Today's Menu

The State of CU Retailing
Internet Retailing Phase 2

The State of CU Analytics
Database growth on steroids...at CU*Answers, and at your credit union

The State of the CU Industry
What some call consolidation, I call *recombination*...are we ready?

3 New Emerging Job Categories – New Hats To Wear

Internet Retailing

- Vice President of Internet Retailing
- EVP, Virtual Channel Solutions
- Manager of Social Media Interactions
- Manager of the Mobile App Suite
- VP, Regional Virtual Branch Network

Analytics & Data

- VP of Data Acquisition & Management
- Manager of Coordinated Database Design
- Director of Analytics
- VP of What-We-Know-About-Our-Members
- VP of What-We-Know-About-Our-Operations
- EVP, Distributed Information & Marketplace Communications

Corporate Growth

- EVP, Director of Regional Corporate Growth
- SVP for Marketplace Development & Alliance Sales
- Manager of Process Consolidations
- Director of M&A
- Chief Financial Analyst for Corporate Acquisitions

3

Are these the people that may someday make the call when it comes to the products you pick and the strategies in which you invest?

Would you like fries with that?

WHY WE PICKED THIS THEME

- To focus you on **your retailing strategies**: responding to members
- To focus you on **refining your corporate retailing to peers**: responding to a consolidating industry
- To focus you on **your internet retailing**: automated responses to data
- "What's next?" was already taken by another vendor's conference and we needed an alternative

AN UNCOMFORTABLE SIDE EFFECT OF THIS THEME

- Dealing with the craze of a crazy Ronald McDonald
- "Would you like fries with that degree?"- slamming the financial logic behind going to college
- What you might find yourself saying a hundreds times a day if you cannot make your business work
 - A call-out to the CU industry (or Randy if he can't deliver online membership opening)

4

Let's see how one client interpreted this theme
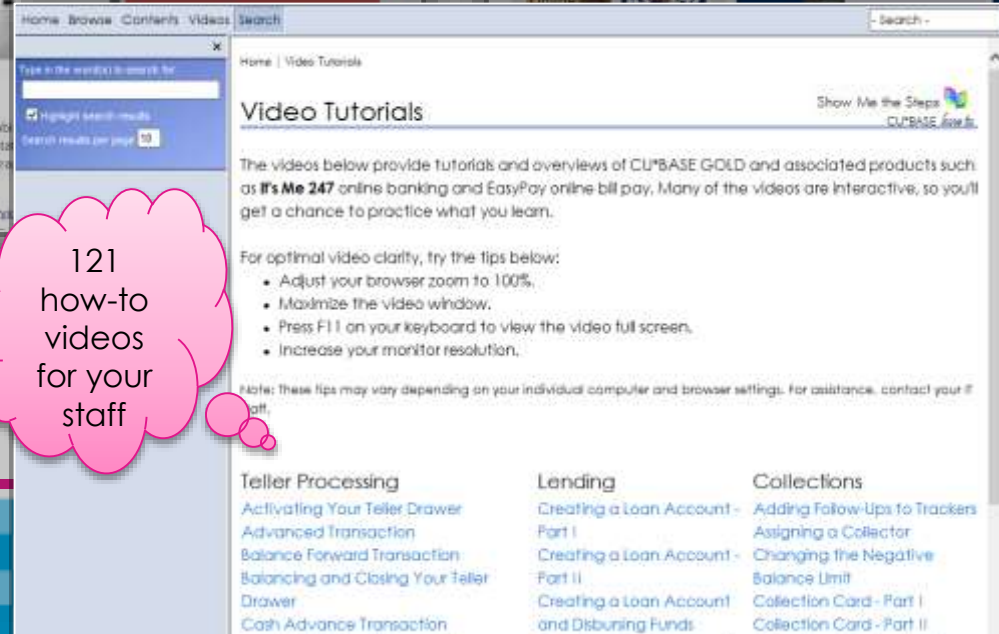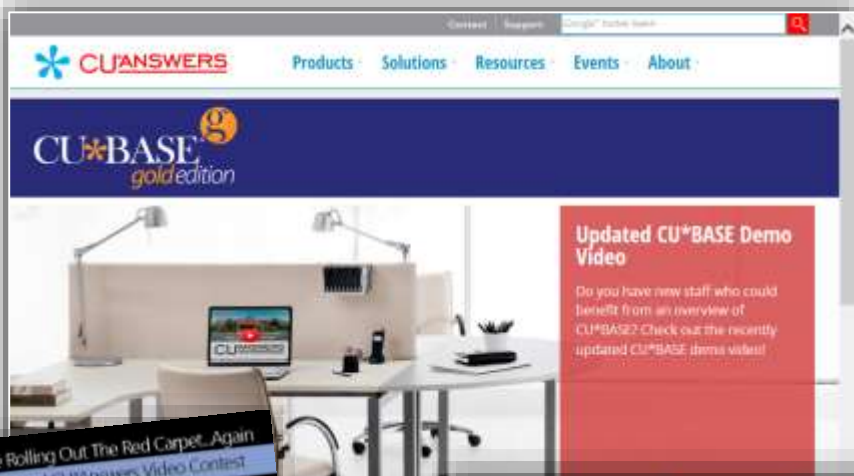
Presence Over Video: Year 2

- POV is a program to change the culture of our network, in anticipation of a new way of doing business for decades to come
  - Education over video
  - Entertainment over video
  - Everyday interactions over video
  - Redefining travel expense over video
  - Redefining meeting expense over video
  - Archiving intellectual assets over video
  - New skills for resumes based on video talent
  - Everyone's look and feel influenced by video

5
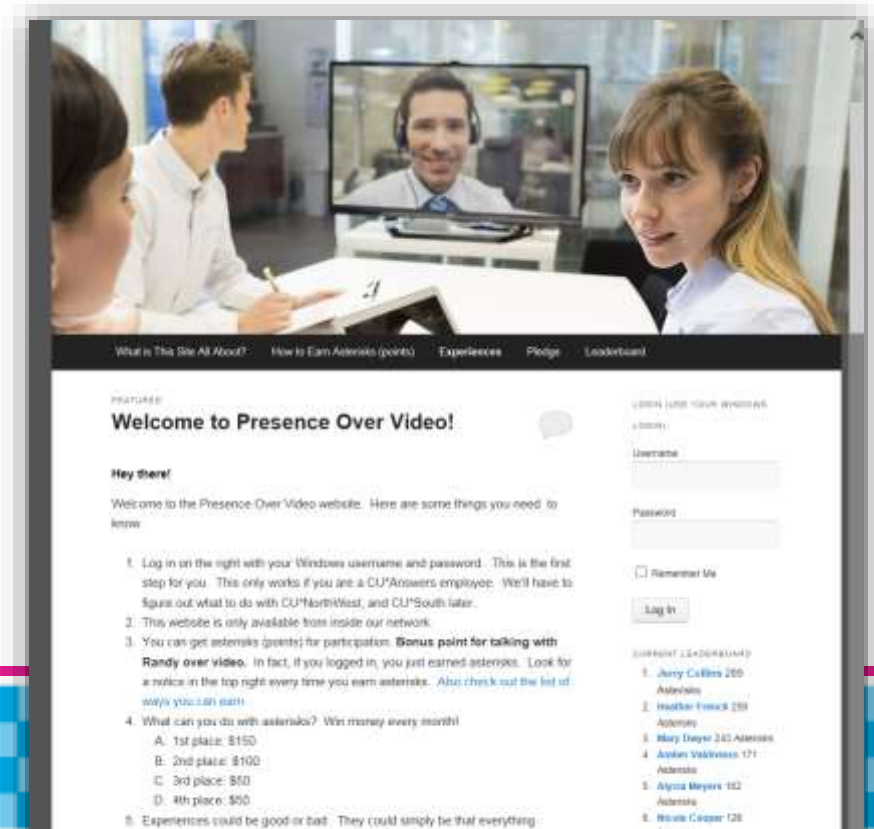
Presence Over Video: Year 2

BEING EVERYWHERE, ALL OF THE TIME

7 how-to videos for your members

121 how-to videos for your staff

Presence Over Video: Year 2

BUILDING NEW TRADITIONS FOR CLIENT INTERACTIONS: REAL MONEY FOR REAL RETURNS

POV Initiative

Client Services & Education and SettleMINT

Totals for POV Initiative - Client Services

Month	Total BP	Total WebEx	Total Communicator	Total Skype	Total
December	3	5		1	9
January		13	10	2	25
February		2			2
March	3	22	39		64
April	7	43	34	5	89
May	7	40	46	14	107
June	1	1	3		5
July					
August					
September					
Totals	21	126	133	21	301

Totals for POV Initiative - SettleMINT Team

Month	Total BP	Total WebEx	Total Communicator	Total Skype	Total
December					
January		2			2
February					
March	3	4	4		11
April		15	15		30
May		11	26	1	38
June		1	25	1	27
July					
August					
September					
Totals	3	33	70	2	108

One Year of Webex
126 web conferences
2,516 connections
2,730 attendees

Our goal is to see you, and have you see us, more than ever, but do it in a way that is less intrusive, less costly, and more likely to build a relationship for years to come

Are you ready to drive your own education platform?

- If you have the focus and will prioritize the effort, a custom training environment might take your team to new heights when it comes to understanding what you can do with CU*BASE

- Think about taking things up a notch in 2016

It's not without an investment, so make sure your good intentions get the effort that will earn you a return

Presence Over Video: Year 2

What will video mean to the evolution of branches?

- One of the initiatives we have going with Buffalo Pacific is the development of turn-key **micro-branches**
    - Branches designed to make video services the center of a retail presence

Omni-Contact

OMNI MICRO BRANCH 960

BUFFALO PACIFIC

COMMUNITY FINANCIAL SERVICES TERMINAL

BUFFALO PACIFIC

COMMUNITY FINANCIAL SERVICES TERMINAL
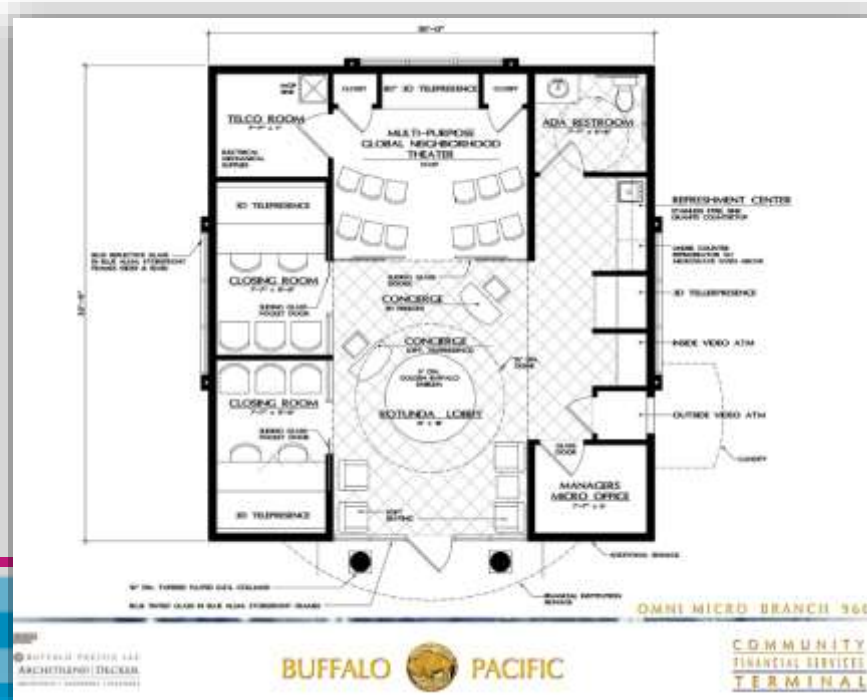
Whether you start with video embedded in branch architecture or appended to your current branches, new video tactics will be a big part of your future

9

10

As I prepare the 2016 budget, what is the right amount to spend on streaming videos and new techniques for events like today?

New Peers to Greet

Michigan
- **Battle Creek CCU**
  Battle Creek, MI
- **Chief Financial CU**
  Pontiac, MI
- **Monroe County CCU**
  Monroe, MI

Illinois
- **Western Illinois CU**
  Macomb, IL

Pennsylvania
- **Century Heritage CU**
  Pittsburg, PA
- **Everence FCU**
  Lancaster, PA
- **SPE FCU**
  State College, PA
- **Viriva CCU**
  Warminster, PA

Iowa
- **MEMBERS1st CCU**
  Marshalltown, IA

Massachusetts
- **Commonwealth Utilities ECU**
  Marison, MA

New York
- **The Finest FCU** *(de novo)*
  New York, NY

Washington, D.C.
- **Department of Labor CU**
  Washington, D.C.

Indiana
- **Chiphone CU**
  Elkhart, IN

Maryland
- **Destinations CU**
  Baltimore, MD

Ohio
- **University of Toledo CU**
  Toledo, OH

New CU*Answers Clients Since Last Time

Includes all CU*Answers clients currently under contract

12

CU*ANSWERS
A Credit Union Service Organization

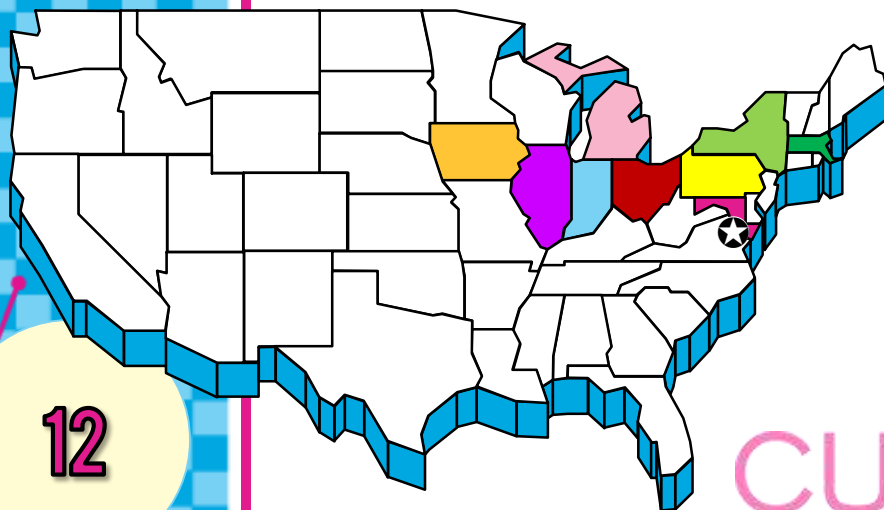# The Target of Our Network's Retailing

# of Mbrs by State

- Michigan (768700)
- Wisconsin (305200)
- Ohio (179400)
- Indiana (130800)
- South Dakota (63400)
- Illinois (59800)
- Pennsylvania (51400)
- Minnesota (45500)
- Texas (45100)
- California (37900)
- Florida (37900)
- New York (33500)
- Washington (31000)
- Iowa (28100)
- Alabama (23700)
- Connecticut (22400)
- Louisiana (21400)
- Oregon (21200)
- Georgia (20500)
- Maine (18200)
- Massachusetts (17900)
- District of Columbia (16400)
- Mississippi (15300)
- North Carolina (11900)
- Montana (11100)
- Utah (11100)
- Kansas (8300)
- Virginia (8300)
- Maryland (7800)
- Alaska (7400)
- Colorado (4900)
- West Virginia (4700)
- New Jersey (4300)
- Missouri (1500)
- South Carolina (600)
- Delaware (300)

CU*BASE Credit Unions:
258
Total Members:
2,076,900

cuasterisk.com

13

Includes all cuasterisk.com network partners, all clients currently under contract

# of Mbrs by State

- Michigan (768700)
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- West Virginia (4700)
- New Jersey (4300)
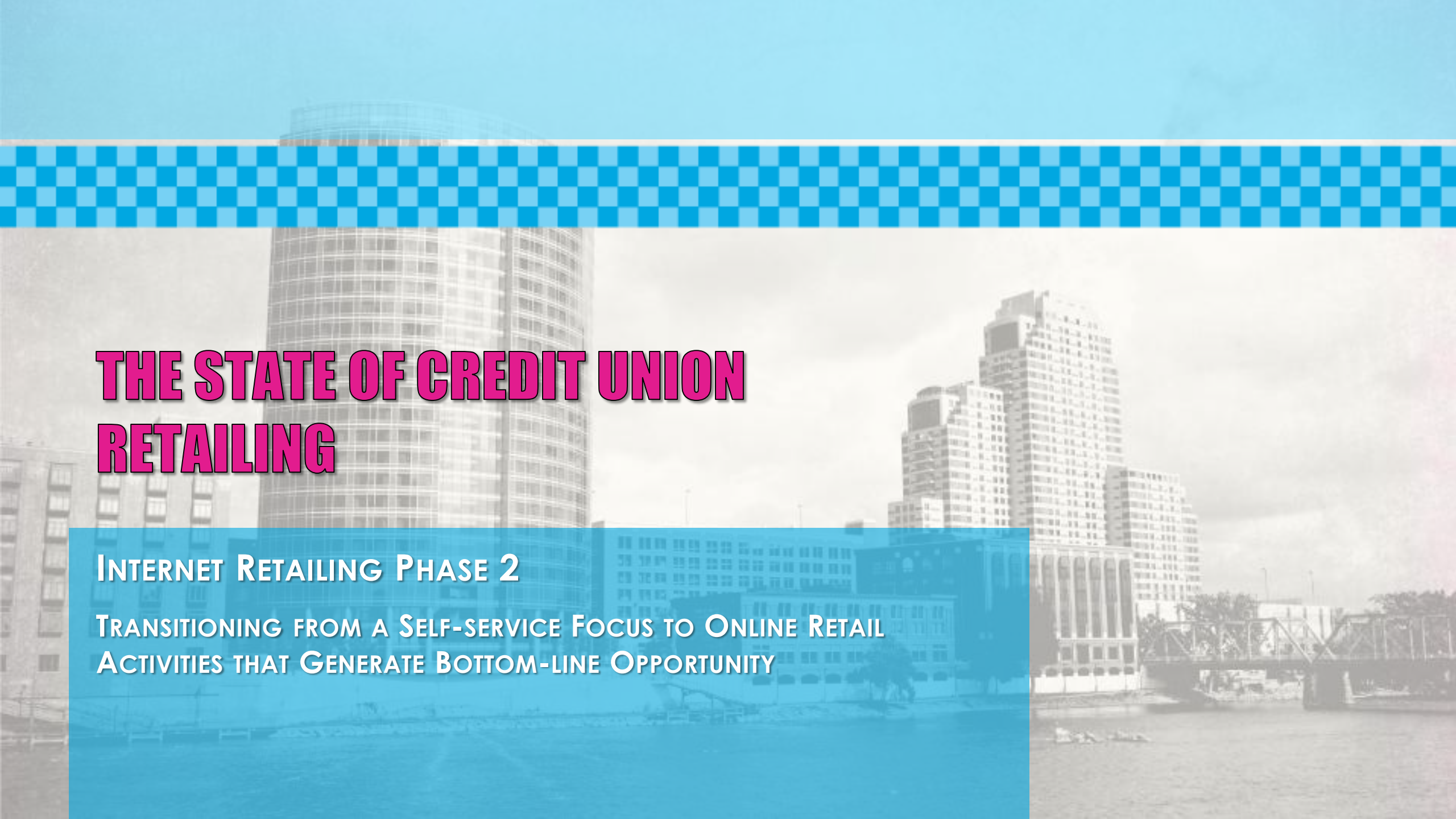- Missouri (1500)
- South Carolina (600)
- Delaware (300)

If 80% of these members (1.7 million) do not visit a branch more than twice in a year, wouldn't you say it's time we collectively invest and prioritize reaching out through the Internet like never before?

Total Members
2,07_,900

cuasterisk.com

Includes all cuasterisk.com network partners, all clients currently under contract

THE STATE OF CREDIT UNION RETAILING

INTERNET RETAILING PHASE 2

TRANSITIONING FROM A SELF-SERVICE FOCUS TO ONLINE RETAIL ACTIVITIES THAT GENERATE BOTTOM-LINE OPPORTUNITY

- Sometimes it's hard to get a good sense of how we respond to members online
  - Insiders don't often take the time to witness how online tactics add up to online retailing
- Here's a video that might get you thinking that it's time to audit your tactics and make sure you are ready to write a strategic plan as an Internet Retailer
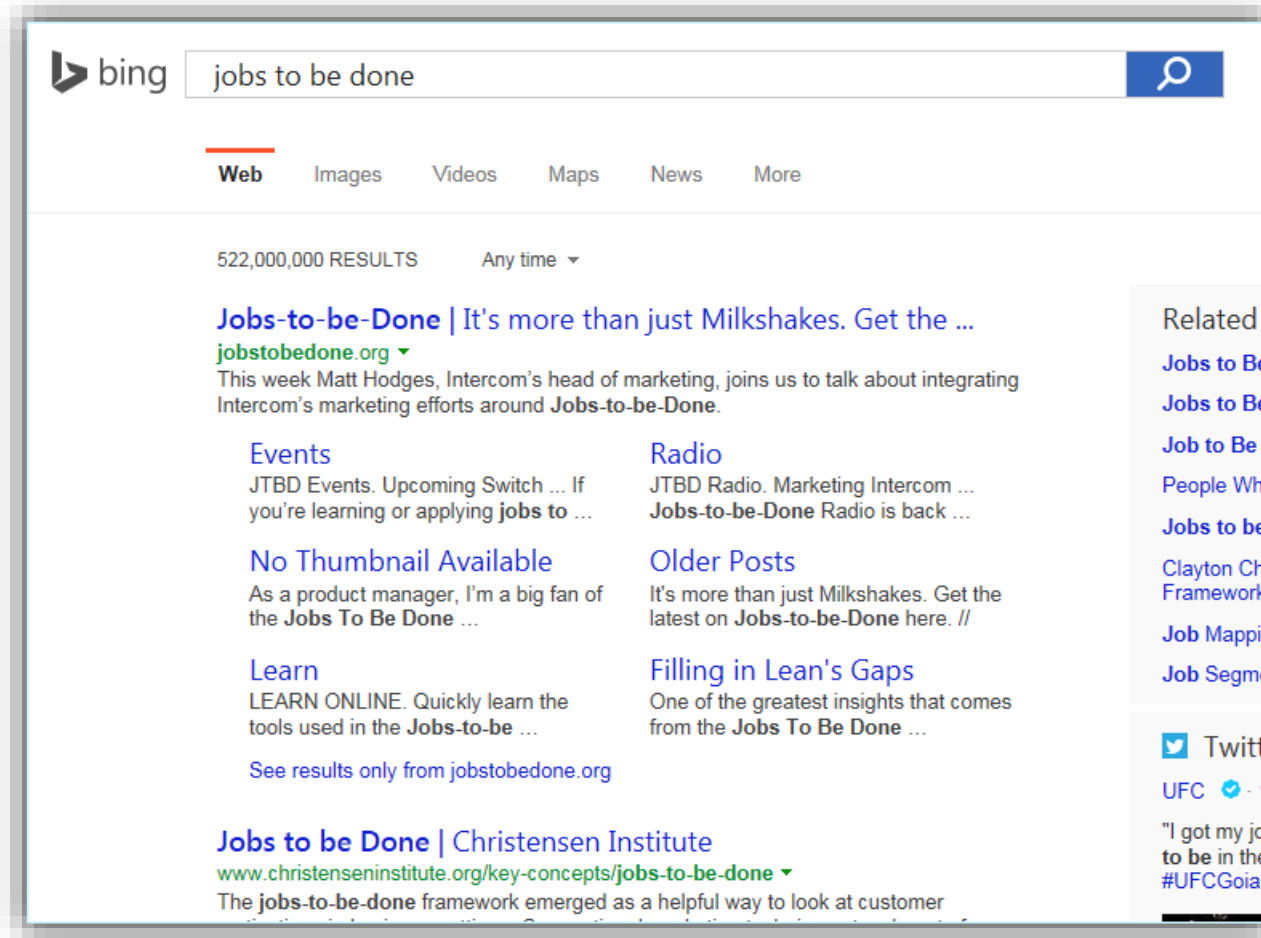
- Self service implies people already know they want the service

- Nothing is inherently convenient – you need to sell someone on your edge

- It takes two to have a conversation – what is your automated response to member inquiry?

