convention of Federal Reserve and Department of Justice banking-market analysis; counties outside any CBSA are standalone markets. Squared shares are summed and scaled to 0-100 (100 = single-market institution). The age factor scales from 0.5 for footprints at or below the approximate national median age of 39, to 1.0 at 46, spanning the oldest large-market footprint observed. The floor is 0.5 rather than zero because single-market dependence carries risk at any age. Worked contrast from the pilot: a young-metro concentrated institution (market HHI 91, median age 40.8) scores 57, while an old-market institution with lower raw concentration (HHI 72, median age 45.1) scores 68. That inversion is the design intent.

C4. Succession capture deficit (weight 15%)

Does the institution have structural machinery to retain transferring wealth? Two flags: trust powers held on the bank charter (FDIC TRUST field) and reported fiduciary income (Schedule RI item 5.a, RIAD4070 greater than zero). Both present scores 0; one scores 50; neither scores 100. Measuring at the charter level is deliberate, and the two-flag design handles the affiliate case: an institution whose trust business sits in a holding-company affiliate rather than the bank charter shows no charter trust powers but positive fiduciary income, scoring 50, which correctly reflects capability that exists but is structurally adjacent to the deposit franchise.

Composite and tiers

$$DMI = 0.50 \times C1 + 0.20 \times C2 + 0.15 \times C3 + 0.15 \times C4$$

The weights are design judgments, set before calibration and frozen with it. The actuarial component carries half the composite because it is the measured quantity itself: the expected transfer of dollars, estimated directly from the pipeline. The three structural components divide the remaining half because they govern realization rather than magnitude. Composition (20 percent) is weighted above the other two because it is measured most directly from reported balance-sheet ratios and because it sets the speed at which exposed balances exit at the event. Concentration (15 percent) captures whether market-level aging compounds the institution's own exposure, and succession capture (15 percent) captures whether the transfer can remain in-house at all; both are structural conditions rather than measured flows, and are weighted accordingly. Any re-weighting constitutes a Class 3 methodology change requiring a version increment under the governance rules in Section 6. Tiers: Moderate below 40, Elevated 40 to 54, High 55 to 69, Severe 70 and above (v1.2 thresholds, calibrated on the full national distribution of 4,241 banks prior to first publication and unchanged in v1.3; see Section 6). Under those thresholds and the v1.2 vector, the twelve-bank pilot resolved to seven Moderate, four Elevated, one High, and no Severe institutions, and the national bank population resolved

to 27.5 percent Moderate, 54.6 percent Elevated, 16.3 percent High, and 1.5 percent Severe; these published distributions are restated at the October 2026 scoring under the corrected vector, per the Section 6 restatement note. An empty Severe tier in the pilot is intentional, reserving the label for structurally extreme combinations (a no-fiduciary institution with a Puerto Rico-grade footprint and a heavy time-deposit book computes to approximately 72).

3b. The credit union engine

Credit unions are scored on the identical architecture, weights, scales, and tiers, so that a credit union scoring 45 means the same thing as a bank scoring 45. Three elements of the plumbing differ, and each is specified here. First, geography: no NCUA equivalent of the Summary of Deposits exists, so deposit geography is proxied by a routing rule based on the FOM fit ratio (the institution's reported potential membership divided by the population of its charter field of membership). Fit of 0.75 or higher routes to field-of-membership county weighting; 0.50 to 0.75 routes to FOM weighting with a disclosed flag; below 0.50 falls back automatically to branch-presence weighting, as does any self-labeled community charter with a non-contiguous multi-state footprint or a sub-county occupational-origin field. The routing applied to each institution is recorded with its score, and member-data verification through DMI Verified replaces the geographic proxy entirely. Second, composition: share certificates (ACCT_908C over ACCT_018) stand in for time deposits, and uninsured shares are ACCT_068A, which reconciles exactly with insured shares to total shares. Third, succession capacity: charter trust powers do not exist in the credit union system, so the two markers are a member wealth or investment program and IRA and Keogh balances (ACCT_906C). At the institution-report tier the wealth flag is research-verified against the NCUA CUSO registry and institutional disclosures and is labeled research-based, because the 5300 carries no CUSO service-type field; at national scale the automatable proxy is total CUSO investment (ACCT_851 greater than zero), which errs toward understating credit union exposure. Privately insured credit unions are outside the federally insured national file and are scored only on request, with insurer disclosure.

3c. National-scale scoring rules

Two rules govern the full-population runs. Institutions whose branch-geography coverage falls below 20 percent of call-report deposits, including de novo institutions without a Summary of Deposits filing, branchless digital banks, and foreign-bank branches, are classed unscored for insufficient geography rather than estimated. A small-bank composition variant, weighting the time-deposit ratio alone where estimated uninsured deposits are unreported, is implemented and documented; in the current data it is exercised by no institution, because uninsured deposit reporting is now universal.