- Most dances are choreographed well ahead of the actual dance – is your sales strategy just too reliant on your members' left feet?

A Business Development Theme for the Day

Clayton Christensen, Harvard Business School

University of Phoenix
proudly presents

bing jobs to be done

Web   Images   Videos   Maps   News   More

522,000,000 RESULTS   Any time ▾

Jobs-to-be-Done | It's more than just Milkshakes. Get the ...
jobstobedone.org ▾
This week Matt Hodges, Intercom's head of marketing, joins us to talk about integrating Intercom's marketing efforts around **Jobs-to-be-Done**.

Events
JTBD Events. Upcoming Switch ... If you're learning or applying **jobs to** ...

Radio
JTBD Radio. Marketing Intercom ... **Jobs-to-be-Done** Radio is back ...

No Thumbnail Available
As a product manager, I'm a big fan of the **Jobs To Be Done** ...

Older Posts
It's more than just Milkshakes. Get the latest on **Jobs-to-be-Done** here. //

Learn
LEARN ONLINE. Quickly learn the tools used in the **Jobs-to-be** ...

Filling in Lean's Gaps
One of the greatest insights that comes from the **Jobs To Be Done** ...

See results only from jobstobedone.org

Jobs to be Done | Christensen Institute
www.christenseninstitute.org/key-concepts/**jobs-to-be-done** ▾
The **jobs-to-be-done** framework emerged as a helpful way to look at customer

Related
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Clayton Ch Framework
Job Mappi
Job Segme

🐦 Twitt
UFC ✓ ·
"I got my jc to be in the #UFCGoia

18

Internet Retailing is rethinking why you get hired to do something, and how you get an edge in being the best way to *get* the job done

Jobs-To-Be-Done Definition

- Customers hire products and services to get jobs done
  - Customers want to solve a particular problem
- As we approach better designs as Internet retailers, with the goal of getting hired, we need to consider 3 elements:
  - What is the problem to be solved?
  - Who needs the problem solved?
  - What is the circumstance of the problem?
- Brainstorming should produce a series of jobs-to-be-done statements:

{User} wants to {solve a problem} in {this circumstance}

- The trick is figuring out how to sell that you have jobs-to-be-done solutions, from the member's perspective

19

How many jobs-to-be-done statements can you find in your Internet presentations?

WE'VE BEEN HERE A LONG TIME, DID WE ALL KNOW IT? CAN WE NOW LEVERAGE IT?

- Some of the largest CUs in the country are joining Callahan and rethinking how these two ideas can really change how we as an industry define our approach to business
  - Imagine if market segmentation got it all wrong when it comes to focusing on age demographics instead of the job to be done
  - Imagine if we are all over-building to over-serve, and abandoning designs that meet the mark with our members
- For us, it might be back to the future...can you see it?

CALLAHAN ASSOCIATES

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Remember, there are 522 million comments online about jobs-to-be-done

Lots of opinions...you need to decide on your own

Members vs. Shoppers

- Per Wikipedia:

> Online shopping (sometimes known as e-tail from "electronic retail" or e-shopping) is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the Internet using a web browser...**An online shop evokes the physical analogy of buying products or services at a bricks-and-mortar retailer** or shopping center

- For many CUs, being an Internet Retailer starts with thinking through whether or not you see members as "shoppers" or people you simply serve
- Google this: "selling to shoppers"
  - Consider the difference between how you see yourself in your lobby and how you might need to tweak that for your online store
- Getting your team out of their comfort zone is key to designing a new experience

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From a core provider's perspective, we need technical solutions that sharpen our toolkits for shoppers

INTERNET RETAILING PHASE 2

1

It's Time to Move from Tactics and Silo Solutions to a Comprehensive Strategic Plan

Version 1.0 due 2016

2

Declaring an Internet Retailing Evolution

We can sell online to an audience of shoppers

3

We Know Mobile is a Different Beast

We're ready to learn a new game and push CU*Answers into the business

INTERNET RETAILING PHASE 2

1

It's Time to Move from Tactics and Silo Solutions to a Comprehensive Strategic Plan

Version 1.0 due 2016

Declaring an Internet Retailing Evolution

We can sell online to an audience of shoppers

We Know Mobile is a Different Beast

We're ready to learn a new game and push CU*Answers into the business

- Our network has made collaborative investments with the focus of winning at the old game as we invest in the new one
  - To that end, we created an online infrastructure around low investment, low maintenance, and passive strategies
- The future demands that we retool our collaborative investment and up our game
  - Same design spec: disruptive price, broad access, and shared execution… but a new game all the same

- Invest in new production assembly lines with 10-year expectations
- Collaborative investments that support dynamic maintenance
- Strategies that blur the lines between tactical silos
- Go "omni" – author the experience
- Multiply the number of chefs in the kitchen
- Self service → opportunity expansion

24

Whether it be the way we serve you or the way you serve members, our network culture needs to add some new tricks

The Landscape is Changing

1. CU websites were supposed to be the place that sold the member on what they wanted and the opportunities at the CU
2. The idea was for members to leave the website with the intent to do something

3. OBC was designed to communicate online issues and cover the basics for security education and announcements
4. It has evolved with some sales and marketing for the unauthenticated user

5. Online banking was classically a processing center designed to be used by efficient members who under-stood what they wanted
6. It has evolved to sell higher utilization of itself...maybe not credit union opportunities

25

Many people think we can play the same game – the same 3 concepts to delineate credit union from vendor, the same 6 underlying principles – and still be successful with mobile

We all need to think again

Activate a Community of Internet Retailers

BUILD A SUSTAINABLE VENDOR MODEL FOR TOOLS AND FOR THE SUPPORT NEEDED FOR SUCCESS

- **Goal #1:** Create a community that believes it can afford to implement new online store strategies and sell as well as serve members online, like never before
  - Design with the intent to include everyone, with pricing that fits
- **Goal #2:** Blur the lines between websites, online banking, mobile, social media, etc., and write technical applications to support an omni-channel approach
  - Bring new development assembly lines online for APIs and mobile solutions
- **Goal #3:** Develop a new set of content management systems that can include graphics and core-independent parameters that can easily be used to generate web-based solutions
- **Goal #4:** Develop an online support center and staff it with client service reps who can help CUs keep their Internet retailing tools fresh, comprehensive, and dynamic for their members
  - Announce the new Internet Retailing Support Center (IRSC) and CSR team

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Supporting a Network Focused on Dynamic Maintenance

Building New Content Management Systems, Breaking From Old Traditions

Whether OLB, mobile, or membership opening, during 2015 CU*Answers needed to invest in more content management infrastructure

Supporting a Network Focused on Dynamic Maintenance

■ This new team, armed with a new web-based service platform, will be the go-to place for Internet retailers to customize, brand, and activate fluid tactics for things like

- **It's Me 247** online and mobile
- Membership opening
- Booster pages
- Launch points and launch pads
- Websites and OBC
- etc…

■ We will need a service response, ready for a network on the go

29

While we're using these new content management systems behind the scenes today, you'll start using them in the 2016 business year

Preparing for the day when CUs will manage this themselves

Blurring the Lines: Omni-Channels

Multichannel retailing

From Wikipedia, the free encyclopedia
(Redirected from Omni-channel Retailing)

Multichannel retailing or **Omnichannel retailing** is the use of a variety of channels in a customer's shopping experience including research before a purchase.[1][2] Such channels include: retail stores, online stores, mobile stores, mobile app stores, telephone sales and any other method of transacting with a customer.[3] Social media are indispensable in the online purchase process. Transacting includes browsing, buying, returning as well as pre-sale and after-sale service.

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Omni-channel retailing gets me thinking about how we package our solutions in general...payments systems

Blurring the Lines

HOW DO YOU PLAN TO CONNECT THE DOTS AND HAVE A CONSTANT AWARENESS OF YOUR STRATEGY?

☑ Credit union website

☑ Online banking sites

☑ OBC

☑ Mobile websites

☐ Mobile apps

☐ Facebook

☐ Twitter

☑ SEG website

☐ Dealer website

☐ Shopping sites

- Today your strategic plan has to be dedicated to using all of the online assets that are available to you and your members
  - The ones where your members visit you
  - The ones where your members visit another retailer or their employer
  - The ones that are promoted by other Internet retailers
  - The ones that are virally attractive to online consumers *(Google, Facebook, etc.)*

The way you communicate with members about how they mix and match these assets is a different game today, and a new game CU*Answers wants to play

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Blurring the Lines: Omni-Payments

All Ways to Pay, Presented in a Simple, Comprehensive Approach

- Like weeds in a garden, we have created many terms for members to understand
  - Transfers, AFT, A2A, Bill Pay, P2P
- All of them mean take money out of my account and give it to another account, mine or someone else's

In development now

33

The Journey from EasyPay to the Future

- **Goal #1:** Develop a more agnostic approach to supporting any bill pay vendor a CU chooses
  - End the VAR relationship with Fiserv and use Fiserv as the template for CU-Managed Integrations
- **Goal #2:** Continue to work closely with a small set of bill pay vendors as business allies
  - Renew our relationship with iPay and continue to enhance our SSO VAR model
- **Goal #3:** Develop a CUSO-owned user interface for bill payments via online or mobile banking
  - Engage a new relationship with Payveris and present a new approach
- **Goal #4:** Develop a migration path for all network credit unions to select and create the member experience of their choice
  - Rolling out as early as July 2015 with some hard deadlines for Fiserv clients

The Next Generation of Bill Pay

65% of Network CUs Face a Change in 2016

Development/Rollout Timelines

Integration Option	When More Details Will be Available	When We'll Be Ready to Start Scheduling Conversion Dates	Contact
Payveris via CU*Answers (VAR Integration)	June-July 2015	October 2015	Payveris and the CU*Answers SettleMINT team
iPay via CU*Answers (VAR Integration)	August-September 2015	November 2015	iPay and the CU*Answers SettleMINT team
Fiserv via Fiserv (CU-Managed Integration)	October-November 2015	December 2015	Fiserv and the CU*Answers SettleMINT team

http://www.cuanswers.com/resources/kitchen/bill-payment-integrations-a-new-future-for-the-network/

Current Points	235
Previous Points	152
View Point Details	

Quick Pay

My Bills

3 eBills Due

Messages

Bill Pay Notifications

Messages

Members

Step 2: P
Begin by ty
or organiza
your payee
our system
list.

Verizon W

Step 3: E

Acco
digit

35

#1 Goal For Today:
Get your team ready to do the due diligence and think through your options
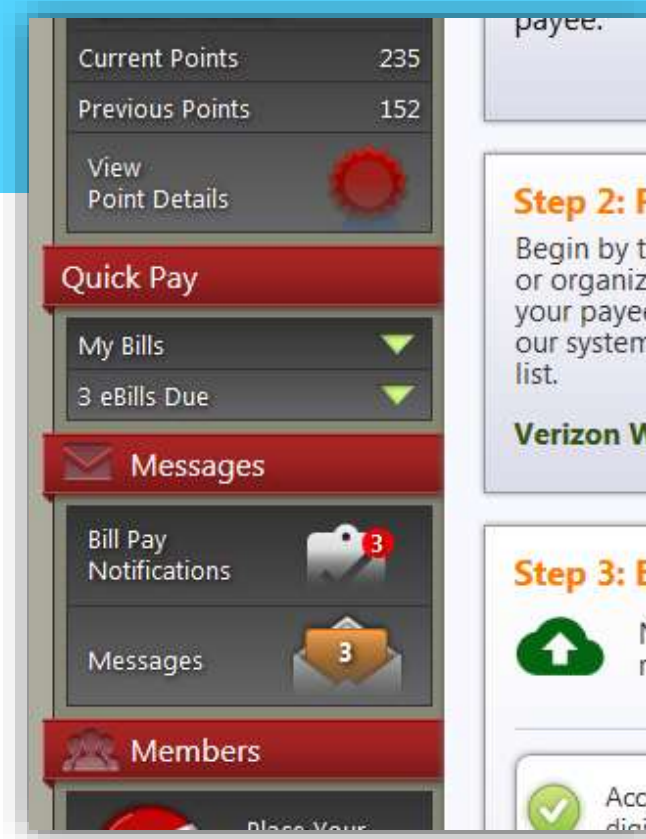
The Next Generation of Bill Pay

65% OF NETWORK CUs FACE A CHANGE IN 2016

- It's going to be a year of selling these options to credit union teams
- But today is about showing how you can track along and do some early due diligence
  - It's not easy to say, "I hope you choose x," because it's about your agenda, how you see your contract options, how you evaluate the migration process, and what your 2016 project list looks like
- We're going to soft-sell this right now, but get ready, the hard-sell is right around the corner

NEW! The Payveris Bill Pay Option

In 2014 CU*Answers made two investments that put us in the business of building our own, CUSO-owned bill pay experience. The first investment was for consulting services and practical hands-on familiarity with building a user interface for bill pay tools.

This is the future for an omni-channel payment system approach here at CU*Answers, giving both CU*Answers and your credit union more control than ever over your members' bill pay experience. As introduced in last year's Leadership Conference and CEO Strategies events, the new native user interface being designed by our development teams integrates payment tools throughout **It's Me 247** online and mobile banking.

Payveris was the first bill pay vendor who stepped up to be a founding partner for this new approach in the cuasterisk.com network. We are now completing the business integration with Payveris to develop a new alliance so credit unions can move their programs in this direction starting in the fall of 2015.

Our second investment was to invest directly into the Payveris company, so that we could own a piece of a bill pay vendor and get a better understanding of what it means to be a back-office bill pay provider. This equity investment, along with what our teams are learning from a practical standpoint, makes us confident that we have new foundation for years of evolution in this area.

- Read related comments from the 2014 Leadership Conference and 2014 CEO Strategies events
- View prototypes of the user interface

http://www.cuanswers.com/resources/kitchen/bill-payment-integrations-a-new-future-for-the-network/

Follow the Kitchen – more pictures and details will be available soon

The Next Generation of Bill Pay

A Picture is Worth a Thousand Words

Blurring the Lines: Member vs. Business Internet Retailing

IT'S MY BIZ 247 UPDATE

- **It's My Biz 247** is a specialty project looking for a market niche in our network
  - Today, 3 CUs are at various stages in their implementation
  - Less than 100 members use the system daily
- We're up in the air about whether to bend and blend certain processing rules in **It's My Biz 247** so it would have a broader appeal to credit unions and not-so-business members

38
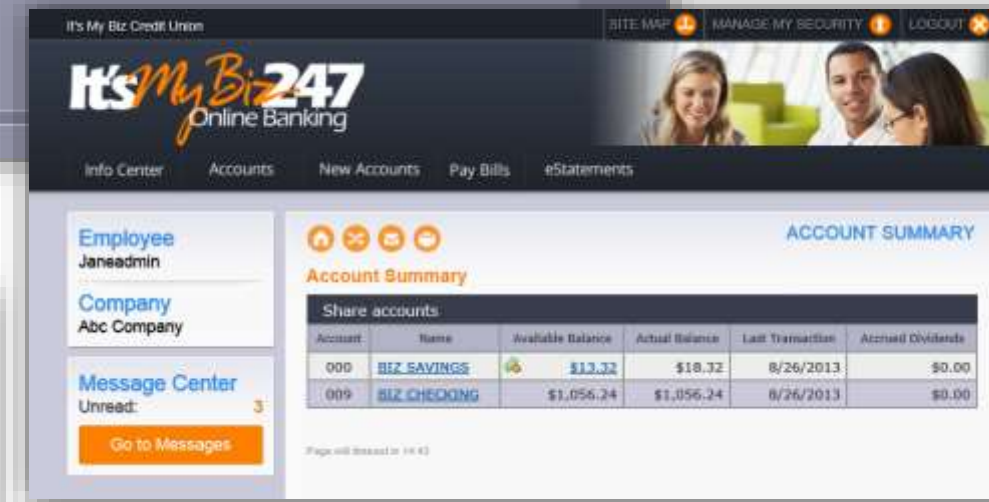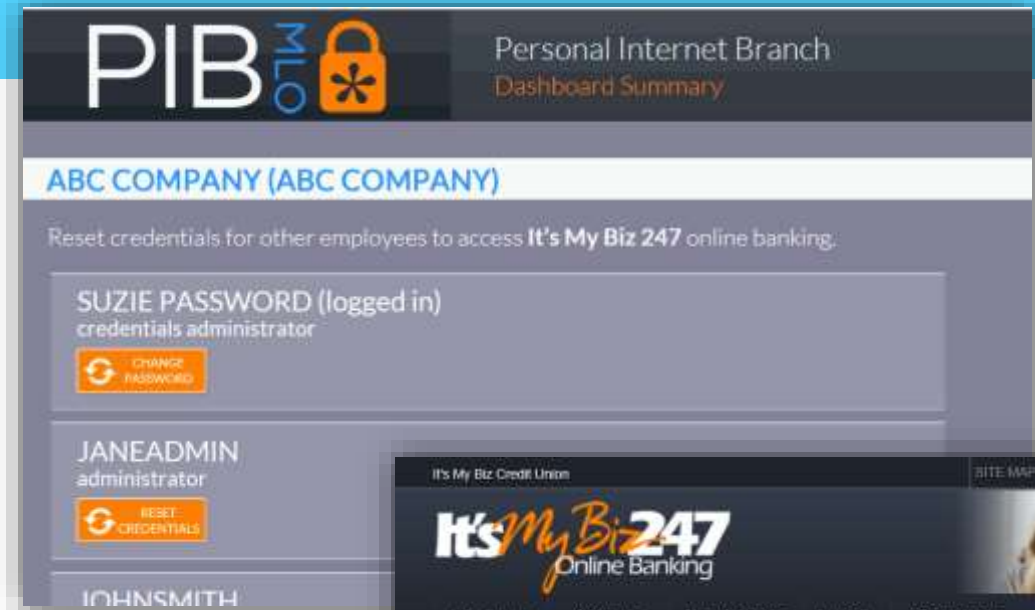
Look for more in 2016 as we find more CUs willing to move forward with this market segment

Blurring the Lines: ChatterYak

A Network Investment in Social Media

We're still learning what social media means to core processing tactics, but I'd look for big things in the M-Up projects

Blurring the Lines: Launch Pads

CU-DEFINED NAVIGATION: CREATING SOFT LINKS TO YOUR OTHER INTERNET RETAILING SOLUTIONS

- Today, you can make the solutions that yesterday's vendor had to hard-wire, available to your members yourself

- You should set the expectation that the smart member is ready to give you credit for hooking them up with an asset that's ready to get the job done

40

Helpful Links gives you a launch pad with multiple things for your members to pursue...but they won't find it on their own

Blurring the Lines: Launch Points

CU-DEFINED NAVIGATION (COMING SOON!)

In development now

41

Blurring the Lines: More Forms for Fulfillment

HOW CAN WEB SERVICES GET IN THE BUSINESS OF FORMS THAT LEAD TO MEMBER SOLUTIONS?

- To date, CU*Answers Web Services has been very careful about supporting forms on websites that identify a member, the fact that you even do business with the person, or any other kind of personal information

  - We have been tentative about Reg. P *(Privacy of Consumer Financial Information)*

- This has kept us from being aggressive as you need as Internet Retailers

- Here's a new service – talk to Web Services about it

> **"Personally identifiable financial information also includes the very fact that an individual is or has been your consumer** as well as any information disclosed in a manner that indicates that the individual is or has been your consumer. See § 216.3(o)(2)(i)(C)-(D)."

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Multiple Chefs in the Kitchen: SSO Tactics

Avoiding the #1 Irritant: "I have to sign on AGAIN?!"