3d. Report-tier analytics

Institution reports additionally present two companion analytics computed from the same pipeline. Neither enters the composite score, and both are labeled as analytics alongside the index. First, the growth ledger: trailing three-year deposit (or share) growth, a Growth Coverage Ratio defined as the trailing growth rate divided by the annualized net runoff rate, and, for credit unions, net member growth against estimated annual member deaths from the footprint mortality model. Merger and acquisition activity in the trailing window is flagged from FDIC structure records for banks and from NCUA Merger Activity and Insurance Report records for credit unions, maintained as a versioned artifact refreshed quarterly, and all trailing figures carry a disclosure that the window includes the 2023 industry deposit cycle. Second, the horizon view: approximate at-risk dollars at one-, five-, and ten-year horizons. One- and five-year cumulative band mortality is derived from the same SSA period life table vintage as the frozen ten-year vector, evaluated at band midpoints and scaled so the ten-year values reproduce the frozen vector exactly (one-year: 0.00092, 0.00192, 0.00386, 0.00857, 0.01774, 0.04872; five-year: 0.00519, 0.01062, 0.02238, 0.04929, 0.10047, 0.26910, for the six bands in order). Horizon figures pass through the same spousal-retention and heir-attrition netting, are rounded and presented as approximations, and the ten-year row equals the report headline at-risk figure by construction. Reports also present: asset-class median context for the composite, runoff, age concentration, and components, computed across scored institutions only, shown as aggregates with no named peers, and cached at the national data vintage and refreshed with each national re-score; a per-band allocation of at-risk dollars, scaled to sum exactly to the headline figure; replacement-spread sensitivity at 100, 200, and 300 basis points; a national rank and an asset-class rank among scored institutions of the same charter type, computed by competition ranking on the composite at generation time, where rank 1 denotes the least exposed institution, stated with the vintage of the national scoring, and constituting a derived presentation of the composite rather than any additional measurement; a cost-of-waiting comparison of average annual at-risk in years one through five versus six through ten, derived from the horizon vectors; and, where the succession component is above zero, an arithmetic illustration of the composite with that component at zero, computed directly from the published weights and labeled as an illustration of the index weights rather than a projection. Reports also present a replacement-economics note comparing the funding and relationship costs of replacing runoff against retaining existing relationships. Unlike every other figure in the DMI, the acquisition-cost references in that note are not derived from regulatory data: they are industry benchmark figures and publicly observable acquisition offers, maintained in a versioned artifact with a stated vintage, refreshed on the standing cadence, and presented as context only. No benchmark figure enters any score.

4. Data sources and exact fields

Input	Source	Exact field / table	Vintage used
Branch deposits by county	FDIC Summary of Deposits	DEPSUMBR, STCNTYBR via FDIC API	June 30, 2025
County age distribution; median age	Census ACS 5-year	Table S0101 by county FIPS	2023 vintage
Deposit dollars by household age	Federal Reserve SCF	Percent holding × conditional mean, transaction accounts + CDs, by age of reference person	2022 survey, published tables; verified September 2026
Mortality	SSA Actuarial Period Life Tables	10-yr cumulative probability at band midpoint	Current table
Total deposits; time deposits; uninsured	FFIEC Call Report via FDIC Financials API	DEP (RCON2200); NTRTIME (Sch RC-E); DEPUNINS (Sch RC-O Mem. 2, RCON5597)	March 31, 2026 (June 30, 2026 from the October 2026 scoring)
IPC-eligible deposit share	FFIEC Call Report	Schedule RC-E line 1: RCONB549 + RCONB550, over DEP	March 31, 2026 (June 30, 2026 from the October 2026 scoring)
Credit union shares, certificates, uninsured, IRA/Keogh, CUSO investment	NCUA 5300 Call Report	ACCT_018; ACCT_908C; ACCT_068A; ACCT_906C; ACCT_851	Q1 2026 (Q2 2026 from the October 2026 scoring)
Credit union geography	NCUA branch records; charter FOM definitions	Branch county presence; FOM county lists	Current
Trust powers; fiduciary income	FDIC institution records; Call Report	TRUST flag; IFIDUC / RIAD4070 (Sch RI 5.a)	Current / March 31, 2026
Market definitions	OMB CBSA delineation	County FIPS to CBSA mapping, metro + micro	Current delineation
Behavioral parameters	Cerulli; BofA Institute; Financial Brand/Alloy Labs	Heir attrition; spousal transfer structure; community-bank depositor age	2021-2025 publications

5. Assumptions register

Every material assumption, its value, its basis, and the direction of error it could introduce. This register is the intended starting point for critique.