■ In some cases, you can't just hook members up – you have to coordinate two vendors building a bridge for you

- That takes work, and investment – your investment or the CUSO's investment
- It takes diligence in understanding whether unique data is present on both sides so you find the right data
- You might have twice the work if you want your lobby services to be as convenient as your online services
- There's a difference between passing a member along, and two systems interacting on transactions

Vendor	Purpose	# CUs
Alloya Corp E	Check Images	12
Alloya Corp M	Check Images	5
Alloya Corp R	Check Images	26
Associated Bank B	Check Images	4
Associated Bank V	Check Images	1
Associoated Bank T	Check Images	4
Bank of the West	Check Images	1
Catalyst P	Check Images	7
Catalyst W	Check Images	12
Catch21	Check Images	3
CFS	Investments	13
Cleveland State Bank	Check Images	1
Corporate America	Check Images	8
Corporate One	Check Images	18
CU*Answers	Check Images	71
Eascorp	Check Images	2
EDOC	Check Images	8
ExpandaCheck	Check Images	1
Federal Reserve	Check Images	4
FIS	OTB CC	4
Fiserv	Check Images	15
Fiserv Bill Pay	Bill Pay	73
iPay Bill Pay	Bill Pay	62
MNIPC	Check Images	6
Money Desktop (MX)	PFM	50
Palmetto	Check Images	4
Prodraft Services	Check Images	1
PSCU	OTB CC	5
Southeast Corporate	Check Images	1
SunCorp	Check Images	4
Synergent	Check Images	1

43

CU*Answers Management Services must work harder to make SSO solutions more readily available across the board

Multiple Chefs: It Takes Many Vendors to Push a Document

- **Goal #1:** Emulate the Apple store and email an over-the-counter receipt, safely
  - Create a partnership with My Virtual StrongBox (MVSB), co-develop an API to move documents to safe, cloud-based storage, to be picked up by members
- **Goal #2:** Push any document via ProDOC to a member for archival, or even for a signature
- **Goal #3:** Find partners that can create a link between CU*BASE and **It's Me 247** online and mobile
  - Leverage the eDOC MVSB relationship and the API to work with any document pushed through CU*BASE
- **Goal #4:** Set the expectations in the minds of CU*BASE CUs that document transfer is a required core competency for all credit unions in the future
  - Think bigger and include remote signatures and more advanced cloud storage strategies

My Virtual StrongBox

CU*Answers Funds a New Future for All

http://www.cuanswers.com/resources/doc/its-me-247-reference/#M

When you look back, I hope you'll cite 2015 as the year you started an across-the-board remote exchange strategy with your members

CU*Answers Imaging Solutions

- Today this is a 7-member team working in GR, focused entirely on specialized CU*BASE and **It's Me 247** applications related to imaging
  - A strategy leader, 3 account executives, and 3 programmers
  - Instrumental in coordinating vendor relationships
  - Designing new tools and services that move imaging tactics from an ancillary approach to a totally embedded one
- 2015-2016 Initiatives:
  - New remote signature solution that allows every CU*BASE form to be presented to a member remotely
  - Continue to drive the evolution of the ASP CU*Spy solution
  - Connect the dots between in-house image solutions and CU*BASE and **It's Me 247** tactics
  - Drive "40 Links" to the next level: Smart Links
  - Build a log manager quality control service for everyone

CU*ANSWERS
Imaging Solutions

Vault Manager

- How many places do we rely on log management today to help us sleep at night?
  - Audit Link (compliance)
  - Network Services (cybersecurity)
  - NEW! Vault Manager (image archival)

- The Imaging Solutions team is diligent about using Vault Manager for the CU*Spy network
  - Through release management, this team will also help in-house clients use this tool, as images become as common as breathing

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CU*ANSWERS Imaging Solutions
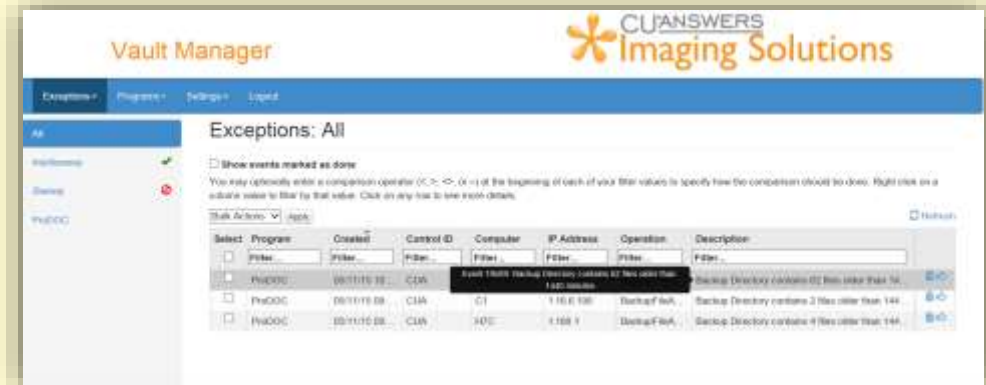
What if you lost 13,000 documents over the last two years...and no bells ever went off?

Out of sight, out of mind

Smart Links

Scan e-Document

View e-Document

Imaging Solutions

- ■ What started as fetching a cleared check image from our IP has morphed into getting any document from anywhere, any time, for anything

- ■ Goals for the project:

  - ■ A new multi-level configuration to support multiple vaults and vendors

  - ■ Develop framework for smarter, more specific fetch/scan links from CU*BASE to documents in the vault

  - ■ New programming infrastructure to make it faster to add new links from anywhere in CU*BASE
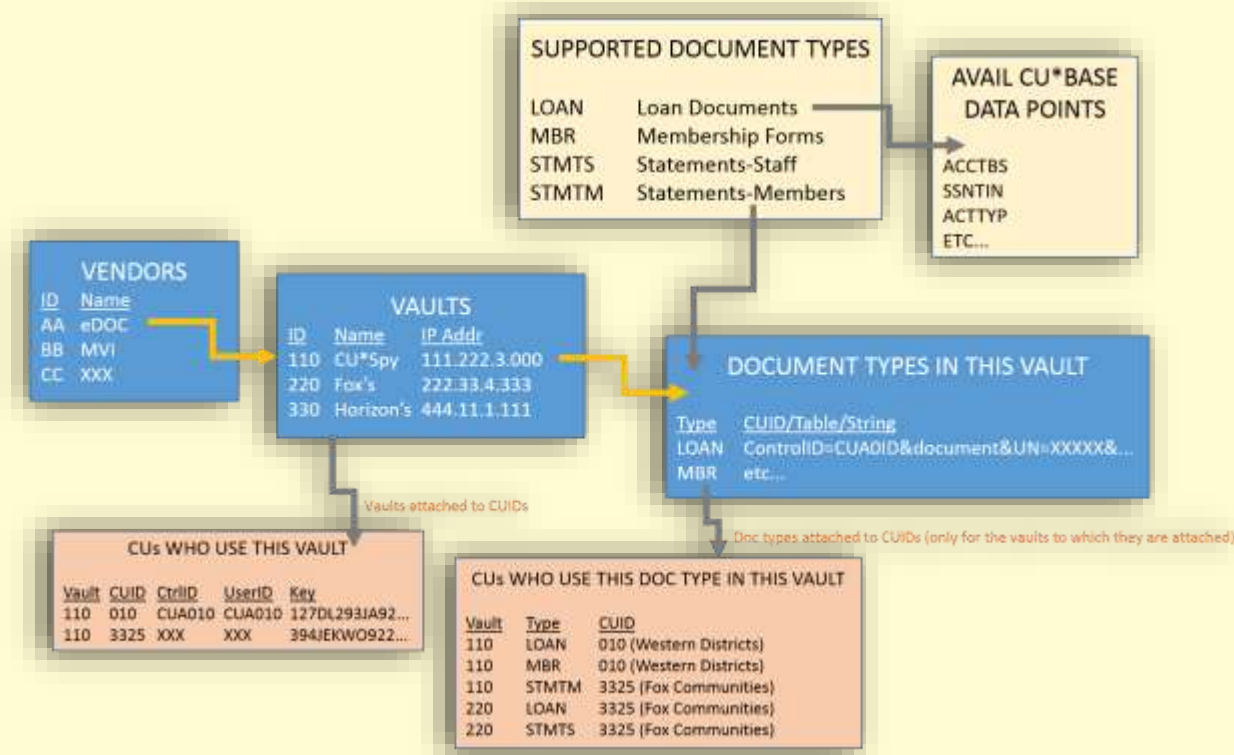
Targeted for the 15.2 release this fall!

Mergers, vendor consolidations, and new vendors – people do everything they can not to convert into a single source when it comes to images

Navigating the world is a new core problem

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CU*ANSWERS
Imaging Solutions

eDOC Update

- I think 2015 will go down as a big year for eDOC
- The reason is a renewed focus on creating good will with our network as one of its primary stakeholder environments – they're stepping up
  - My Virtual Strongbox and eDOC push to the cloud (**It's Me 247** drop box); CU*BASE using ProDOC to transfer documents
  - eDOCSignature – pushing a single doc from CU*BASE to a remote member, for a signature or for a member's archive
    - Bigger picture: mDTM native mobile signing
  - eDOC announces free packages for in-house eDOC operators
  - eDOC announces a small corporate vault imaging system
  - CU*Answers IP converts to CheckLogic Manager

eDOC's annual meeting last month did not draw the kind of strategic leaders I would have hoped…maybe next year

Internet Retailer Meets Database Designer

- The Internet Retailer wants a member experience that allows the member to see their total relationship with the credit union
  - It might be balances
  - It might be transactions
- In 2016, CU*Answers is working with CUs who have OTB relationships to expand the visibility of all the relationships a member has with them
- If your OTB tactics stop with CU*BASE and your employees, then you're not thinking like an Internet Retailer
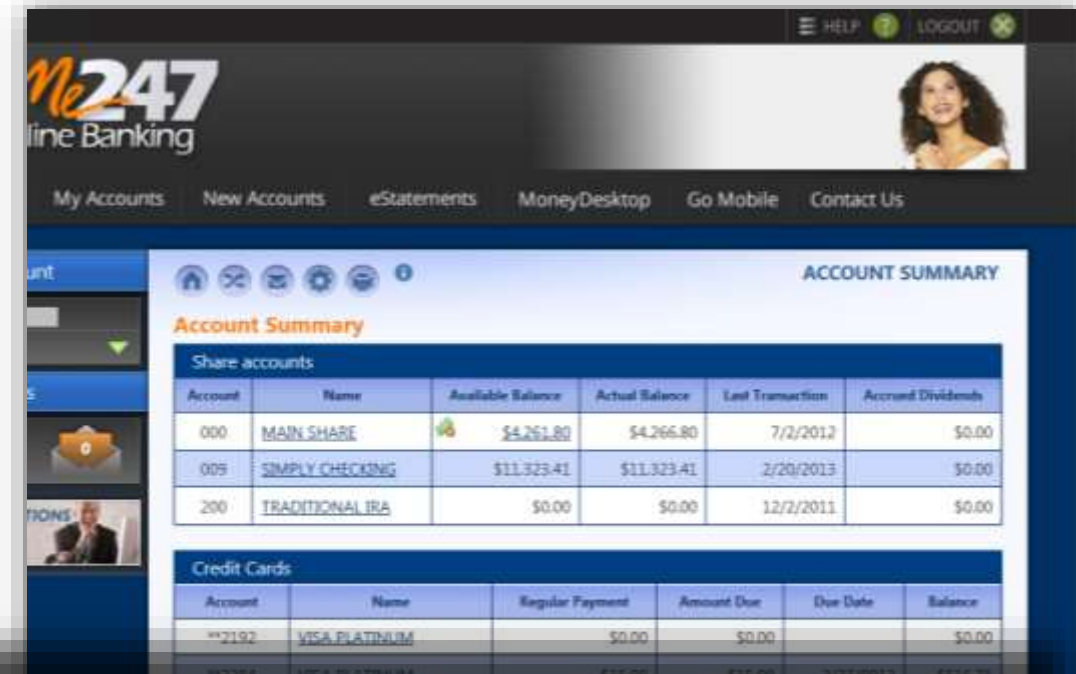
For this to be successful, credit unions need to hold their other vendors' feet to the fire and get the value of the data they create with members

50

Internet Retailer Meets Database Designer

CU*Answers announces TotalLook: a New Vision for OTB

- **Giving members a TotalLook**
  - Adding transaction history to the OTB account info in online and mobile banking channels

- **Giving employees a TotalLook**
  - Pulling a member's OTB accounts and transaction history into CU*BASE Inquiry and Phone Operator tools

Loan Information   Print

30 YR FIXED MOR

The information shown here was last updated on **8/19/2011 9:56 PM**. Account details may not immediately reflect recent transactions or other changes made to the account.

Loan Details

Account #:	*************2395
Institution/Agency:	THE MORTGAGE SUPERSTORE
Description:	30 YR FIXED MORTGAGE
Delinquent?	Yes
Amount Past Due:	$1,026.50
Next Payment Due Date:	8/1/2011
Payment Amount:	$1,026.50
Balance:	$132,768.91
Disbursement Limit:	$150,000.00
Maturity Date:	4/30/2030
Last Payment Date:	7/1/2011

Pay Now   Account Detail

⚠ **NOTE: Contact the Credit Union for the exact payoff amount for this account.**

Currently in the design stage

Typ	Description	Loan Payoff/ Current Balance	Loan Payment Net Available	Next Pmt/ Last Trans/ CD Maturity	IRA	P/R	ATM
				Go!			
000	REGULAR SAVINGS	3,605.22	0.00	3/25/13	.	.	Y
110	CHECKING	350.16	0.00	6/11/14	.	.	Y
610	USED VEHICLES	6,079.31	128.11	7/02/14	.	.	.
*15	MORTGAGE LOAN	1,206.20	107.54	6/15/14	.	.	.

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Can we pull it all together? How long will it take?

CUSO and CU Alike Must Start The Transition Now

CUSO	Credit Union
■ Revamp our Web Services business line and mainstream this team as architects of business solutions	■ Expect that your web page designers are taking full advantage of CU*Answers automation techniques
■ Build a new Internet Retailer Support client service presence, including web-based shopping for our clients	■ Plan to use the IRSC to keep credit union online products fresh and full of branding and offers that fit the day
■ Think about the members we see in our copyrights as shoppers, not just people looking for self-service convenience	■ Think about the members you see via their online tactics as shoppers, not just people looking for self-service convenience
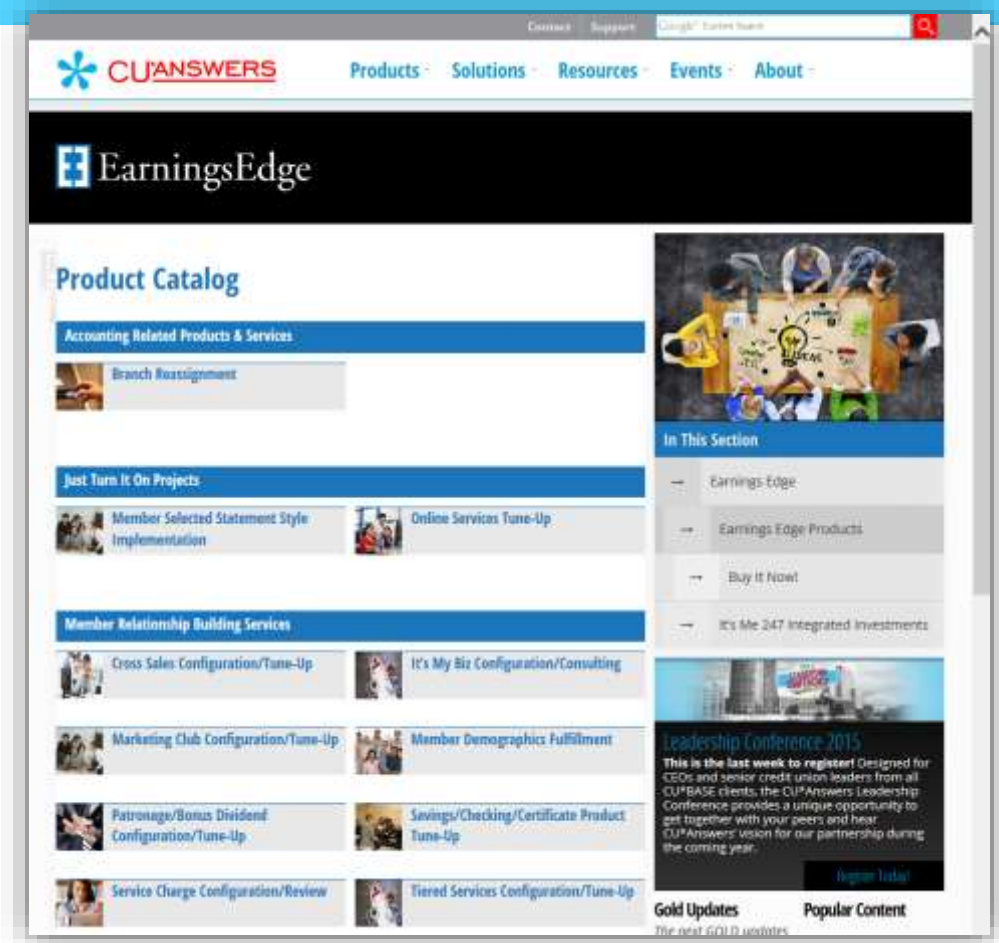
We're living it, not just talking about it

Look for announcements about products and services offered online, with online shopping from CU*Answers Management Services

INTERNET RETAILING PHASE 2

2

It's Time to Move from Tactics and Silo Solutions to a Comprehensive Strategic Plan

Version 1.0 due 2016

Declaring an Internet Retailing Evolution

We <u>can</u> sell online to an audience of shoppers

We Know Mobile is a Different Beast

We're ready to learn a new game and push CU*Answers into the business

The salesmen are coming, the salesmen are coming!

IT TAKES A LITTLE ATTITUDE, AND DECLARING A NEW FUTURE FOR WHAT WE CAN ACCOMPLISH ONLINE

- Here's how one credit union sees themselves in comparison to every retailer your member might come across

- What would it take for you to declare yourself this aggressively?

- If you inventoried your website, could you pull out 5-6 pages where you think you were pushing the boundaries and showing a little attitude?

55
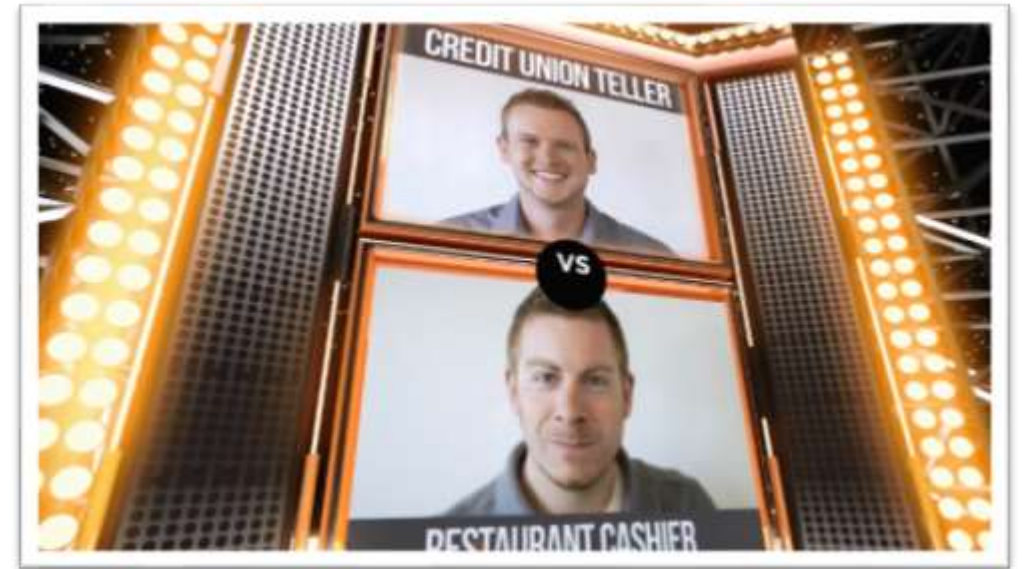
Shopping is a Mentality You Must Encourage

FROM YOUR WEBSITE TO ONLINE BANKING SITES TO SOCIAL MEDIA TO MOBILE APPS

56
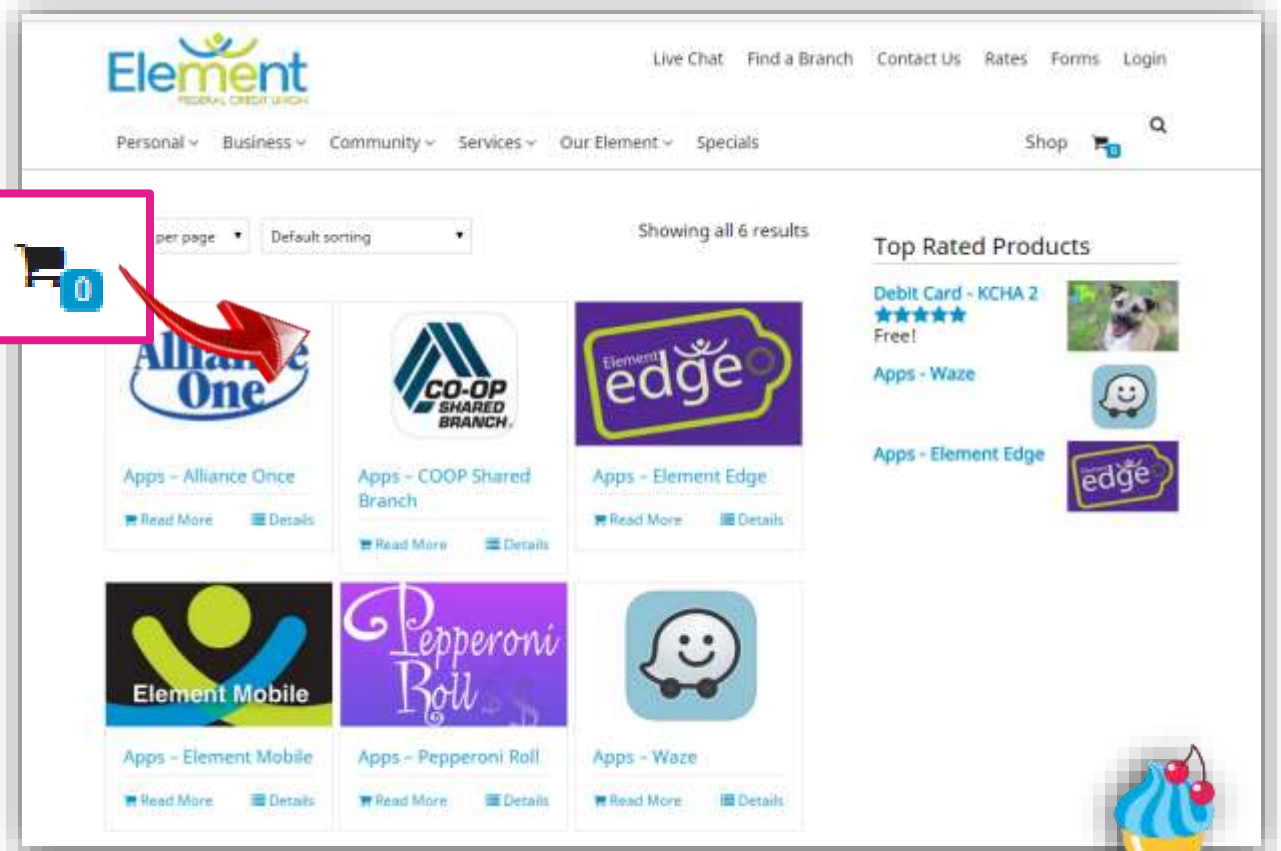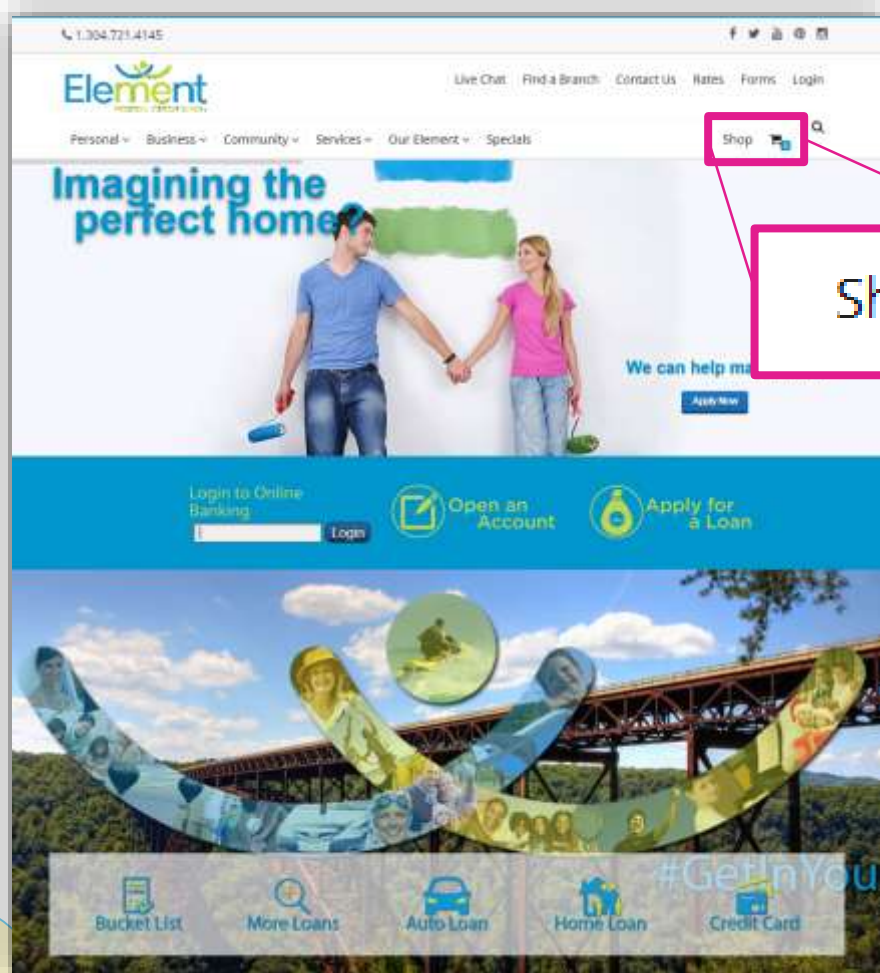
Does your website have too much of an insider's focus?

What would you do to change to a shopping focus?

Shopping is a Mentality You Must Encourage

When You Assume Someone's Shopping, You Consider That They Have Alternatives

57
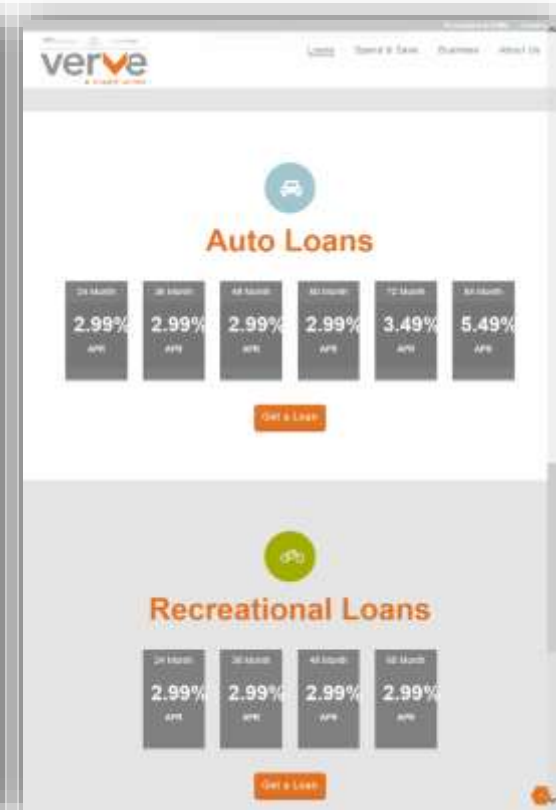
Websites still need to inform and create affinity for our co-ops, but what else should they make people think about?
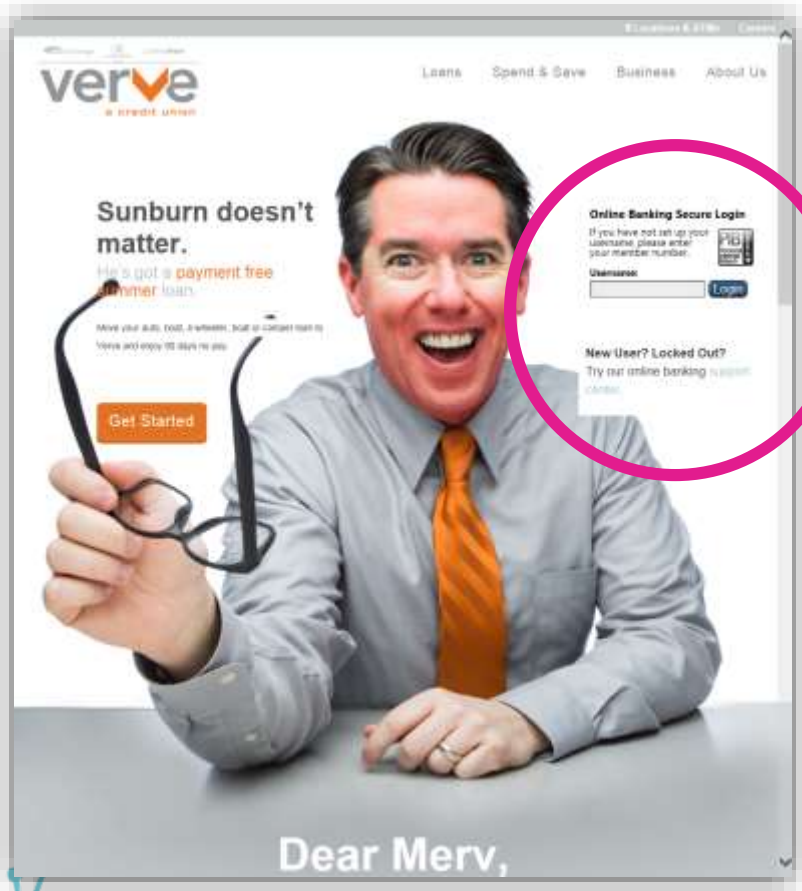
- Why is online banking the only place you let members sign in from your website?
  - Where else could you let members sign in to get offers designed for the authenticated shopper?
- If we can create **It's Me 247** where authenticated members have dozens of self-service options, why couldn't we create a model for signing on a website that has dozens of shopping alternatives?
- All we need is a design
  - Remember, all mobile apps are for members only...maybe a part of your website should be that way, too

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If you took 10-15 favorite pages from your website and adjusted them based on knowing who was viewing them, what would they look like?

Shopping is a Mentality You Must Encourage

COULD YOUR WEBSITE POINT TO NEW LANDING IT'S ME 247 PAGES TO ENHANCE SALES?
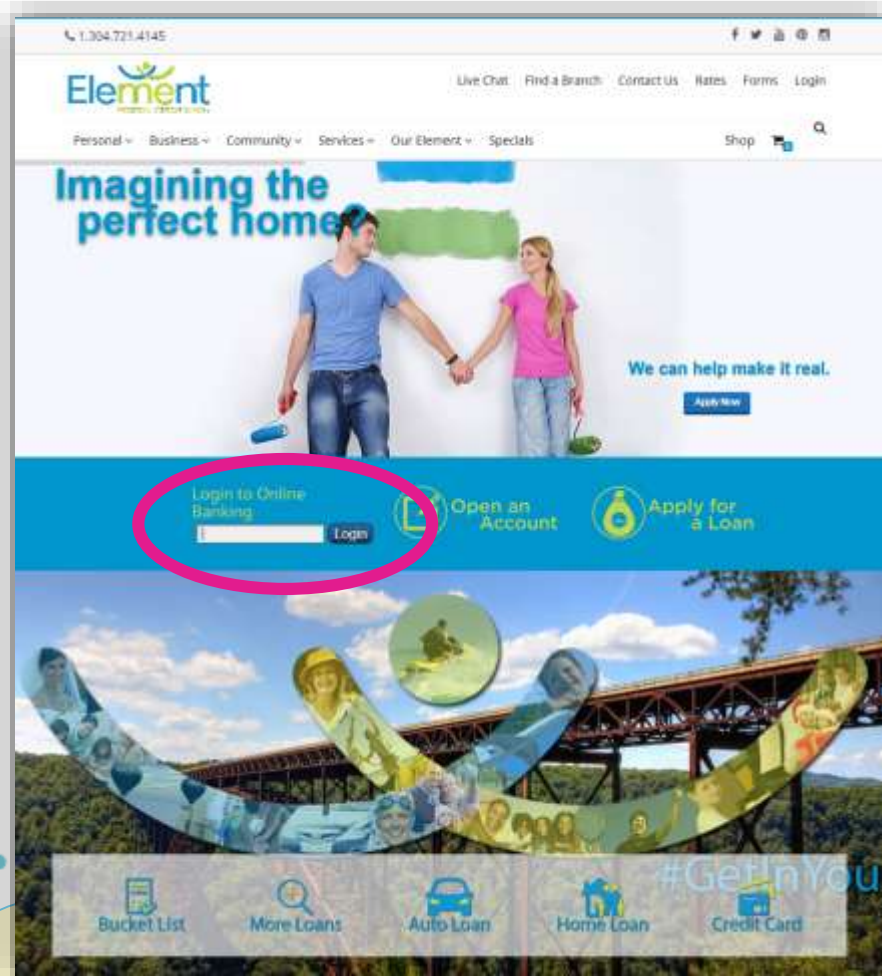
- Why do we have only one generic sign-on with only two options on where you land?
  - What if we had 25 of them?
- How would you change your website design if you knew you could match a topic in your website with a landing page in **It's Me 247**?
  - Login and go directly to loan rates
  - Login and go directly to open a CD
- All we need is a design
  - Can you sell an unauthenticated member to go get what they want?

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If you took 10-15 favorite pages from your website and added links to send them to specific pages in online banking, what would they look like?

What if you assumed that 95% of the people going to online banking were shopping?

- It started with branding and is now moving to page design
- Are you motivated more by passing out information, or inspiring shoppers?
- What will make you act?
  - Would you put Merv in **It's Me 247**?

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Shoppers want to tell you what they think

Are we brave enough to add another channel to capture their voice?

We get it, Randy, we have to be able to sell to our members...

...BUT YOU'RE NOT AN INTERNET RETAILER IF YOU CAN'T SELL *BECOMING* A MEMBER ONLINE

- **Goal #1:** Activate a person to become a member
  - Create a platform to sell
- **Goal #2:** Create a seamless platform that supports both applications (MAP) and new member fulfillment (MOP)
- **Goal #3:** Create vendor relationships and integrate services needed but not authored by CU*Answers
  - Underwriting identities and funding
- **Goal #4:** Create a platform that activates a member's Internet connection with the CU

NEW MEMBERSHIP OPENING

MARKETING

ONLINE BANKING

CU*ANSWERS

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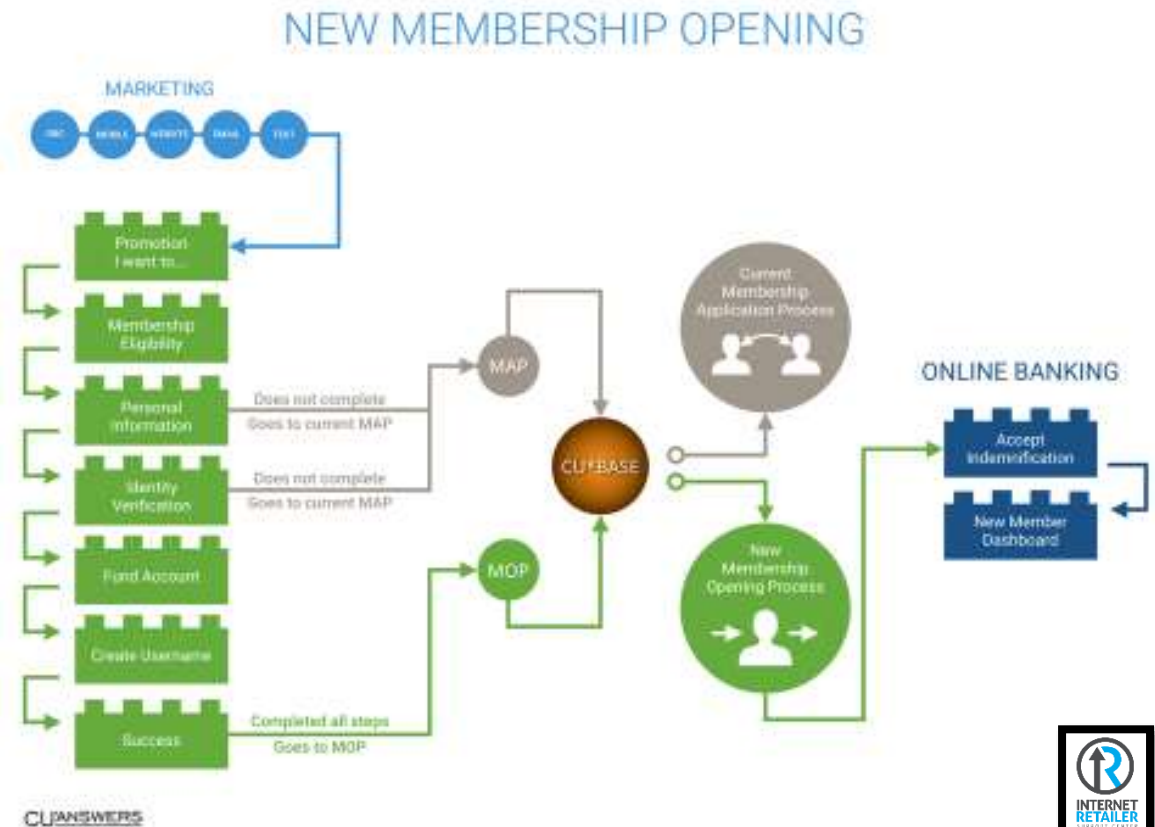
Like going to the moon gave the world Tang, MOP needs to change a lot more than grabbing one more member over the 'Net

- What have we learned about online loan apps and automated underwriting that we should apply with this development project?
  - You must activate the CU's acceptance of a new business model early, so CU teams can start crafting the business rules and configuring solutions as early as possible
- Announcing a webinar series designed to put all of us in the business of opening memberships online

Working with CUs to:

Develop promotions and discounts to encourage people become members *(understanding the Content Management System)*
Understand how to sell your FOM and getting the member to certify they are eligible to join your CU
Understand what personal information will be requested of the member
Understand the ID authentication process
Understand the funding feature and the business ideas on how settlement, holds, and even funding fees might work
Understand "make a member" – the Lego block that says YES and gives the member an account number
Understand becoming an online and mobile member – activating the new member's online status and signing them into It's Me 247 to round out sub-accounts and services

Membership Opening Project 2015-2016

Some of you won't make 2016, but we'll all benefit either way

Working with CUs to:	Can you adopt the strategy?
Develop promotions and discounts to encourage people become members *(understanding the Content Management System)*	Will you pay people to become members? Will you sell?
Understand how to sell your FOM and getting the member to certify they are eligible to join your CU	Will you stand up to challenges to FOM audits and principles?
Understand what personal information will be requested of the member	Can we agree on what is too much or too little or just the right amount of information?
Understand the ID authentication process	Will you let a machine approve and validate who's who? Will you accept that x% of the time it will be wrong?
Understand the funding feature and the business ideas on how settlement, holds, and even funding fees might work	Will you take money from strangers? How much will you charge to do so? What do you expect settlement to look like?
Understand "make a member" – the Lego block that says YES and gives the member an account number	They will be a member in CU*BASE – that's the easy part. What's next for you?
Understand becoming an online and mobile member – activating the new member's online status and signing them into It's Me 247 to round out sub-accounts and services	How many services do you want to activate online? How do we get past all of the issues with opening full relationships (sub-accounts) in an automated fashion?

Many of you already sat in on the first of these sessions, and hopefully all of you are starting to complete your due diligence to sign up with Precise ID

Activating Membership Opening

Exercise #1: Will you tackle the configuration of automated identity underwriting?

The fraud landscape — Threats continue to grow and evolve

INDUSTRIALIZATION OF FRAUD	PHISHING
10,000 — Estimated number of fraud rings in the U.S. alone	80% — Annual increase in phishing attacks
DATA BREACHES	MALWARE
2,200,000,000 — The number of records exposed as a result of data breaches in 2014	75,000,000 — Estimated annual unique strains of malware

Source: Risk Based Security/Open Security Foundation, Data Breach Quick View (February 2014)

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Precise ID with Knowledge IQ — Setup

Experian provides a best practice default configuration while enabling customization for each credit union

QUESTION CONFIGURATION	SCORING MATRIX
SELECTION	MULTI-LAYERED
WEIGHTING	CONFIGURABLE
ORDER	OVERRIDES
CUSTOM TEXT	VELOCITY CHECKS

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Knowledge Based Authentication evolution — Score and weighted questions

Fraud score	KBA score										
	0-9	10-19	20-29	30-39	40-49	50-59	60-69	70-79	80-89	90-99	100
1 – 299	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Pass	Pass
300 – 364	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Pass	Pass	Pass
365 – 429	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Pass	Pass	Pass	Pass
430 – 489	Fail	Fail	Fail	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass
490 – 529	Fail	Fail	Fail	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass
530 – 569	Fail	Fail	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass
570 – 624	Fail	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass
625 – 679	Fail	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass
680 - 754	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
755 - 999	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	pass

- Score plus weighted questions allows for the greatest possible fraud risk stratification in a decision matrix
- This granularity helps to achieve more precise performance results in both the fraud rate and the pass rate

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Precise ID with Knowledge IQ — How it works

KNOWLEDGE IQ™ — A dynamic identity tool that evaluates true consumers by questions generated from a wide dataset of personal information and is used in combination with an identity-based risk score.

WEBSITE — NAME + ADDRESS / MORE INFO AS AVAILABLE

CALL CENTER → QUESTIONS GENERATED → SCORE & QUIZ EVALUATED → DECISION → PASS / NO PASS

FACE TO FACE

- FCRA-BASED AGGREGATED SCORE
- PRECISE MATCH™ CODES
- HIGH-RISK ATTRIBUTES
- INTERNAL CHECKS
- EXTERNAL THIRD PARTY CHECKS

PERFORMANCE REPORTING

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Adding fresh content to your page is only a click away...

Currently in design stage

65

MOP Content Management

MOP Content Management

Control when and how changes are published live
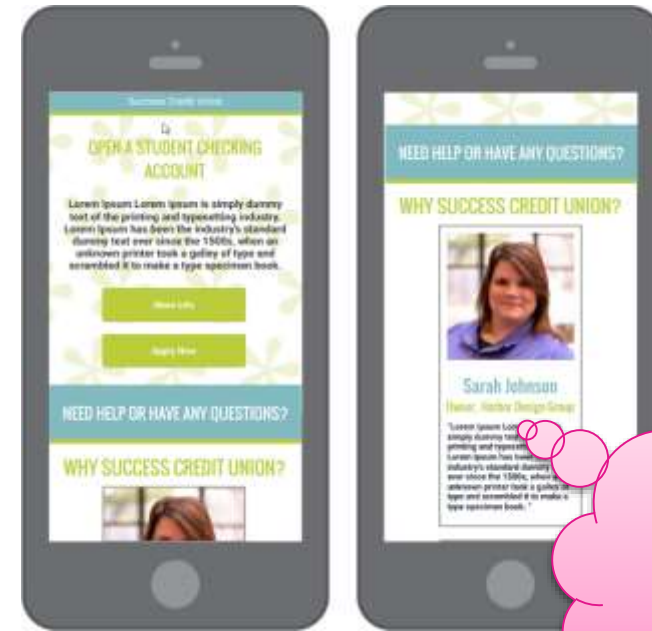
Instant updates to online and mobile channels

If you consider yourself late to the party and want to move first, keep up with the announcements and prepare your team to be ready to be an early beta

The Point of MOP is Not a Primary Share Account

IT'S CREATING AN OPPORTUNITY TO SELL EVERYTHING ELSE THAT MAKES A ROBUST RELATIONSHIP

- We started thinking about how we will need to pump up member excitement to complete the steps that sell sub-accounts and other services, once a person is a member
  - Once a person's a member, it doesn't matter whether they joined this week or three years ago, you still want to sell more things to members
- We looked at the top 50 CUs in the industry based membership size
  - What content and tactics did they use to sell stuff to members? *(surprisingly, 37 of them used testimonials)*
  - We studied the landing pages prior to the clicks to complete a form
  - We studied the calls to action that inspired consideration and member perseverance
- This led us to the idea that we needed "booster" pages, no matter what we're selling

We're not sure we have the right formula yet, but we want to experiment with booster pages everywhere the member visits

Boosting Your Chances of Success

- Where should we excite the member enough so they are inspired to complete the process and hire you for the job to be done?
  - Should we do it before they cross over into **It's Me 247**?
  - Should we do it as part of filling out an application in **It's Me 247**?
- How do we blend forms with sales boosters and end with fulfillment pages that equal a total experience?

Membership Booster Page
Interchangeable colors/logo
Responsive design for mobile, tablet, desktop
At least 5 join buttons on page
Design cues and ideas taken from the largest 50 credit unions

Feature Banner
Introduce the look and feel of the page and give the visitor the vibe and experience of coming to join the credit union.
Overlay is limited to a brief message and should direct quick action to apply.

Why?
Give the visitor the top 5 areas to explore for why to join the credit union and includes a quick call-to-action join button

The CU Difference
Tells the story of the credit union and gives another important SEO element and allows the member to take action even if they aren't ready to join yet.

Member Benefits
Gives the visitor quick snippets of benefits and prompts to join after each one.

Testimonials (Maybe?)
These will be reviewed and placed on the site by the credit union.

Emotional Advertisement
Inspire the user to join and let them know they belong at your credit union with a call-to-action.

Rates Deep-Dive
Lots of rates given to give the visitor the experience of choice and selection.

Call-To-Action Area
Bright and prominent area to get member to take action and join or apply for a loan. Phone assistance given for members uncomfortable with online applications.

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Boosting Your Chances of Success

How many of these tactics do you deploy?