#	Assumption	Value	Basis	If wrong, scores are...
A1	Branch geography proxies depositor geography	Coverage-tested	SOD; coverage ratio disclosed, sub-80% flagged	Less reliable for digital/brokered-heavy books (flagged, not hidden). Account domicile can also lag holder residence: relocated customers whose accounts remain booked at the origin branch are placed where the relationship was formed, not where the holder now lives. Direction varies by institution; mobile or interstate customer bases are the strongest candidates for the Verified exercise, which replaces the proxy entirely
A2	Depositors mirror footprint population age	Structural	ACS join	Understated where bank customers skew older than their counties, the documented community-bank pattern ² ; the proxy is therefore conservative
A3	National dollars-by-age applies locally	SCF 2022 per-household means	No sub-national SCF exists	Modestly mis-scaled in atypical wealth geographies
A4	Band-midpoint period mortality	SSA tables	Standard actuarial practice	Slightly understated versus cohort tables for the oldest band
A5	Spousal retention offset	35%	Two-step transfer structure; ~\$54T horizontal ⁵ ; a modeling assumption, not an observed bank-retention rate	A retention parameter, not a mortality one; sensitivity published; replaced by a household-state model in v1.4
A6	Heir attrition	70%	Advisor-derived behavioral proxy: Cerulli >70% (2021); 80% observed (2025) ^{3,4}	Measures advisor-relationship disruption, not bank-deposit movement directly; conservative against observed behavior; scenario band (60/70/80) published with every estimate
A7	Age-factor anchors (39, 46, floor 0.5)	Fixed	National median age; oldest observed large market; residual single-market risk	C3 is 15% of the index; anchor sensitivity is second-order

#	Assumption	Value	Basis	If wrong, scores are...
A8	IPC-eligible book proxies the mortality-exposed book	RC-E line 1	Households plus owner-tied business carry mortality exposure; public funds and interbank do not	Upper bound at commercial-heavy banks (disclosed)
A9	CU geography routing rule	0.75 / 0.50 thresholds	FOM fit ratio; branch fallback	Flagged per institution; Verified reports replace the proxy

Known-issue register

KI-2026-01 (resolved in v1.3). Versions through v1.2 used a rounded placeholder balance vector in Step 3 (\$15K, \$35K, \$60K, \$75K, \$100K, \$85K) carrying an internal instruction to verify against published SCF tables before publication; the verification was not performed before launch. Performed in September 2026, it found the placeholder overweighted the 55-64 band: actual SCF balances are nearly flat from 45 through 64 and rise sharply at 65, where the placeholder assumed a smooth climb. The corrected vector lowers scores nearly everywhere; the full effect is quantified in the Section 6 restatement note.

KI-2026-02 (standing condition). Step 3 applies no ownership-rate term because deposit-account ownership is near-universal across adult ages, bounding the omission at 0.6 percentage points of 65-and-over dollar share. This immateriality is a property of the current asset scope (transaction accounts and CDs only). If the balance base is ever broadened to assets with age-varying ownership, such as brokerage accounts or money market mutual funds, an explicit ownership term becomes mandatory.

6. Calibration and governance

Index scales invite a specific abuse: tuning after publication until the numbers tell a preferred story. The DMI's governance rule is one-time calibration, then freeze. The C1 scale (5.5 / 10.5) was set in July 2026 on the full pilot distribution computed from primary data, anchored to interpretable cases rather than cohort minima and maxima, and is frozen for all published scores. Component caps and tier thresholds were set simultaneously and are equally frozen. A formal Methodology Change Policy (September 2026, published separately) classifies every change: Class 1 editorial corrections change no figure and require a change-log entry; Class 2 input-fidelity changes improve measurement of unchanged concepts and require a dual run of every scored institution, a published restatement, a stated effective date, and free restated figures to recent report purchasers; Class 3 structural changes create a new index generation and require recalibration, a published crosswalk, and advance notice. Inputs refresh on their natural cycles: SOD annually each fall for the June 30 snapshot, call reports quarterly, ACS and SCF as new vintages publish; refreshing inputs does not constitute a methodology change.