- Feature banner
- Intro text
- Featured rates
- Product types
- Testimonials
- Pre-approvals
- Ancillary tools
- Calls to action
- Price comparisons

Automobile Loan Booster Page

Interchangeable colors/logo
Responsive design for mobile, tablet, desktop
At least 10 apply buttons on page
Design cues and ideas taken from the largest 50 credit unions
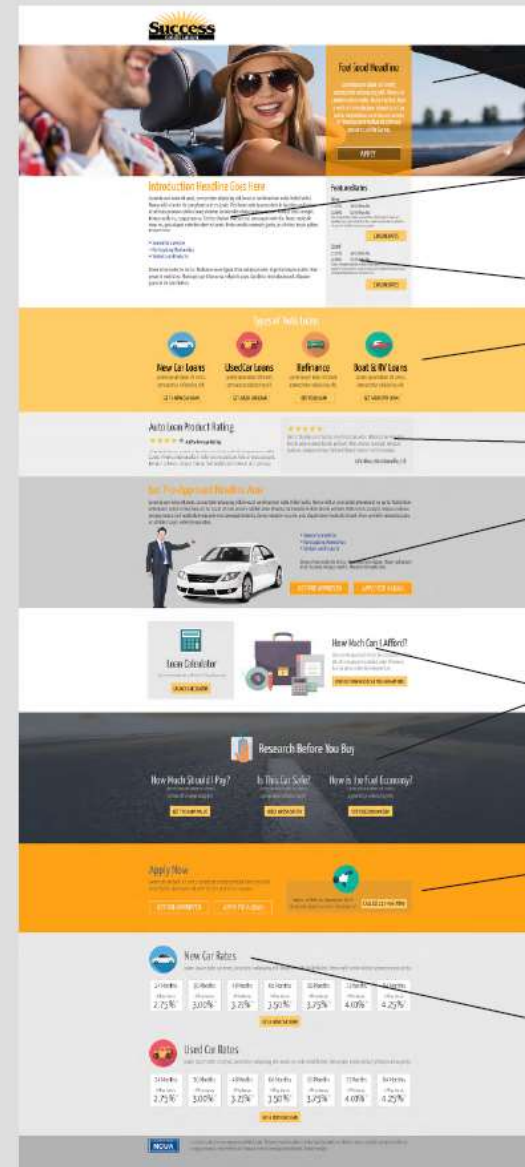
Feature Banner
Introduce the look and feel of the page and give the visitor the vibe and experience of coming to do their auto loan shopping.
Overlay is limited to a brief message and should direct quick action to apply.

Intro Text
Welcome message to set the tone for what we're selling. This is important for SEO and page rankings. Add extra quick links in text format for reassurance of helpfulness.

Featured Rates
Most popular rates with call-to-action buttons to deep dive into rates

Loan Types
Bright colorful icons introduced to draw eye and get visitor to take an action on which type of loan they're looking for. Quick and easy apply now buttons immediately after the descriptions.

Testimonials *(Maybe?)*
These will be reviewed and placed on the site by the credit union.

Pre-Approval
Another important SEO element and allows the member to take action even if they aren't ready to purchase yet.

Tools
Helpful tools to make the visitor feel the cu is invested in working with the member to make a purchase.

Call-To-Action Area
Bright and prominent area to get member to take action and apply for a loan. Phone assistance given for members uncomfortable with online applications.

Rates Deep-Dive
Lots of rates given to give the visitor the experience of choice and selection.

Boosting Your Chances of Success

- Classically, CU*Answers has been a vendor for only some of the parts of this process of selling things to members
- We want to up our game
  - For web page development
  - Inside of **It's Me 247** online and mobile tools
  - In creating standalone Internet retailing tools
 - In automating every level of the things that boost sales online

Home Loan Booster Page

Interchangeable colors/logo
Responsive design for mobile, tablet, desktop
At least 10 apply buttons on page
Design cues and ideas taken from the largest 50 credit unions

Feature Banner
Introduce the look and feel of the page and give the visitor the vibe and experience of coming to do their home loan shopping.
Overlay is limited to a brief message and should direct quick action to apply.

Intro Text
Welcome message to set the tone for what we're selling. This is important for SEO and page rankings. Add extra quick links in text format for reassurance of helpfulness.

Featured Rates
Most popular rates with buttons to jump down to deep dive into rates

Pre-Approval
Another important SEO element and allows the member to take action even if they aren't ready to purchase yet.

Loan Types
Bright colorful icons introduced to draw eye and get visitor to take an action on which type of loan they're looking for. Quick and easy apply now call-to-action buttons immediately after the descriptions.

Testimonials *(Maybe?)*
These will be reviewed and placed on the site by the credit union.

Tools
Helpful tools to make the visitor feel the cu is invested in working with the member to make a purchase.

Call-To-Action Area
Bright and prominent area to get member to take action and apply for a loan. Phone assistance given for members uncomfortable with online applications.

Rates Deep-Dive
Lots of rates given to give the visitor the experience of choice and selection.

One More Time *(Maybe?)*
Give the user one last chance to find another home loan type.

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Selling to Members in Online Channels

2015-2016 Projects: Skip-a-Pay

In development now – preview at this year's CEO Strategies

One early success story...

When marketers ask me for an ROI analysis, I sometimes cringe

But this one might set a new template for CU*BASE

- Coming in 15.1 (July):
  - Email to your lending team when online apps come into the queue
  - Minor changes to the online loan app pages
    - Cleaning up some confusing labels
    - Marital status triggers for spouse co-applicants *(optional for marital property states)*
    - New fields for rent, additional phone numbers
    - Require previous address *(based on your new member workflow controls)*
    - Require "I have read the disclosures..." before submitting

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Selling to Members in Online Channels

2015-2016 PROJECTS: ONLINE LOAN APPLICATIONS

- Coming in 15.2 (fall):
  - Revamping the References file to allow unlimited *(like income/employers)*
  - Eliminating the pesky "do you want to override household info?" warning, retaining *all* data submitted with online apps

Still feels like we're fighting over the form

Not sure if it's a good investment, but we may be going back to the drawing board (again)

Selling to Members in Online Channels

2015-2016 PROJECTS: CU*BASE WORKFLOWS THAT SET THE STAGE FOR ONLINE LOAN APP WORKFLOWS

15.2 release!

You choose which pages appear in your CU*BASE loan app

5 screens

3 screens

10 screens

75

When we finish these, we will have a foundation and content management system that will someday control alternative app styles in our Internet channel

You choose which data must be filled in, and how, on your CU*BASE loan app

Currently in development, targeting 16.0

When we finish these, we will have a foundation and content management system that will someday control alternative app styles in our Internet channel

| Info Center | My Accounts | New Accounts | Pay Bills | eStatements | Personal Finance | Go Mobile | Contact Us |

View
Account Summary
My Other Memberships
ACH Transactions
Cleared Checks
Dividend/Interest Summary
Downloads

Manage
Transfer Money
Schedule Check Transfers
Check Stop Payment
Check Withdrawal
Promise Deposits

Investments
Manage Your Investments

Setup
Nicknames
Overdraft Services

Qualified Dividends
Your Status

Description	Balance	Current Rate	APY*	Minimum Deposit	Available Online
BENEFITS CHECKING	$0.01	4.890%	QD	$0.00	Open
	$5,000.01	1.000%	QD	$0.00	
	$10,000.01	0.010%	QD	$0.00	
MONEY MARKET	$0.00	0.000%	0.000%	$0.00	Open
	$2,500.00	0.100%	0.100%	$0.00	
	$10,000.00	0.150%	0.150%	$0.00	

ACCOUNT SUMMARY | I'M A BASIC MEMBER

Share accounts

Account	Name	Available Balance	Actual Balance	Last Transaction		
000	OWNERSHIP SHARE	$54.20	$59.20	10/9/2009		
		$1,447.99	$1,477.94	/2010	QD	$0.00

This account is enabled for Qualified Dividends

Status

Released in April

QUALIFIED DIVIDENDS | I'M A SILVER MEMBER

My Account
Switch Memberships

Rewards

SILVER
Reward Points 1,680
Earned Last Month 336

View Point Details

Messages
Messages 3

Members

Qualified Dividends Status
Make sure you are earning the best rate! Check below to see what you need to do to qualify for the highest possible APY on your Qualified Dividends accounts.

004 - REWARDS CHECKIN
Current Monthly Requirements as of 1/16/2015

⚠ Sorry, you haven't qualified yet for a higher APY.

☑ eStatement enrollment
☐ Bill pay enrollment **Enroll for online bill pay now!**
☐ You currently have 10 Debit Card Transactions (minimum of 12 required)
☑ You currently have $1000.00 Direct Deposits (minimum of $100.00 required)

How to qualify for a higher APY

77

Selling members to do more, to earn more

Gamification, and a profit for your members – should you turn on a Qualified Dividend program in 2016?

Selling to Members in Online Channels

2015-2016 Projects: Credit Scores on File Go Live

- We are helping some CUs certify this with FICO *Open Access*

- We are working with FICO to make sure our documentation has the right slant

  - Recently received some updated specifications from FICO and will evaluate to see what development is needed

- The credit score industry is in constant flux – each CU must take its own approach here

Released in April

You cannot afford to be passive when it comes to using credit score concepts online – it's an aggressive practice across the financial service space

2015-2016 PROJECTS: PASSWORD REMINDERS AND NEW DATABASE FOR SURVEYS

ACCOUNT SUMMARY | PLATINUM MEMBER

⊗ It's been a while since you've changed your password.   [Change Password] [Remind me Later]

Shared Accounts

Accounts	Name	Available Balance	Actual Balance	Last Transaction	Accrued Dividends

PASSWORD CHANGE HISTORY | I'M A BASIC SERVICE MEMBER

Password Change History

This log shows a history of events that affected your password for logging in to **It's Me 247** online or mobile web banking. Included will be times when you changed your own password, as well as times when the system prompted you to change your password for some reason. Remember that one of the best ways you can protect your account information online is to change your password often!

Password History

Date	Time	Event	Description/Reason	Initiated By
02/12/2015	10:59 AM	Changed	Reset by Mbr	Member
02/12/2015	10:56 AM	Warning reply	Mbr Declined	Member
02/12/2015	10:55 AM	Warning	30-day Warning	System
02/10/2015	03:54 PM	Warning	30-day Warning	System
02/06/2015	03:18 PM	Warning	30-day Warning	System

Released in April

Session 0 CU*BASE GOLD - ABC CREDIT UNION
File Edit Tools Help

PIN/Password Member History Inquiry

Filter by

Date range	From Feb 26, 2015	to Mar 26, 2015 [MMDDYYYY]
Change code		Change reason	Account base
Password type		Program name	Employee ID

Account Base	Date	Time	Change Code	Reason	Password Type	Prog Nar
	Mar 13, 2015	08:49:32	Warning	30-day Warning	WWW	PAHTC502
	Mar 13, 2015	12:05:48	Warning	30-day Warning	WWW	PAHTC502
	Mar 13, 2015	12:09:49	Warning	30-day Warning	WWW	PAHTC502
	Mar 16, 2015	14:36:43	Changed	Reset by CU	WWW	UPIN
	Mar 16, 2015	14:37:31	Changed	Reset by CU	IVR	UPIN
	Mar 17, 2015	15:58:04	Warning	30-day Warning	WWW	PAHTC502
	Mar 18, 2015	09:14:46	Warning	30-day Warning	WWW	PAHTC502

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When you Query password histories for online members, do you ever think of that as marketing data, for hints into how members see password management?

Selling to Members in Online Channels

2015-2016 Projects Still on the Drawing Board

- CEO Strategies sent back to the drawing board on Smart Offers
  - Build a stronger sales model for Smart Offers and Smart Messages
  - Create opt-in/out for CUs and members
  - Enhance our IRSC content management for this project
  - Then get busy with Smart Offers
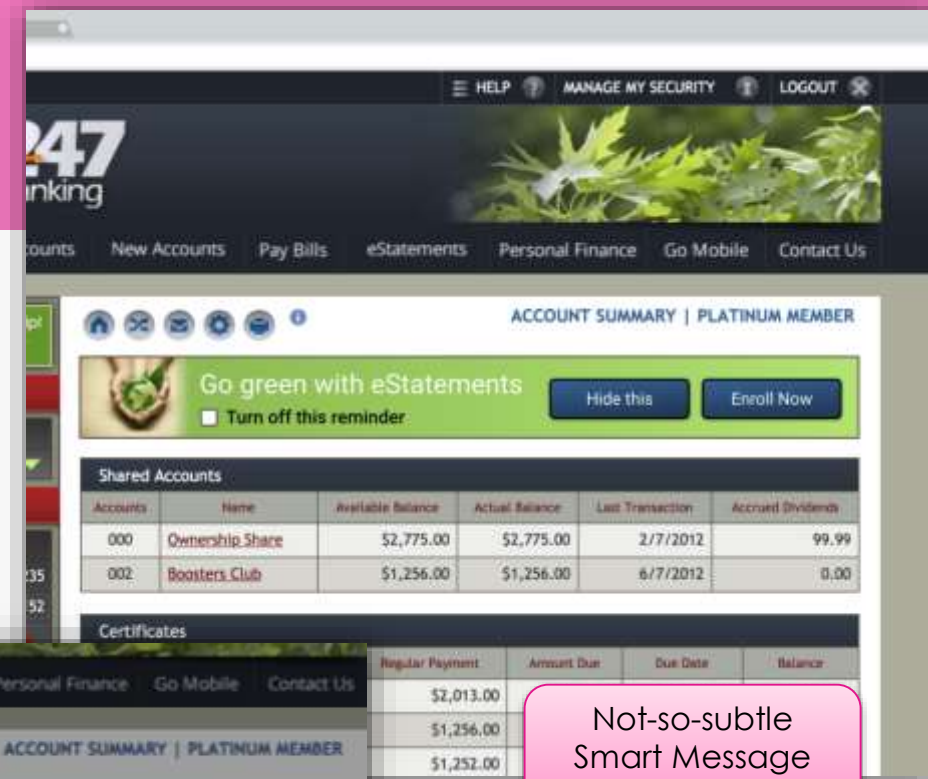
Not-so-subtle Smart Message Idea #1
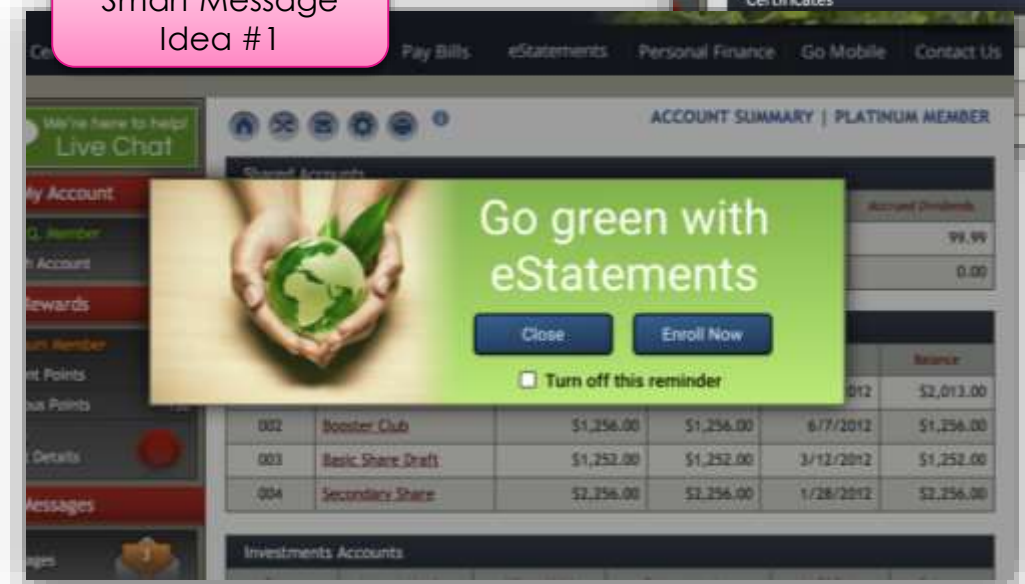
Not-so-subtle Smart Message Idea #2

- If we want more chefs in the kitchen in our online channels, we must create APIs that allow us to easily facilitate alternative products and services
- For CUs to truly go active, we have to use our own solutions to drive our priorities and as the proving ground for interfaces to the core
  - Between **It's Me 247** and MAP/MOP, we will have a foundation for approximately 80% of all of the API gateways we will need for aggressive Internet retailers
- Kind of a chicken-and-egg project, so let's get on with it

If we are to create variable revenue to support broad distribution of our Internet retailing solutions, it will come from gateway fees based on CU-driven third-party integrations

INTERNET RETAILING PHASE 2

3

It's Time to Move from Tactics and Silo Solutions to a Comprehensive Strategic Plan

Version 1.0 due 2016

Declaring an Internet Retailing Evolution

We can sell online to an audience of shoppers

We Know Mobile is a Different Beast

We're ready to learn a new game and push CU*Answers into the business

- **Goal #1:** Create a strong smart-phone banking platform, and guarantee every credit union in our network that they can use it for free: *get us all in the game*
  - Off to a good start; time to delineate mobile web solutions based on endpoints
- **Goal #2:** Facilitate early movers to offer mobile apps via device stores and learn the business to prepare our investment as a long-term assembly line
  - Off to a good start; time to enter the mobile app wrapper business with the same disruptive price goals (free)
- **Goal #3:** Develop an app store mentality for Internet retailing channels and create content management support that allows CUs to be fluid and diversified in their offerings
  - Foundations laid for IRSC; development teams are targeting 16.0 *(but they have high hopes for 15.2)*
- **Goal #4:** Enter the customized, high-function mobile app (API) navigation development business and create new sources of revenue to support overall mobile business lines
  - Partner with eDOC on RDC and mobile forms products; find a beta and put out our first API mobile app in early 2016

Taking the Long View When it Comes to Mobility Solutions

2015-2016 MOBILE WEB ON THE MOVE

Coming in the 15.2 release this fall:

- Ability to set up first-time users via Mobile Web
  - Add/change passwords, security questions, and usernames
  - Accept the default PIB profile
  - Accept the user agreement
- "Forgot my password" feature
- View password and login history
- "Contact Us" functionality
- Contact preferences and marketing opt in/out
- Miscellaneous styling and verbiage tweaks

Preparing for a world where 99.5% of the time, the phone is the channel where your member is linked to you

Taking the Long View When it Comes to Mobility Solutions

■ So many features, and more in the future, mean navigation must change

Currently in development

- The world is changing as to when and how we can use mobile web, even in device stores *(what they'd accept)*

- At one time, the only way to do push marketing was through a mobile app...

- Coming soon, push marketing through **It's Me 247** Mobile Web

  - On the username page, push marketing to everyone who goes to mobile

  - On the password page, push marketing to usernames we recognize

Currently in development

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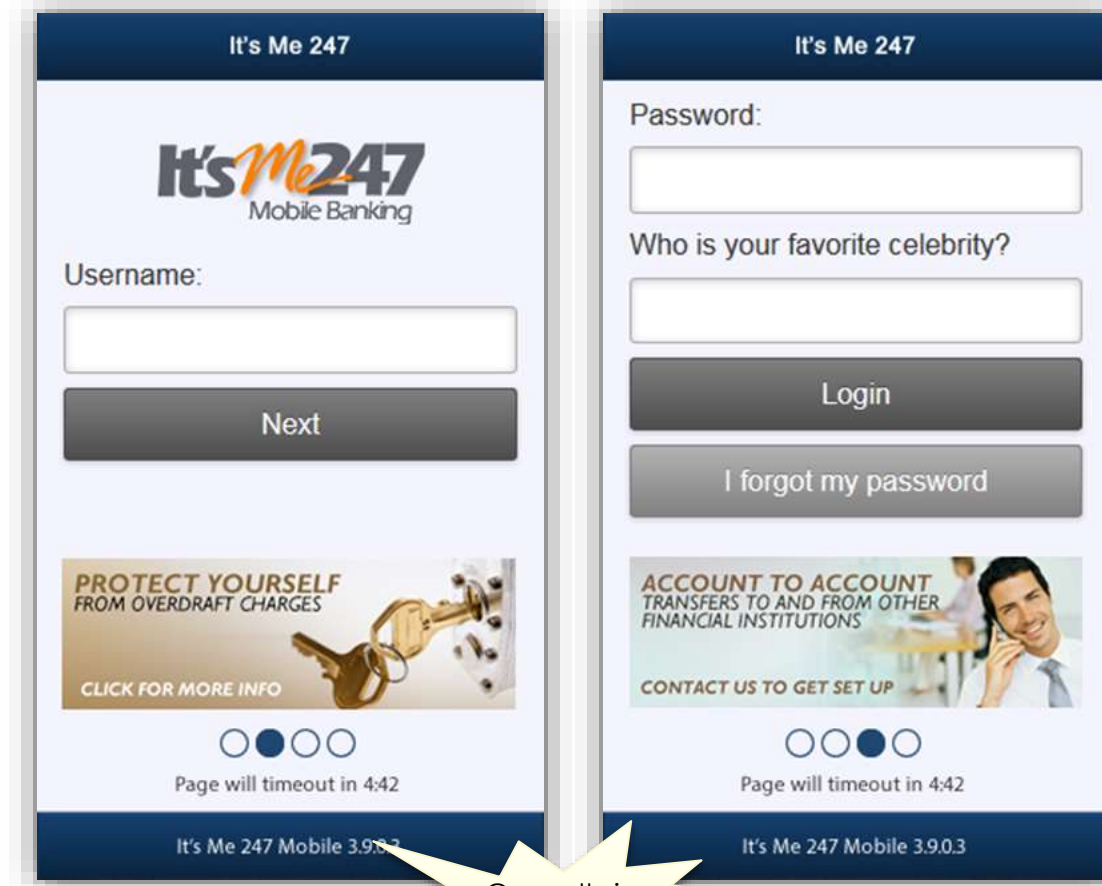
Taking the Long View When it Comes to Mobility Solutions

BE A VENDOR FOR APP/DEVICE STORE DISTRIBUTION: MOBILE APP WRAPPERS BY CU*ANSWERS

Content Management System

App Store

Currently in development

CU*Answers Enters the Market as a Mobile App Vendor

PHASE 1: DESIGN A WRAPPER TEMPLATE AND CMS THAT GETS US IN THE GAME

Use a CU*Answers wrapper template with an eventually private mobile web core banking approach

CU*Answers Enters the Market as a Mobile App Vendor

PHASE 1: DESIGN A WRAPPER TEMPLATE AND CMS THAT GETS US IN THE GAME

Through the development of the IRSC, we'll start to collect the non-core content needed to generate an interesting app

CU*Answers Enters the Market as a Mobile App Vendor

WHERE DO WE GO FROM HERE?

- Our first wrapper app is targeted at 30-40 credit unions
  - To CUs not in device stores through Nitro or CU Mobile
  - To CUs not looking for RDC
  - In beta early fall and available to all CUs early in 2016
- Next phase: Partner with eDOC mDTM *(Mobile Enterprise Digital Transaction Management)*
  - CU*Answers and eDOC create a new vision for mobile RDC
  - eDOC mDTM brings document handling and remote signing to mobile
  - CU*Answers brings core processing-related mobile management
  - Together, both firms service the cuasterisk.com network CUs, and eDOC will target its at-large market
- First project: Add RDC to a CU*Answers app with single-signon capability

CU*Answers will continue to be an aggressive and excited partner of Nitro and CU Mobile, selling new services to their clients as we all learn together

The Long View for RDC

- **Goal #1:** A single-signon solution so the user can seamlessly move from mobile banking to mobile RDC
  - Authentication API very close, testing with 3rd parties should start before year-end
- **Goal #2:** Build a batch update for the vendor's RDC content management to synch member statuses between CU*BASE and the vendor
  - We already have Promise Deposits content management; we'll modify for the first vendor who wants to exchange data
- **Goal #3:** Work with a vendor to interactively use CU*BASE RDC content to control what the member does in the vendor's environment
  - Modify Promise Deposits content management to be interactive with the mobile app
- **Goal #4:** Work with a vendor to develop an interactive posting process vs. a daily batch
  - Find a vendor who is motivated to do this level of development for the cuasterisk.com network

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Vendors are waiting for an aggressive marketplace and a lot of RDC activity to take this all the way to goal #4

WHAT IS THE JOB-TO-BE-DONE HERE?