The v1.3 restatement

With the October 2026 scoring, the index adopts corrected Step 3 balance weights drawn from published 2022 Survey of Consumer Finances figures, replacing the approximate vector used since launch (KI-2026-01). Under the Methodology Change Policy this is a Class 2 input-fidelity change: component definitions, weights, and tier thresholds are unchanged. Every scored institution was computed under both specifications. Effect: composite scores decline by a median of 2.6 points (5th to 95th percentile: -3.0 to -2.1 ; largest single change 3.6), with no institution scoring higher; 920 of 8,429 institutions move down one tier (664 Elevated to Moderate, 237 High to Elevated, 19 Severe to High); and the national ten-year expected transfer exposure declines from \$1.52 trillion to approximately \$1.46 trillion. The correction lowers the index's published estimates. Institutions that purchased reports on the outgoing specification within the preceding two quarters receive restated figures at no charge. Report vintages are labeled; figures published before October 2026 reflect the superseded specification and are not retroactively edited.

Change log

v1.0 (July 2026) established the pipeline and calibrated the C1 scale on the twelve-bank pilot. v1.1 added IPC-share scaling of at-risk dollars and published heir-attrition sensitivity at 60, 70, and 80 percent, restating one pilot at-risk figure materially (a Puerto Rico institution, on public-funds composition). v1.2 recalibrated tier thresholds once on the full national distribution before first publication and restated all pilot tiers; scores, scales, weights, and parameters were unchanged. v1.3 (September 2026, effective with

the October 2026 scoring) corrected the Step 3 balance vector to published SCF 2022 per-household deposit means (Class 2; restatement above; KI-2026-01 resolved) and made Class 1 editorial corrections: the component C3 reference corrected, the credit union engine reference corrected, fit-ratio geography routing declared governing for credit unions, IPC-dollar scaling clarified as implemented with rate-level scaling planned, terminology adopted (IPC-eligible book; actuarially expected transfer exposure), the spousal parameter restated as a modeling assumption, heir attrition restated as an advisor-derived behavioral proxy with the scenario band presented alongside every estimate, and standing condition KI-2026-02 added. The previously announced input rebuild (householder-age geography, SCF microdata balances with imputation variance, single-age mortality, a household-state transfer model, geography confidence scoring, and per-institution confidence grades) is designated v1.4.

7. Limitations and interpretation

The DMI is a screening estimate built from proxies, and its honest uses are ranking, trend, and triage, not decimal-point precision. Known limitations: institutions with material non-branch deposits are covered only to their disclosed SOD coverage ratio; the SCF reweighting applies national patterns locally; behavioral parameters are point estimates with published scenario bands; and mortality-driven runoff is a consumer phenomenon, so heavily commercial institutions are better read through an IPC-eligible-book lens. At-risk dollar estimates are scaled by the institution's IPC-eligible share as of v1.1; the C1 rate itself is not scaled, and rate-level scaling remains a planned refinement. This distinction is intentional: the dollar figure answers how much money is exposed, while the rate preserves comparability of the actuarial schedule across institutions. A score is not a judgment of safety or soundness: an institution can be superbly capitalized and still face demographic amortization of its deposit franchise. The intended executive reading of any score is a sequence of three questions: is our runoff percentage high for structural reasons (footprint, mix) we should price into funding plans; which component is binding; and does our capability actually reach the part of the book where the at-risk dollars sit. Individual institution engagement can replace footprint proxies with the institution's own anonymized age-of-account-holder data for a materially sharper estimate, and any institution may review the inputs applied to it at no charge.

References

1. Cerulli Associates, U.S. wealth transfer projections through 2048 (\$124 trillion).
2. The Financial Brand, "The Wealth Transfer Problem No One Talks About," August 2025, citing Alloy Labs Alliance study of 40 community institutions.
3. Cerulli Associates, "Aging Boomers Bring Intergenerational Planning to the Forefront," 2021.
4. Cerulli Associates heir retention survey, September 2025, as reported by CNBC, October 2025.
5. Bank of America Institute, research on horizontal wealth transfer to surviving spouses, 2025.

6. Social Security Administration, Actuarial Period Life Tables; Federal Reserve Board, Survey of Consumer Finances 2022 (published tables); FDIC, Summary of Deposits and Financials API documentation; OMB, Core-Based Statistical Area delineation files.

The Deposit Mortality Index is a research estimate derived entirely from public data using the methodology disclosed herein. DMI scores are not credit ratings, examination ratings, or assessments of safety and soundness, and no score implies that any institution is unsafe, unsound, or unable to meet obligations. Nothing herein is investment, legal, or deposit placement advice. Prismm (Wunderwood Corporation d/b/a Prismm) provides estate orchestration infrastructure to financial institutions; institutions appearing in DMI research may be current or prospective commercial counterparties, and this interest is disclosed. Institutions may contact support@getprismm.com to review inputs applied to them or to provide corrected data. Copyright 2026 Wunderwood Corporation.

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