■ To get instant credit for check deposits?
Or just to avoid a trip to the branch?

Released in 2013

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CU*Answers Operations can help you post RDC 7 days a week, up to 4 times a day

Pay us, or pay yourselves for Promise Deposits, which is 24x7

- It's a classic business problem: buy or build?
- For a data processing cooperative, it's split into two approaches:
  - Customers can buy it from someone else
  - Owners can invest to build it themselves
    - Build it all
    - Hook it up
- The one thing I count on is that when we're the manufacturers, we're also the masters of price
  - So if these solutions are going to be core competency requirements for CUs for years to come, we must collectively figure out how to be the masters of our price points and the designers of appropriate solutions

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With a long view, you need to build a factory and have candid conversations with both customers and owners about where we go from here

- It's a classic b___ ___blem ___ ___il___
- For a data proc___ ___s:
  - Customers can___
  - Owner___
    - ___
- The one th___ ___'re also the masters of pri___
  - So if these s___ ___Sr CUs for years to ___ ___ur price___

This time last year we had **7** full-time developers in this area (OLB/mobile), with base compensation of about **$508K**

This year we have **12** developers, split into two teams (Online Banking Team, Mobile App Development), with base compensation of about **$936K**

2015 was a solid year to envision the foundation needed and bring it online

We look forward to the future

___ng view, ___d to build a factory and ___andid con___ ___ons with both customers ___und owners a___ ___where we go from here

Taking the Long View When it Comes to Mobility Solutions

Mobile Apps via API Navigation: a High-end Approach With Earnings Expectations

Security done right.

New! Freeze It℠ on/off switch for your account.

Misplaced your card? Now If you lose your card, you can Freeze It to prevent new purchases, cash advances or balance transfers on your account. Freeze or unfreeze in seconds with our mobile app or website.

[VIDEO] Using **voice** biometrics to login to the Windows 7 ...

www.youtube.com/watch?v=IUG_Ug9ETFY ▾

Mar 18, 2011 · A customisation to the Windows 7 desktop login that provides a **voice** biometric login process as an alternative to the password. This is a technology ...

Ondot is a "remote control" for payment cards.

Over 100 million cards have been hacked recently, impacting one in five Americans. Financial Institutions are looking for ways to lower fraud and increase revenue. With Ondot's Mobile Card Services, Financial Institutions can provide their customers with a single mobile application to remotely manage all aspects of their existing payment cards.

Switch Card On/Off. Lock or unlock cards with a single touch. With ultimate control comes peace of mind.

Control By Location. Cardholders can choose to either keep card active around them or specify a region on a map. Presence of cardholder at merchant location is proof positive while absence of cardholder is a strong indicator of potential fraud.

Control Preferences. Set merchant categories, transaction types, and spend limits. Cardholders can personalize preferences according to their unique spending behavior.

Instant Transaction Alerts. Act instantly on real-time transaction alerts and offers. Higher engagement drives cardholder loyalty and increased card usage.

Self Service. View available balances, analyze spending, and manage transactions – tag, annotate, capture receipt images, and email for reimbursement. Self-service increases cardholder satisfaction and lowers support cost.

Ondot is a white-label solution that card processors and financial institutions can bring to market either as a stand-alone application or integrated with their existing mobile offerings.

Optical character recognition

From Wikipedia, the free encyclopedia

Optical character recognition (OCR) is the mechanical or electronic machine-encoded text. It is widely used as a form of data entry from invoices, bank statements, computerized receipts, business cards, ...

Search | Search

BIOMETRIC
UPDATE.COM

BIOMETRIC NEWS   RESEARCH   REPORTS   BLOG   WHITE PAPERS   EXPLAINERS   CO...

Biometrics are key for secure banking

By Steve Cook

August 30, 2013 - Biometrics are ... and mobile banking says Steve C... Development for Facebanx.

Why? Simply because consumer... further inconveniences with having to prove who they are. Fraud is costing banks and tax-payers millions. ID theft is increasing at an alarming rate and is affecting millions of people, yet not enough stringent methods...

— Why does biometric logon require me to enroll both my face and voice biometrics?

By enrolling with your face and voice, you'll have the option to do a real-time switch if you're in an environment that's not suitable for your preferred biometrics logon method. The real-time switch is temporary and won't change your default logon preference.

Human Authentication Platform

 Pay

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As new tactics become available, you may add them to your mobile store, or we might add them as interfaces to our higher-end apps

Text Banking for Real: When We All Charge

- **Goal #1:** Introduce our CU members to text banking services as a collaborative investment, build an audience
  - Rolled out in 2011 with no invoice to CUs for the past four years
- **Goal #2:** Develop text banking database and analysis capability, alongside service charge programs that could someday be activated when need be
  - Since 2011, CU*Answers has paid about $295K for this program
  - **Starting in 2016, text banking fees will be implemented**
- **Goal #3:** Reset the text banking program to a net breakeven, and assess the future and develop new (appropriate) text solutions for where CUs want to go next
  - You can tell we've been getting ready *(See "Invoice Correction for Mobile Text Banking Usage Counts" email dated 6/4/2015)*
  - QC determined not many CUs were paying attention, since it was free

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The World is Crazy About Mobile

SMS will be a star, and Firethorn bit the dust

- Our biggest problem when we lost Firethorn was how we were going to get text banking
- We went back to the drawing board, decided to do our own text banking and partner directly with mBlox, with no Mobile App vendor in the middle
- We will be announcing a signup for beta participants in **July**, and are confident about a full release by the **end of the year**
- Pricing
  - You will be charged 3.25 cents for text messages, and there are two types:
    - 1-way messages (marketing, text e-Alerts)
    - 2-way text messages (answering interactive member requests)
  - You will be able to set up fee programs where you can charge members on a tiered basis according to volume of text messages

Look for an invitation soon to a webinar: "Understanding your SMS text program through **It's Me 247**"

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2011

Remember this from 2011?

The deal will be a bit different this time - starting **January 1, 2016**, text messages will be billed at

3.5¢/text

(2-way texts count as 1 for billing purposes)

...Banking
Usage Counts" email dated 6/4/2015)

QC determined not many CUs were pay...aff..., si...was fr...

Text Banking Summary Stats

Statistic	4/2013	3/2013	2/2013	1/2013
# of days in month	30	31	28	31
# of CU members	28,550	28,421	28,234	28,112
Penetration				
# members enrolled in text banking	298	288	272	245
# devices enrolled in text banking	245	238	222	198
% of total membership using text banking	1.04	1.01	.96	.87
Activity				
Total messages(one-way & two-way combined)	2,046	2,107	2,098	1,909
Average number text messages per day	68.20	67.97	74.93	61.58
Average messages per member(total members)	.04	.04	.05	.05
Average messages per member(txt bnk members)	3.76	4.38	5.28	5.75
Heavy Users/Abusers				
Most one-way text alerts by a single member	113	123	118	112
Which member?				
Most two-way text messages by single member	112	132	144	256
Which member?				
Most messages(any type) by a single member	123	139	144	256
Which member?				

Online Banking   Text Banking   Audio Response

Configure Mobile Banking Service Fees   UPDATE

Corp ID 01
Mobile banking type TXT   Text Banking including text alerts   Active Yes
Fee group code 01   Group description   DEFAULT TEXT BANKING GROUP

Monthly Member Subscription Fee

Regular monthly rate 0.00   Introductory rate/month 0.00   # months at introductory rate 000
Fee transaction description MOBILE TEXT FEE   Fee G/L offset account 150.00   ☑ Fee can take account negative
Subscription fee waivers: Low age 000 High age 999   Aggregate savings 0.00   Aggregate loans 0.00
Waive if OTB account is present: ☐ Credit ☐ Loan ☐ Savings ☐ ATM ☐ Debit
☐ Waive if enrolled in e-statements

Text From	Text To	Fee	G/L Account	Transaction Description	Online Banking Fee Description
		0.000		NON-USE FEE	Non-use Fee
1	999,999	0.000		1-999999 TEXT	1 - 999999 Text Messages
		0.000			
		0.000			
		0.000			
		0.000			
		0.000			
		0.000			
		0.000			
		0.000			

Verify
Add/Update

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If you ever get a material invoice for your text program, maybe you'll be ready to revisit these screens

eAlerts (Text and Email)

WHERE DO WE GO NEXT?

Daily balance

Step 2 - Enter

☑ **Send me a daily alert showing the current and available balance in this account**

Daily – #of transactions

Step 2 - Enter

Count all of these types of transactions:
⊙ Any deposits
○ Any withdrawals
○ Select specific transaction type [▾]

And alert me when that total exceeds this # of transactions in a single business day:
[ ]

Daily – total $ amount

Step 2 - Enter

Add up all of these types of transactions:
⊙ Any deposits
○ Any withdrawals
○ Select specific transaction type [▾]

And alert me when that total exceeds this $ amount in a single business day:
$ [0] Max: 99,999.99

Currently in development

Specific trans (various)

Step 2 – Choose a transaction type
Alert me when this type of transaction posts to my account:
[▾]

⦿ **For any amount**
○ **Only for amounts of $** [ ] **or more**

Specific trans (cleared check)

Step 2 – Choose a transaction type
Alert me when this type of transaction posts to my account:
Check (specific check number) [▾] **Enter a check #** [ ]

Loan payment (enhanced)

Step 2 - Enter number of days for reminder
Alert me this many days <u>before</u> the payment is due:
[ ]

Remind me this many days <u>after</u> the due date (if I miss my payment):
[ ]

☑ **Skip if the amount due is $0**

Acct balance (enhanced)

Step 2 - Enter account balances
Alert me when my account balance is above:
$ [0] Max: 99,999.99
Alert me when my account balance is below:
$ [0] Max: 99,999.99

Balance to use for this alert:
⦿ Available balance (this one excludes any funds on hold, such as pending debit card purchases)
○ Current balance (this is the total balance in the account)

Keep an eye on the Kitchen...I anticipate some aggressive programs around text ideas coming in 2016, and our eAlerts program certainly will jump forward

- ...but as an Internet Retailer, it's your reading of the data, and the automation of the response to that data exchange, that will make all the difference
- If your CU is going to invest in being an Internet Retailer, you will need to step up your data game

3 New Emerging Job Categories – New Hats To Wear

LEADERS WE ALL MAY NEED TO CONTEND WITH IN THE FUTURE AS WE BUILD CU TEAMS

Internet Retailing	Analytics & Data	Corporate Growth
Vice President of Internet Retailing	VP of Data Acquisition & Management	EVP, Director of Regional Corporate Growth
EVP, Virtual Channel Solutions	Manager of Coordinated Database Design	SVP for Marketplace Development & Alliance Sales
Manager of Social Media Interactions	Director of Analytics	Manager of Process Consolidations
Manager of the Mobile App Suite	VP of What-We-Know-About-Our-Members	Director of M&A
VP, Regional Virtual Branch Network	VP of What-We-Know-About-Our-Operations	Chief Financial Analyst for Corporate Acquisitions
	EVP, Distributed Information & Marketplace Communications	

3

Are these the people that may someday make the call when it comes to the products you pick and the strategies in which you invest?

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THE STATE OF CU ANALYTICS

Database growth on steroids…at CU*Answers, and at your credit union

■ In the last decade, the evolution of transactions changed our industry

  ■ The volume of transactions exploded (plastics, online activity, mobile, etc.)

■ From an operational point of view, it changed everything

■ But as we look at the next decade, the #1 thing that will change how we see ourselves and how successful we are with our members will be our ability to master **data**

  ■ Architect its design

  ■ Innovate how we store it

  ■ Quadruple the speed at which we review it

  ■ Automate the way we respond to it

  ■ Embrace the return for investing in it

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What today are optional specialties must become embedded core competencies in every organization

DATABASE GROWTH ON STEROIDS

1
Analytical Database Design and Operations

A new focus for our CUSO and a growing CU community

2
External Databases

Who will build them, where will they live, and how will we all leverage them?

3
What We Know About Your Financial Data

The 2016 focus for our Analytics Programming Team

DATABASE GROWTH ON STEROIDS

1

Analytical Database Design and Operations

A new focus for our CUSO and a growing CU community

External Databases

Who will build them, where will they live, and how will we all leverage them?

What We Know About Your Financial Data

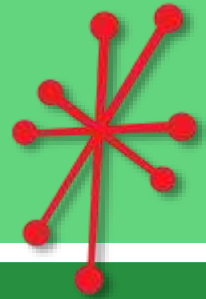The 2016 focus for our Analytics Programming Team

- It's hard to believe, but as Focus Groups go we see this new one becoming a rival to the Lending Top 10, Accounting Top 10, and even CEO Strategies
- We have big goals for our second Data Investment Symposium in February 2016
  - 1-3 CUs to show up with a strategic plan for data management
  - 1-3 CUs with new job descriptions and responsibilities for leaders in this area
  - An active set of CU/CUSO collaborators to lead the way in defining what data is valuable

2015 DATA INVESTMENT SYMPOSIUM

UNDERSTANDING CU*BASE DATA STRUCTURES & TOOLS
EXPLORING NEW IDEAS AROUND EXTERNAL DATA WAREHOUSES

FEBRUARY 25, 2015

CU*ANSWERS
A Credit Union Service Organization

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Announcing a new Executive Study program for 2016...

Owners Build Cooperatives

Track 1:
What Makes Data Valuable?

- Brainstorming with CU*Answers data architects and credit union peers around the data available to CU organizations
- Work as a group to identify the characteristics of data that help discern the difference between information and knowledge
- Create a foundation for all CUs in the cuasterisk.com network to up their game for a future based on intuition from data

2016 Executive Boot Camp Series

- 12 candidates to be selected from a group nominated by their credit union
  - 1 representative per CU
  - Nominations due Nov. 1, 2015
- Four 2-days sessions (8 days total)
  - 1 session per quarter
  - CU*Answers to pay overnight lodging and food
- Work-study program
- Must attend all 8 days to graduate
  - Schedule to be announced soon

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Analytical Database Design and Operations

- Identifying the key leaders that generate data
- Identifying the opportunities in being the business that stores data
- Deciding on the risk your data management business should take
  - Data with personal information
  - Data without personal info
- Finding your role in how data moves from an internal perspective to an external one
  - At the CU, at the network, at the industry level

Analytical Database Design and Operations

- **Goal #1:** Build new tools for CUs with the resources to go active with analytics and data processing functions around their own database centers
  - From CU*BASE dashboards to operational services for CU designers
- **Goal #2:** Build new databases and content with the intent to yield new insight (analytical databases alongside operational databases) – **optics** *for non-transactional member activities*
  - Create our own big data and think more about raw data insights
- **Goal #3:** Build new consulting and executing resources to act on insight
  - Concentrate our network on new focus groups and collaborative activities around analytics
- **Goal #4:** Build new external databases that can be leveraged inside and outside our network – *aggregate data from a larger portion of the CU industry*
  - Find new peer audiences and extend data more often, faster, and interactively
- **Goal #5:** Build momentum for analytics and executing on building ownership and pushing insight and information to the edge of customer-owner networks
  - It's My _____ Data . . . Staff, Executive, Board, Owner

Goal #1: Build New Tools for CUs

HOW MANY TOOLS CAN WE BUILD AROUND THE CONCEPT OF PATRONAGE?

Coming in 15.1 (July)!


Most of the work to date has been figuring out how to create a transaction to reward patronage

The future is understanding how to leverage what we know about patronage, day to day

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- Any report you can print* can be sent to the new **INSTANTxx** printer queue (like HOLDxx)
- A new program will monitor these queues for incoming files and move them quickly to CU*Spy, ready to view or print
  - Next up: In-house eDOC vaults – will require some new configs already in development
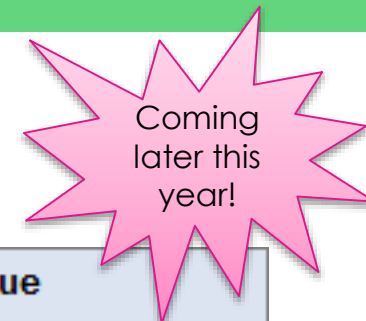
Coming later this year!
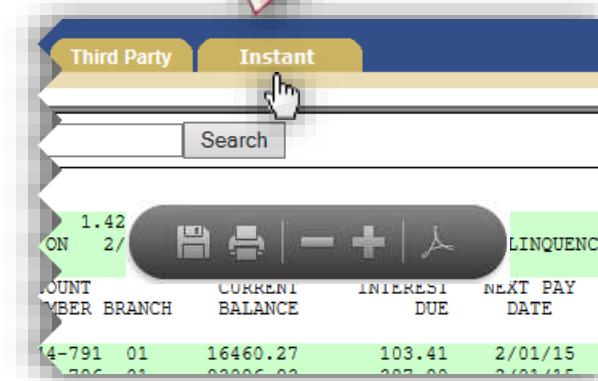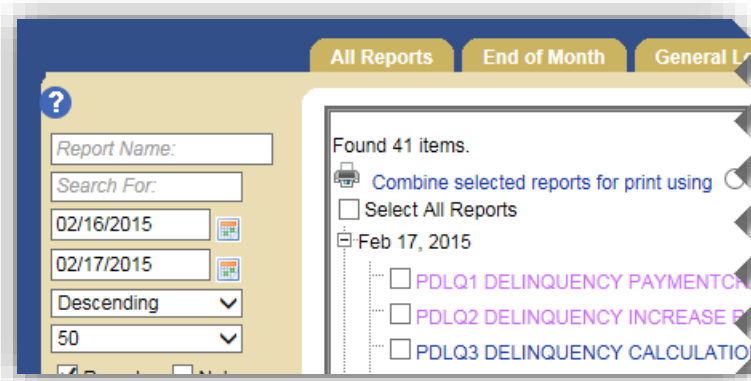
*Exceptions include forms with overlay, checks, and receipts

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Goal #1: Build New Tools for CUs

DOWNLOADS MADE SIMPLER

Launch the tool on your desktop ②

Coming later this year!

CU_BASE File Download

Run a new option in CU*BASE ①

Authenticate against your file transfer permissions ③
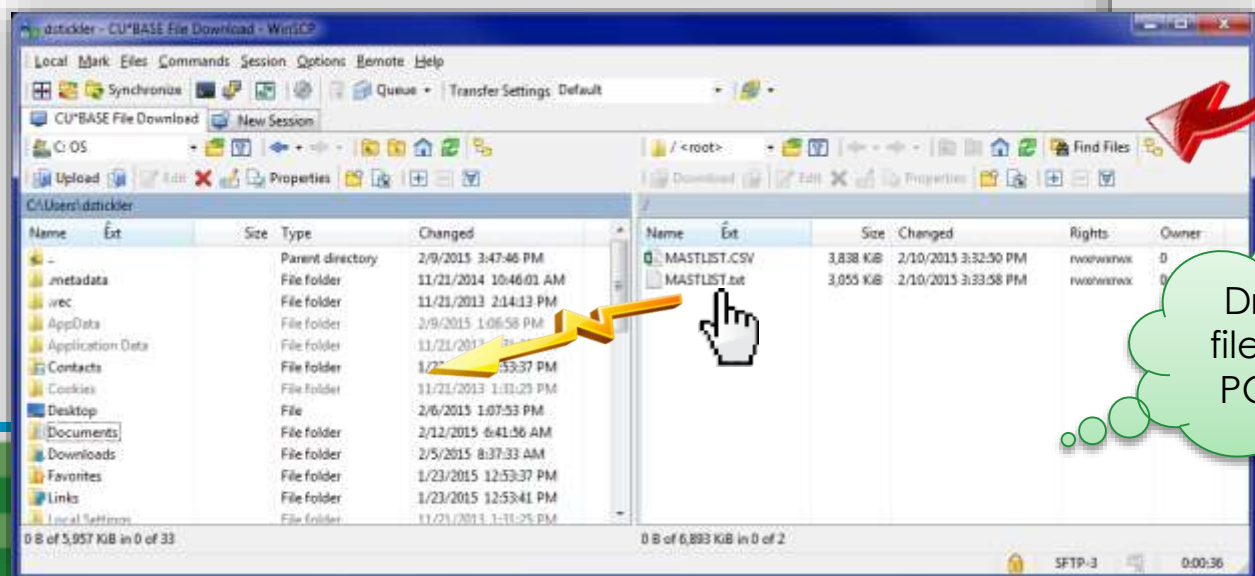
Drag the file to your PC folder ④
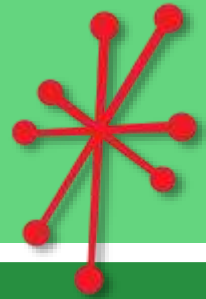
Track 2:
Building Solutions as a Co-op

- Brainstorming with CU*Answers solution designers and credit union peers around the concepts that turn ideas into working technical solutions
- Work as a group to understand the creative and day-to-day work processes that yield solutions for our network
- Create a foundation for all CUs in the cuasterisk.com network to ensure a long future from the investments we make to get things done
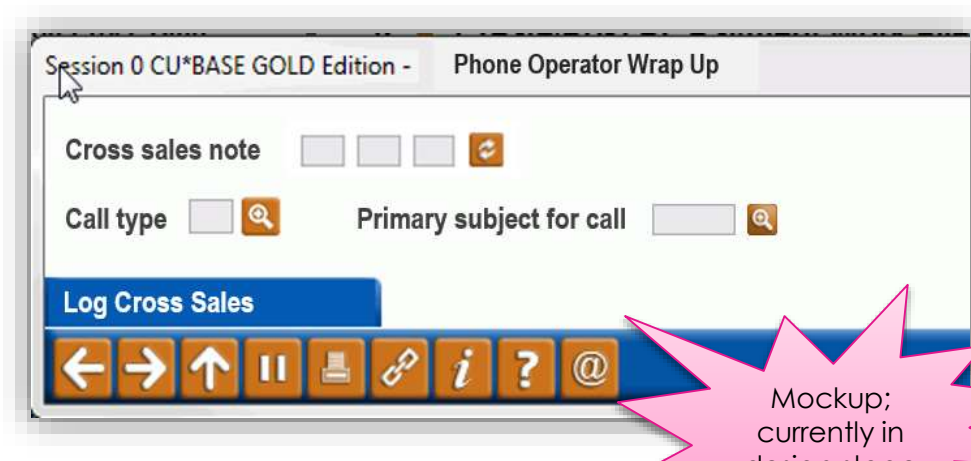
2016 Executive Boot Camp Series

- 12 candidates to be selected from a group nominated by their credit union
  - 1 representative per CU
  - Nominations due Nov. 1, 2015
- Four 2-days sessions (8 days total)
  - 1 session per quarter
  - CU*Answers to pay overnight lodging and food
- Work-study program
- Must attend all 8 days to graduate
  - Schedule to be announced soon

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■ Introducing **Call Center Optics**

- ■ Tracking every member that was helped through CU*BASE Phone Op
- ■ Cross-referencing member activity to their call center activity
- ■ A search for new ways to earn from answering the phone

*Session 0 CU*BASE GOLD Edition - Phone Operator Wrap Up*
Cross sales note
Call type Primary subject for call
Log Cross Sales

Mockup; currently in design stage

■ Introducing **It's Me 247** Optics

- ■ Watch, record, and analyze the clicks in the online world

■ 1 - Logged In/Out
■ 2 - Clicked Smart Message xxxx
■ 3 - Viewed Open Loan
■ 4 - Viewed Open Certificate
■ 5 - Viewed Open Savings/ Checking
■ 6 - See/Jump Activity
■ 7 - Clicked xxx Loan to open
■ 8 - Clicked xxx Certificate to open
■ 9 - Clicked xxx Savings/ Checking to open
■ 10 - Changed Personal Information
■ 11 - Forgot Password
■ ...

■ ...
■ 30 - Went to PIB
■ 31 - Viewed Check Image
■ 32 - Printed the Page
■ 33 - Viewed Dividend/ Interest Summary
■ 34 - (Payveris) Created Payee
■ 35 - (Payveris) Paid a Bill
■ 36 - (Payveris) Viewed Bills
■ 37 - (Payveris) Sent P2P
■ 38 - Viewed Messages
■ 39 - Added check stop payment
■ 40 - Downloaded account Details

These new optional databases will have associated fees and purge schedules to fit with your plan for using the data

Speaking of what people do that you can't see...

- Say goodbye to "menus" and say hello to a new way to search for CU*BASE tools
- Serving the Google generation:
  Searching is the new norm

http://www.cuanswers.com/resources/kitchen/revamping-the-cubase-menu-system/

Goal #3: Build Consulting and Executing Resources

- Goals for year 3 of Executive Study Groups:
  - Major new plans for CEO Strategies in November
  - Active beta and dashboard dives for every executive, all year long
  - A program in 2016 to activate credit union technology teams to work directly with our Executive Council
    - Honor Technology Strategy Developers (HTSD)

CU*ANSWERS
Executive Study Groups
You are what you study

Home   Current Study Groups   Previous Study Groups

Active Beta Study Group Series 2

Dashboard Dives 2015

You A

business will adjust to only address those problems

●●●○○ Verizon LTE   5:27 PM

< Sent

DATA Rally - Round 1
June 4, 2015 at 3:00 PM

Team-

The eSolutions Department will be hosting a series of DATA Rallies targeting Branch Managers and Assistant Branch Managers (all others welcome). In these rallies we will be covering deep dives into the data analysis tools already available in GOLD.

Through these collaborations we will deliver consumable information in several one hour time blocks throughout the year. Our mission is to provide quick access to your branch and member's data that will enable you to drive measurable results and ultimately, "provide solutions for financial success".

THINK BIGGER!
eSolutions

In 2016 I'd like to add dozens of new email groups to work with beyond CEOs

Do you have a tech council or executive group I can join?

- Your data can change the lives of your members and influence and industry, if you share it

Better yet, you can lower your costs, expand your opportunities, and guarantee your success if you lead with it

To Change the World, You Need to Get Its Attention

- The "Raise Your Voice" initiative for RBC2 was one of those chances, and an effort worth our time

CUSO	Submitted	Total	%
CU*Answers	166	203	81.77%
CU*NorthWest	24	25	96.00%
CU*South	15	22	68.18%
eDOC	7	19	36.84%
Xtend	31	51	60.78%
	243	320	75.94%

2,167 comments published

534 submissions from network credit unions

Compared to RBC1,
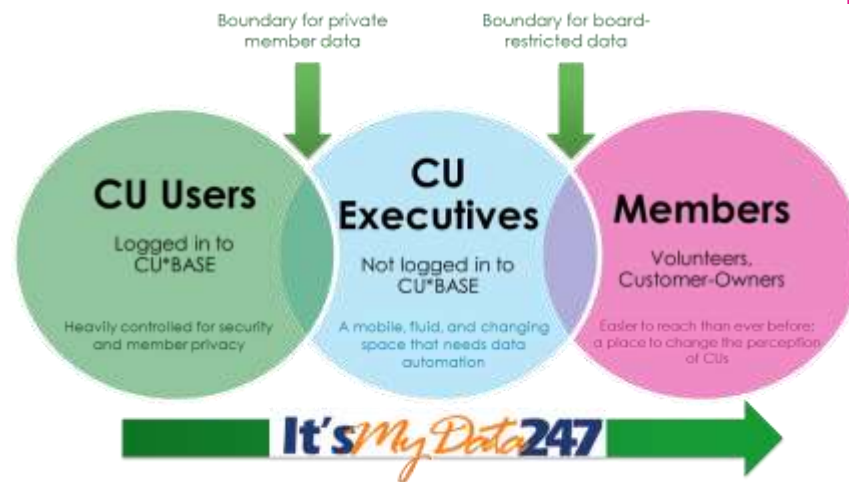**111** more comment letters were filed for RBC2
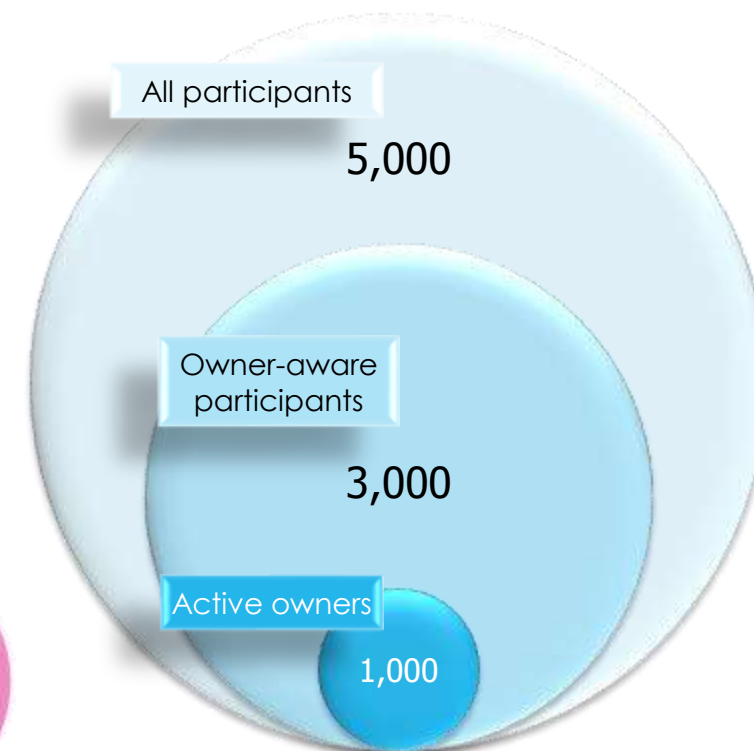

Dave and Jim at the GAC

CUSTOMER-OWNERS BUILD BUSINESSES

- To get respect, you must show respect, and who goes first? You do, of course

- At tonight's Annual Stockholders Meeting, we'll talk about what we plan to share with our ownership community as a template for what you might do in 2016

- If the world truly comes to see data as its most valuable commodity, will you be positioned to be one of the most valuable organizations available to your members?

Do the math:
A cooperative with 5,000 participants

All participants
5,000

Owner-aware participants
3,000

Active owners
1,000

Boundary for private member data

Boundary for board-restricted data

CU Users
Logged in to CU*BASE

Heavily controlled for security and member privacy

CU Executives
Not logged in to CU*BASE

A mobile, fluid, and changing space that needs data automation

Members
Volunteers, Customer-Owners

Easier to reach than ever before; a place to change the perception of CUs

It's My Data 247

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Hope to see you tonight so I can explain the difference between bodacious and audacious

External Databases

- Seems like everyone is in the data business these days, and it makes sense
  - Operational software generates data, and it ends up being organized as a database
- The trick is understanding who's in the database business, and their intentions
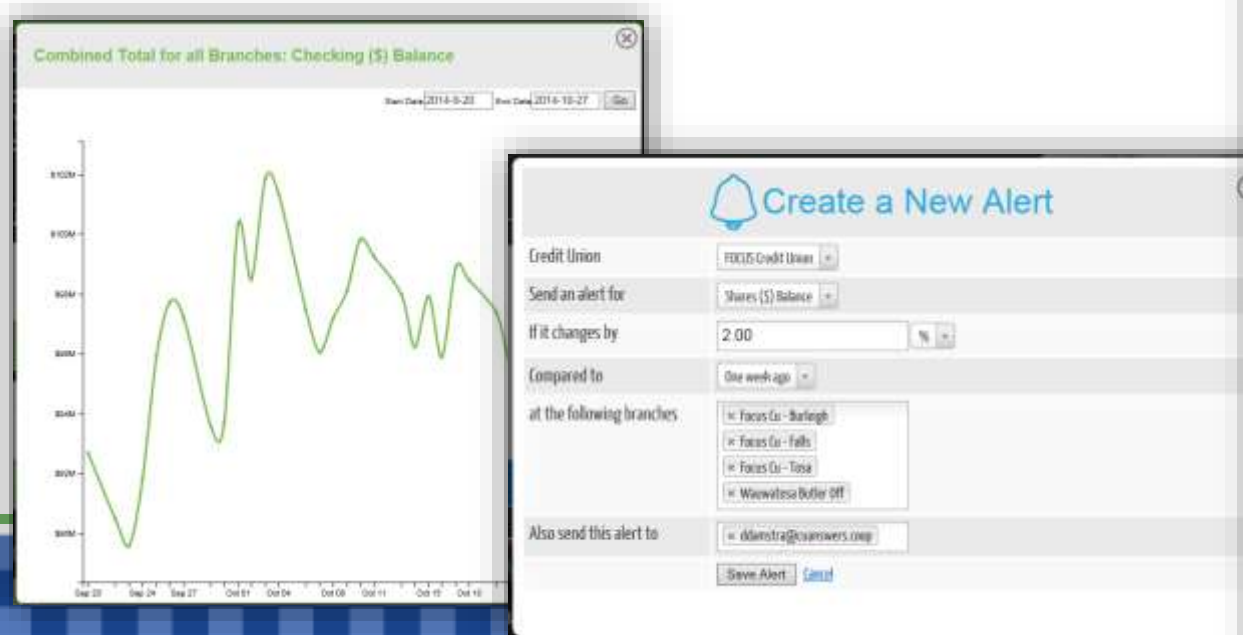
CU*Answers	Traditionally creating operational databases for products like CU*BASE and It's Me 247 ▪ In 2016 we're going into the business of creating analytical databases to understand everything credit union
Your Vendors	Using their tools, pushing the data to you, or pushing it to us
Potentially You	Have you thought about what you do with data, in your network on servers or individual PCs, as a *business*? ▪ Collecting and archiving the data is data processing ▪ Who's doing the analytical work, and what is the yield?

- Fastest rollout of any optional CU*Answers product
  - **92** CUs (497 branches)
  - **232** alerts subscriptions
  - Most popular trend graph: *Loans – Closed End Balance*

External Databases (CU*Answers)

■ We plan to do 2 releases per year

■ In this month's release:

- Download trend graphs to your desktop
- Add annotations to the graphs
- Highlight a compare to what's "normal" for you *(based on averages)*
- Choose your own top 10 "Quick Look" graphs
- Consolidating alerts into fewer emails
- Send all alerts to additional recipients

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I seldom talk to an executive these days who doesn't have their phone within reach

Are you ready to be as fluent about your CU data as you are about your favorite web search?

Board Sites

- 2015 might signal the end of overnighted printed packets
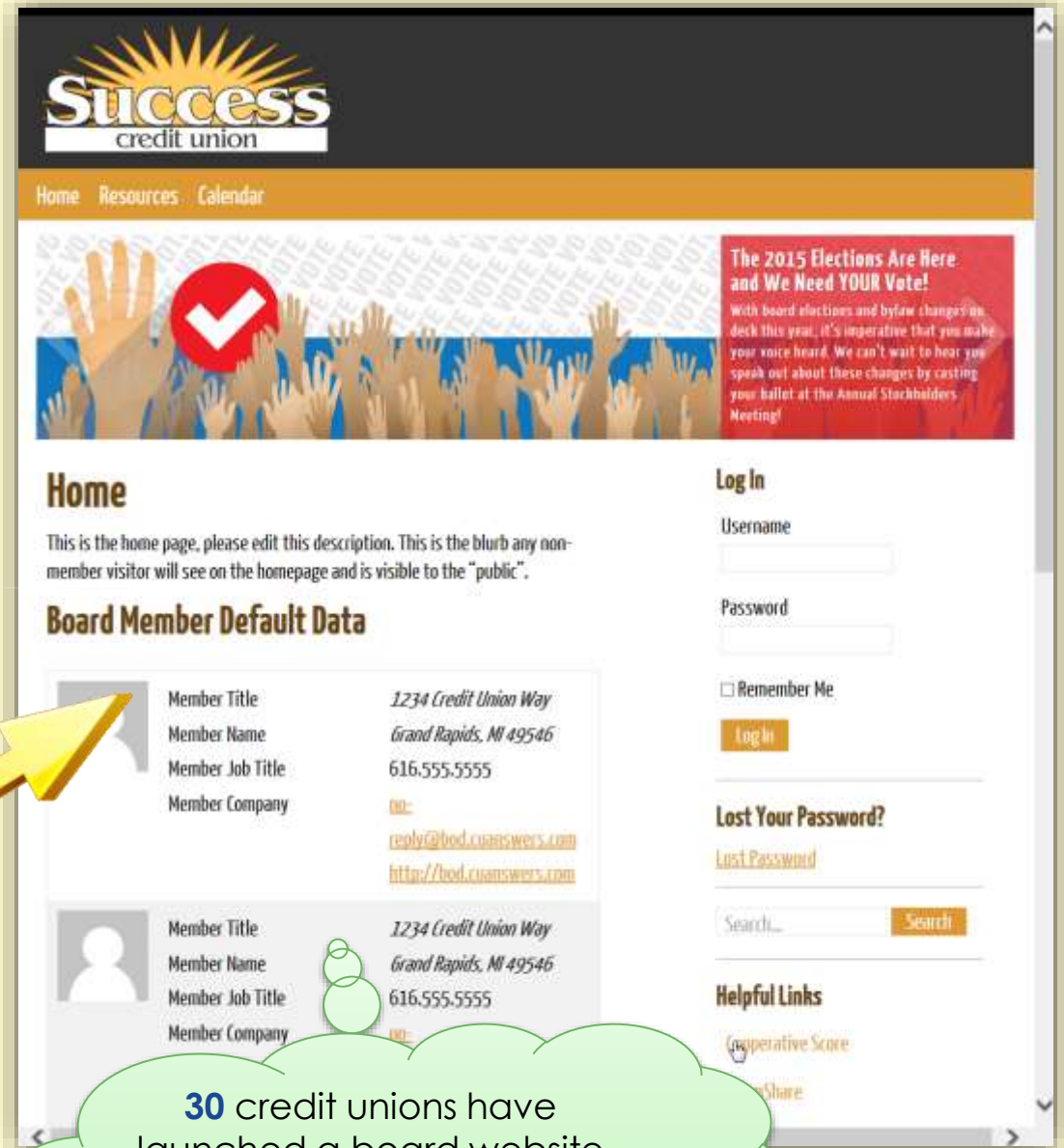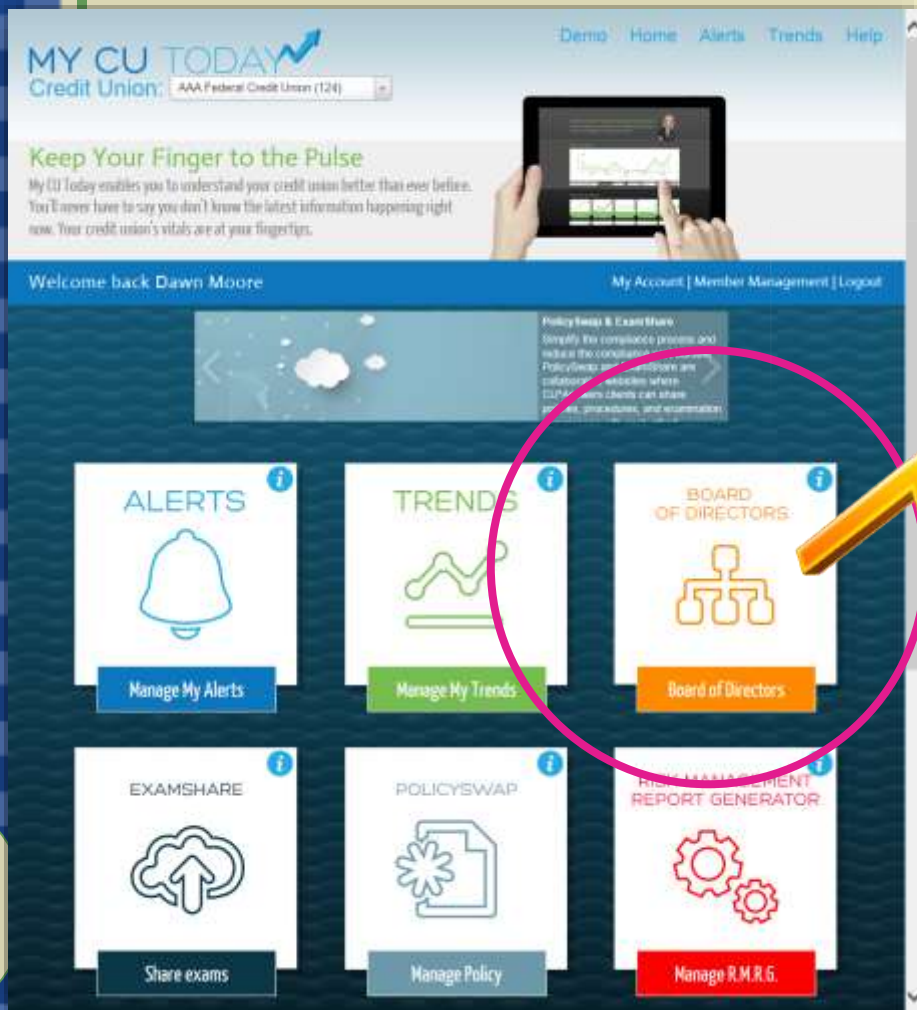
30 credit unions have launched a board website *(including one community foundation and one non-CU*BASE CU)*

External Database (Your Vendors)

When You're In The Business…or You Just Want Some Stuff

- In 2016, we expect that CUs will be more aggressive about expecting their vendors to exchange data, either interactively or much more effectively in batch formats
  - Have you inventoried everything that's already available to you?
- My top 3 goals for 2016:
  - Build direct connections with the credit bureau vendors and others like NADA
  - Earn on our work from a development relationship with Marquis
  - Draw more attention to first-responder databases like EFT ISO messaging

We need to take advantage of our 24x7 shared data center operations and keep them busy

- Over the next few years we expect a new audience to emerge in the network, who will take control over their data to a whole new level
  - They'll centralize a comprehensive data warehouse to be stored separate from their vendor networks
- Like My CU Today, we expect our data centers to be busy with 7-day-a-week, automated data transfer services

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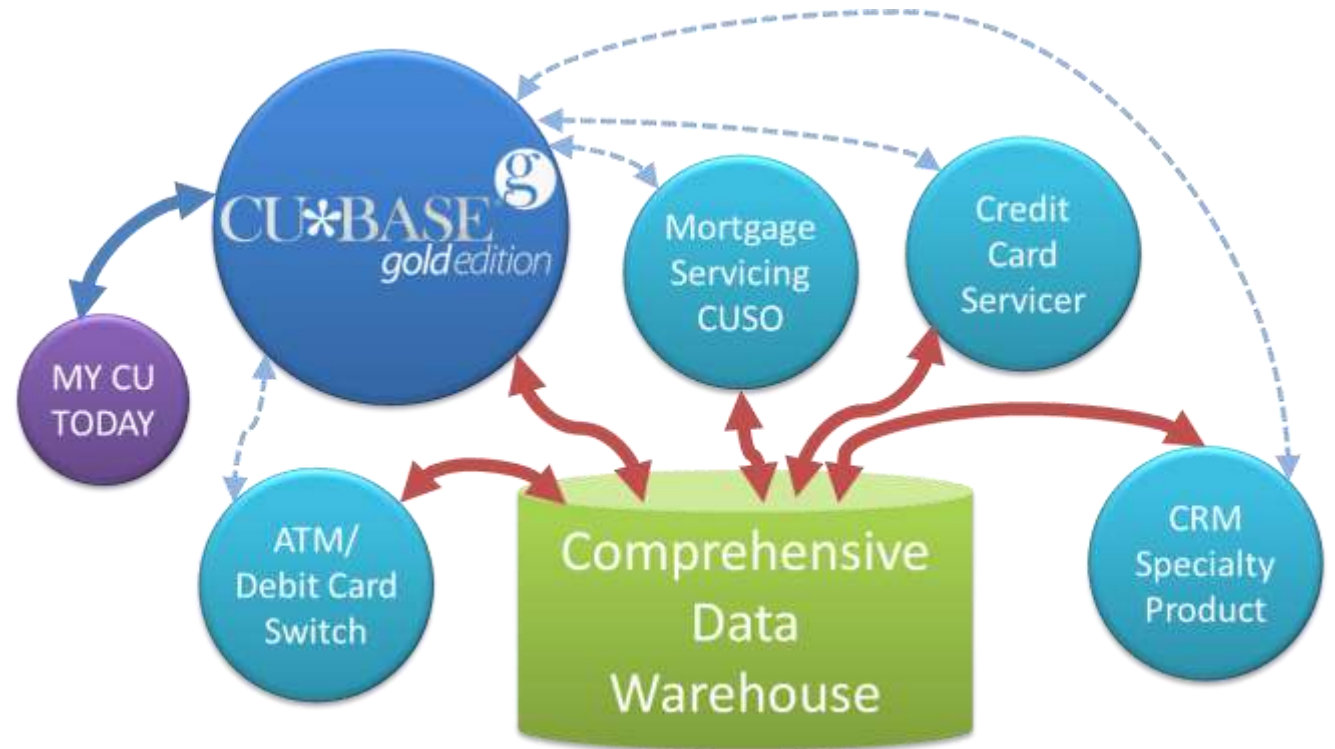
Buyer beware...the return in data is not from storing it, it's from *understanding* it

How do you see our future collaborative efforts?

DATABASE GROWTH ON STEROIDS

3

Analytical Database Design and Operations

A new focus for our CUSO and a growing CU community

External Databases

Who will build them, where will they live, and how will we all leverage them?

What We Know About Your Financial Data

The 2016 focus for our Analytics Programming Team

Applying What We've Learned About Dashboards to Financial Data

Step 1: Identify a type of raw data that is important to credit union insight and operations

Step 2: Give the user filters and create a subset of the raw data based on selection criteria for a relevant circumstance

Step 3: Display the data in an in-your-face way that gets people thinking

Step 4: Tell the user everything you can about the data subset and throw in some consistent analysis routines and action steps

A goal for 2015-2016: Standardize and bring all existing dashboards up to speed with A.S.A.P. features

What is the difference between hunting and pecking for data and analyzing it?

Membership Traits
- An analytical tool to understand what membership traits has in common
- Prepares the analyst to talk to the crowd

Account Composition
- An analytical tool to understand what accounts this crowd has with you
- Prepares the analyst to talk to the crowd

Session 0 CU*BASE GOLD - Analyze Common Bonds for a Group of Members

File name to be analyzed

File must be located in your QUER   library and contain only account base numbers

View common bonds in
- ○ Account composition
- ○ Membership traits
- ○ Credit history trends
- ○ Tiered service analysis

Credit History Trends
- An analytical tool to better understand the creditworthi-ness of this crowd
- Prepares the analyst to talk to the crowd

Tiered Service Analysis
- An analytical tool to show the relationships and penetration you have with this crowd
- Prepares the analyst to talk to the crowd

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What is the difference between hunting and pecking for data and analyzing it?

What about when there's no dashboard?

If you can generate a file, you can analyze the situation

Account Composition
- An analytical tool to understand what accounts this crowd [has with] you
- Prepares the analyst to talk [to the] crowd

Membership Traits
- An analytical tool to understand what membership traits has in common
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Session 0 CU*BASE GOLD - Analyze Common Bonds for a Group of Members

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Applying What We've Learned About Dashboards to Financial Data

Step 1: Identify a type of raw data that is important to credit union insight and operations

Increase the years of debit and credit history we make available online; use the lifetime income and balance sheet history already on the system more fully

Step 2: Give the user filters and create a subset of the raw data based on selection criteria for a relevant circumstance

Expand the reasons why and how users can query all we know about financial history

Step 3: Display the data in an in-your-face way that gets people thinking

Create specialized looks like performance variance analysis

Step 4: Tell the user everything you can about the data subset and throw in some consistent analysis routines and action steps

Paint pictures, graph, and report things no one currently has the time to do

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Attacking the Budget Opened a Can of Worms

- **Goal #1:** Modify the budget process so that credit unions can budget to the same level of detail at which they execute, day in and day out
  - Every G/L, every branch, every month
- **Goal #2:** Create a dashboard for variance analysis that is convenient, responsive, and easily shared with stakeholders
  - Query percent and dollar amount, every G/L, every month, and by key income statement areas
- **Goal #3:** Create the ability to model the connection between member savings and loans and the income statement; build a platform that links what we know about the past with the assumptions we need for the future
  - **Ouch!** Back to the drawing board

Repetition is the key to evolution, and budgeting is a once-a-year thing

It takes a long time to bring everyone into the game and blend user workarounds with new intentions

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Planning for the 2016 Budgeting Season

ANNOUNCING OCTOBER 2015 WEBINARS: ENGAGE WITH OUR BUDGET TEAMS

Mark your calendar!

Budgeting Sessions hosted by Randy Karnes
VIA WEB CONFERENCE, FRIDAYS FROM 2:30P – 4:00P ET

Friday, October 2	Understanding how to prepare your G/L chart of accounts and budgeting configurations
Friday, October 9	A deep dive on the tools and data that prepare you with a set of key assumptions based on where you've been
Friday, October 16	A deep dive on the Work with CU Budget – everything but modeling
Friday, October 23	A deep dive on where CU*BASE is with modeling assets and liabilities to generate the offsetting income and expenses from member accounts
Friday, October 30	Analyzing the tools for printing and presenting budget variances and understanding how projected assets and liabilities vs. actual performance can be understood

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Our goal with these sessions: To make sure year 2 is a step up from year 1 for this development project

■ Want to know what's been happening for the past 10 years, for any G/L, with the click of a button?

A tool for...
- The CEO
- The head of lending
- The head of operations
- Service income analysts
- Budgeting
- Board planning
- Everyday brainstorming

Session 6 CU*BASE GOLD - ABC CREDIT UNION

File Edit Tools Help

Budget Modeling

| Budget group | 01 CONSUMER LOANS | G/L acct | 701-34 USED VEHICLE LOANS |
| Location | All locations | | 111-34 INT INCOME – USED VEHICL |

History For Assumption Ideas

Summary | Dec YE Balance | % Change | Net Change

Year	Dec Year-End Balance	% Change	Net Change
2014	66,752,213	2.41	12,958,317
2013	53,793,895	2.72	11,486,929
2012	42,306,966	1.77	6,369,270
2011	35,937,696	0.26-	942,806-
2010	36,880,502	0.21-	776,494-
2009	37,656,996	0.29	1,048,779
2008	36,608,217	3.45	9,388,823
2007	27,219,394	0.71	1,804,193
2006	25,415,201	1.94	4,133,344
2005	21,281,857	1.53	2,827,972
2004	18,453,885	0.02	40,669

● Detail history for more assumption ideas   ↑ ↓

Currently in development

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■ Want to know what's been happening for the past 10 years, for any G/L, with the click of a button?

Get a picture of 10 years of:
- Auto loan performance
- Home loan performance
- Certificate program performance
- Reward checking performance
- Skip-pay income performance
- Courtesy pay performance
- NSF fee performance
- Employee compensation
- What you do, day in and day out

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2015-2016 Focus: What We Know About Financial Data

■ Want to drill down on a specific year and G/L, from January to December?

3 years of insight into:
- Where you started
- Where you ended
- Annual dollar and % change
- View any 3 years side by side
- Save hours of data-gathering and see things you've never looked for before

Session 6 CU*BASE GOLD - ABC CREDIT UNION

File   Edit   Tools   Help

Balance Comparisons

| Corp ID | 01 ABC CREDIT UNION | GL Account | 701-34 USED VEHICLE LOANS |
| Budget Group | 01 CONSUMER LOANS | | All Branches |

Month	2010 Change	2010 Balance	2011 Change	2011 Balance	2012 Change	2012 Bala
Beginning balance:		37,656,996.43		36,880,502.28		35,93
Jan	54,001.73	37,710,998.16	278,016.55-	36,602,485.73	130,564.26	36,06
Feb	567,536.07-	37,143,462.09	556,253.82-	36,046,231.91	279,018.75-	35,78
Mar	104,569.61	37,248,031.70	308,693.46-	35,737,538.45	5,137.19	35,79
Apr	351,071.57-	36,896,960.13	392,595.01	36,130,133.46	22,756.71-	35,77
May	226,359.60-	36,670,600.53	301,658.18	36,431,791.64	435,480.83	36,20
Jun	218,256.43	36,888,856.96	165,504.40	36,597,296.04	773,744.45	36,98
Jul	332,833.94-	36,556,023.02	285,082.50-	36,312,213.54	1,555,670.92	38,53
Aug	182,882.93	36,738,905.95	36,797.49-	36,275,416.05	1,489,059.19	40,02
Sep	42,468.40	36,781,374.35	347,545.95-	35,927,870.10	764,212.82	40,78
Oct	185,114.29-	36,596,260.06	266,101.22-	35,661,768.88	561,515.03	41,35
Nov	100,975.44-	36,495,284.62	62,192.63-	35,599,576.25	904,560.24	42,25
Dec	385,217.66	36,880,502.28	338,119.96	35,937,696.21	51,100.92	42,30
	776,494.15-	36,880,502.28	942,806.07-	35,937,696.21	6,369,270.39	42,30
Annual growth:	2.0- %		2.5- %		17.7 %	

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■ Now go crazy and look for things just because you can (the best assumptions are inspired by hints no one else sees)

Gain insights into:

- How often do balances go up?
- How often do balances go down?
- Average annual change
- What's the lowest or highest the balances have been?
- Averages by quarter
- Averages by month

Balance Comparison Analysis

| Corp ID | 01 ABC CREDIT UNION | | GL Account | 701-34 USED VEHICLE LOANS |
| Budget Group | 01 CONSUMER LOANS | | | All Branches |

	2013	2014	2015	Total
# months up	12	12	9	33
# months down			3	3
Average change	957,244.08	1,079,859.79	433,746.13	823,616.67
Low balance	42,543,066.37	54,807,319.87	7,406,142.02	7,406,142.02
High balance	53,793,895.57	66,752,213.06	60,256,761.31	66,752,213.06

	Average Monthly Balance	Average Monthly Balance	Average Monthly Balance	Average Monthly Balance
Quarter 1	43,100,248.80	55,977,657.38	26,602,568.89	41,893,491.69
Quarter 2	46,230,746.49	59,878,116.38	11,010,385.05	39,039,749.31
Quarter 3	49,394,231.62	63,140,327.34	9,856,976.21	40,797,178.39
Quarter 4	52,808,755.51	65,830,832.38	12,358,206.15	43,665,931.34
# months displayed	12	12	12	36
Average monthly balance	47,883,495.61	61,206,733.37	14,957,034.07	41,349,087.68

2015-2016 Focus: What We Know About Financial Data

■ Projecting where asset and liability G/Ls will end up can be tricky, and everyone does it differently – this new tool will take that into consideration

This tool emulates the flexibility of a spreadsheet:

- Model the starting balance
- Model debit activity *(like loan distributions)*
- Model credit activity *(like loan payments)*
- Model monthly net change
- Model resulting balance

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2015-2016 Focus: What We Know About Financial Data

New Tools That Help you Calculate and Project Key Modeling Components

Session 6 CU*BASE GOLD - Budget Modeling Assumptions

Most recent balance (as of Dec 31, 2014)   66,752,213   Starting Balance

Projected year end balance   66,752,213 (Based on average net change to date)

Starting balance to use in assumptions   70,000,000

Session 6 CU*BASE GOLD - Budget Modeling Assumptions

Debits   FR (5745)

From the Previous Year-End Balance	- OR -	Project by Quarter
☐ Project based on last years pattern		Q1
Increase by so many dollars per month		Q2
Show monthly growth by 0.000 %		Q3
		Q4

Calculation Method

My year-end balance should be

Calculation method ◯ Flat-amount per month
                    ◯ Flat-amount per day

FR (5743)

Session 6 CU*BASE GOLD - Budget Modeling Net Balance Assumption Confirmation

WARNING! You have chosen to modify net balance assumptions.

In order to do this, any Debit and Credit assumptions previously entered will have to be cleared.

☑ Do you wish to clear the Debit and Credit assumptions and continue?

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In 2016, we'll stick to member asset and liability accounts, but once we're done, we'll attack investments and other areas that easily correlate to income and expense

What We Know About Financial Data

- How do we move from bookkeeping, to accounting, to financial analysis?
- We add the story around the debit and credit, like we did for member transactions
  - We add financial metadata as bookkeepers record history

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Currently in development

What We Know About Financial Data

Coming in 15.1 (July)!

Loan Payment Activity Summary - Closed End

	Expected				Actual					Variance	
	BOM Balance	F	# of Pmts	Total $ of Payments	EOM Balance	# of Pmts	Total Pmt $ Collected	Accrued Int Collected	Net Principal/ Misc Funds	# of Pmts	Total Funds Collected
Over pmts	17,082,349 M		965	270,151	16,824,379	1,501	376,306	85,870	290,435	536	106,154
Under pmts	2,591,715 M		214	59,969	2,574,410	112	13,271	4,063	9,208	102-	46,697-
Expected	7,631,288 M		543	144,075	7,543,614	549	144,075	35,362	108,713	6	
Payoffs	307,938 M		50	12,023	0	69	311,558	2,889	308,668	19	299,535
Net over/un	19,674,064 M		1,179	330,120	19,398,789	1,613	389,577	89,933	299,643	434	59,456
No payment	1,326,093 M		128	34,363	1,316,877	0	0	0	0	128-	34,363-
Total	27,613,290		1,772	486,219	26,942,403	2,231	845,211	128,185	717,025	459	358,992
										25%	73%

Note: Members fall into categories based on expected payment amount not expected number of payments.

Payments per the promissory note

Payments based on the way members live

Loan Payment Activity

Loan payment activity for   ⦿ Closed end   or   ⚬ LOC

Analyze payments received during   Dec 2014   [MMYYYY]

Loan payment frequency   Monthly

Product   [Select]   79 selected
Business unit   [Select]
Loan category   [Select]
Collateral type   [Select]

Current credit scores between   [ ]   and   [ ]
Interest rates between   0.000   and   0.000

ℹ The primary purpose of this application is to get a breakdown of loan payments expected vs loan payments collected.

Loan Payment Activity Detail - Closed End   All payments

	Expected						Actual				Variance	
BOM Balance	Rate	Fr	# of Pmts	Total $ of Payments	PO	EOM Balance	# of Pmts	Total Pmt $ Collected	Accrued Int Collected	Net Principal/ Misc Funds	# of Pmts	Total Funds Collected
50,525	4.500	M	1	524	X	0	1	50,556	31	50,525	0	50,033
41,547	5.125	M	1	229	X	0	2	41,725	177	41,548	1	41,497
32,436	5.990	M	1	390	X	0	1	32,586	149	32,437	0	32,195
27,551	4.000	M	1	772	X	0	1	27,640	58	27,582	0	26,868
20,089	3.190	M	1	453	X	0	1	20,109	19	20,089	0	19,655
14,829	3.690	M	1	288	X	0	2	14,913	84	14,829	1	14,625
10,369	6.990	M	1	167	X	0	2	10,489	119	10,370	1	10,322
9,754	3.490	M	1	406		0	2	9,808	54	9,754	1	9,401
9,266	8.490	M	1	339	X	0	1	9,395	93	9,302	0	9,056
8,317	3.890	M	1	313	X	0	1	8,331	13	8,318	0	8,018
7,000	10.875	M	1	578	X	0	2	8,575	1,450	7,125	1	7,997
8,056	8.625	M	1	257	X	0	1	8,148	67	8,082	0	7,892
8,156	5.690	M	1	148		172	3	7,999	14	7,984	2	7,851
7,933	13.575	M	1	307	X	0	1	8,013	80	7,933	0	7,706
7,139	3.190	M	1	209	X	0	1	7,194	20	7,174	0	6,985
7,131	8.625	M	1	221	X	0	2	7,202	71	7,132	1	6,982
6,981	8.375	M	1	216	X	0	1	7,047	65	6,982	0	6,831
26,901,962	5.470		1,749	478,678		26,238,229	2,204	832,736	124,092	708,644	455	354,057
											26%	73%

Filters   Weekly

Inquiry

A.A.A. 1.0: A Rating for CU Management
A quick refresher

Actionable
☐ Analysis with an expected outcome: *I will act*
- Before you ask for data, before you read a report, before [...] ction, you already anticipate doing something
- Data is not just noise to you

Analytical
☐ The ability to analyze: *A budgeted commitment*
- You've prioritized analysis, put some of your best thinkers on the p[...] and cash to the project, and you're determined to get an ROI on the dat[...]

Approach
☐ A manner in which a problem is solved: *A plan*
- You've made a commitment to yourself and your Board tha[...] and approach
- You've sold it as one of your talents

You're here to commit to action by knowing what is possible

How could CU*Answers build a collaborative investment for analysis?

Why we're all here: to share and exchange plans in the hope that a group of thinkers is better than one

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A.A.A. 3.0: Redefining Analysis
Is it time to declare Query dead?

Gathering Data (reduce $ cost)

Analyzing Data (increase time)

Acting on Data (multiply the events)

Assume you already have the data ready to analyze; no more hunting and pecking

Start with data that is gathered, organized, and with level-1 analytics already presented

Use Member Connect to communicate almost instantly; make fast-to-market adjustments

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Whether you're the CEO, financial officer, or the head of lending or operations, you have to see that earning from data is the new key success factor for your career
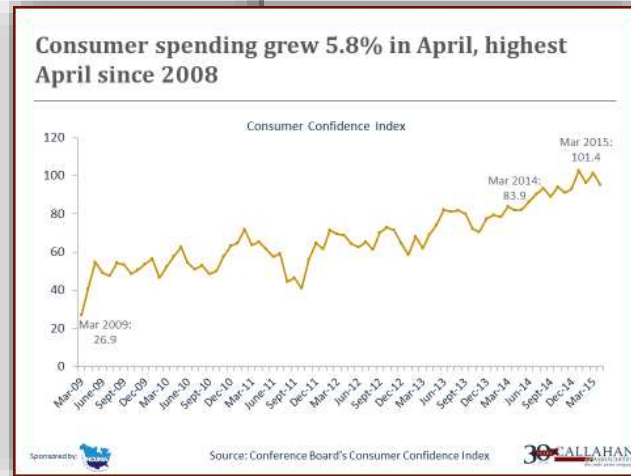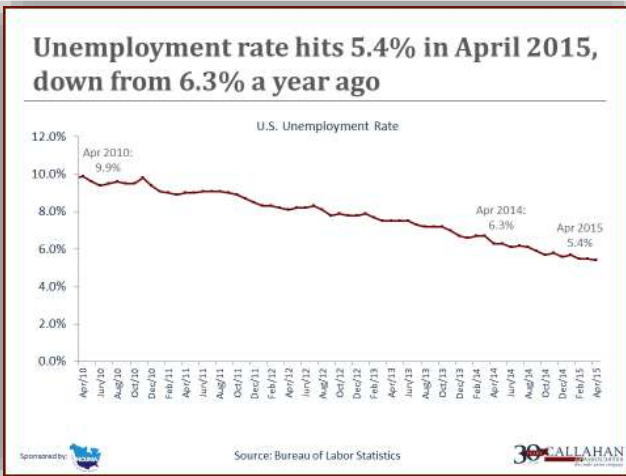
THE STATE OF THE CU INDUSTRY

What some call Consolidation, I call Recombination...are we ready?

When it comes to this topic, are we a hub or a network?

Unemployment rate hits 5.4% in April 2015, down from 6.3% a year ago

Consumer spending grew 5.8% in April, highest April since 2008

Consumer sentiment has steadily climbed since July 2014

FORTUNE

If the U.S. economy is so good, why do we feel so bad? OCTOBER 30, 2014

If the U.S. economy is so good, why do we feel so bad?

by Dan Primack   @danprimack   OCTOBER 30, 2014, 7:50 AM EDT

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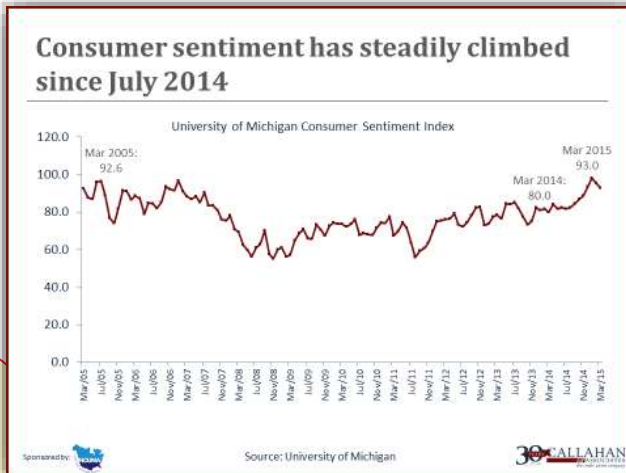
Whether it's the global economy or just the CU industry, it still feels like something is holding us back

Growth accelerates in every consumer lending category - new auto loans up 21.4%

Credit union auto lending market share topped 16.3%, matching the post-recession high

Credit unions are increasingly their members' primary financial institution
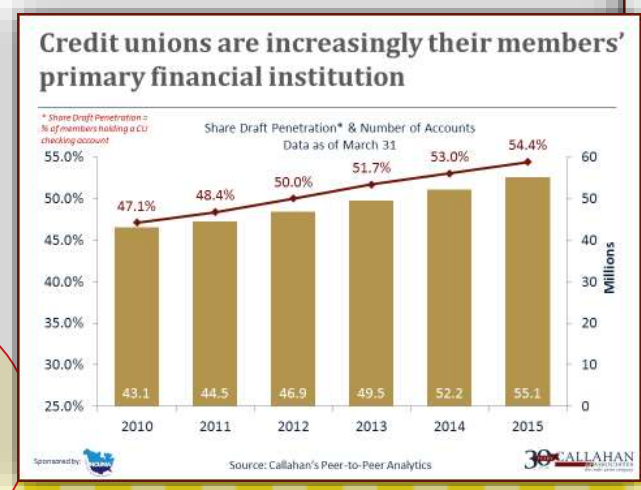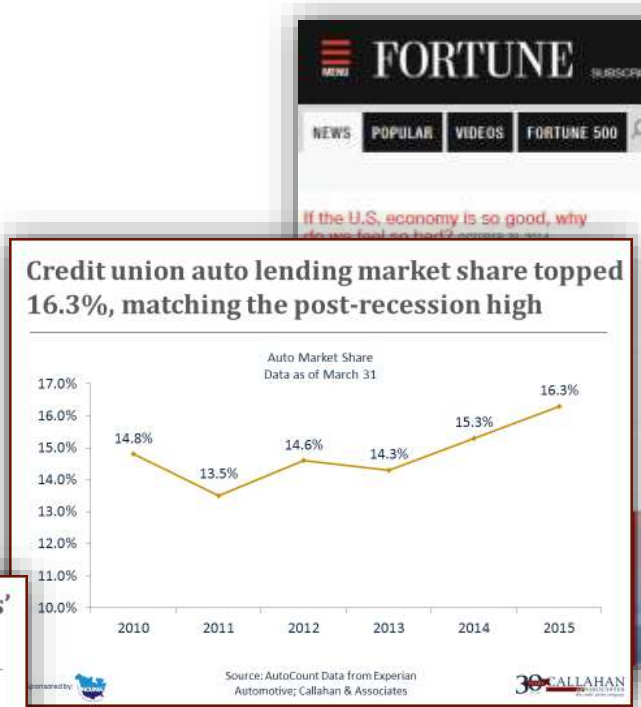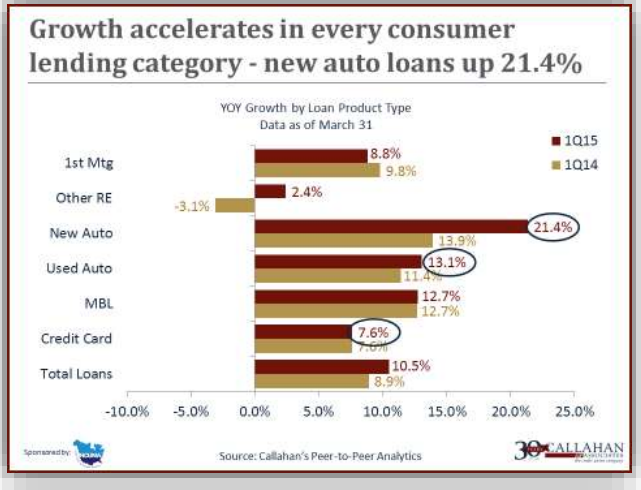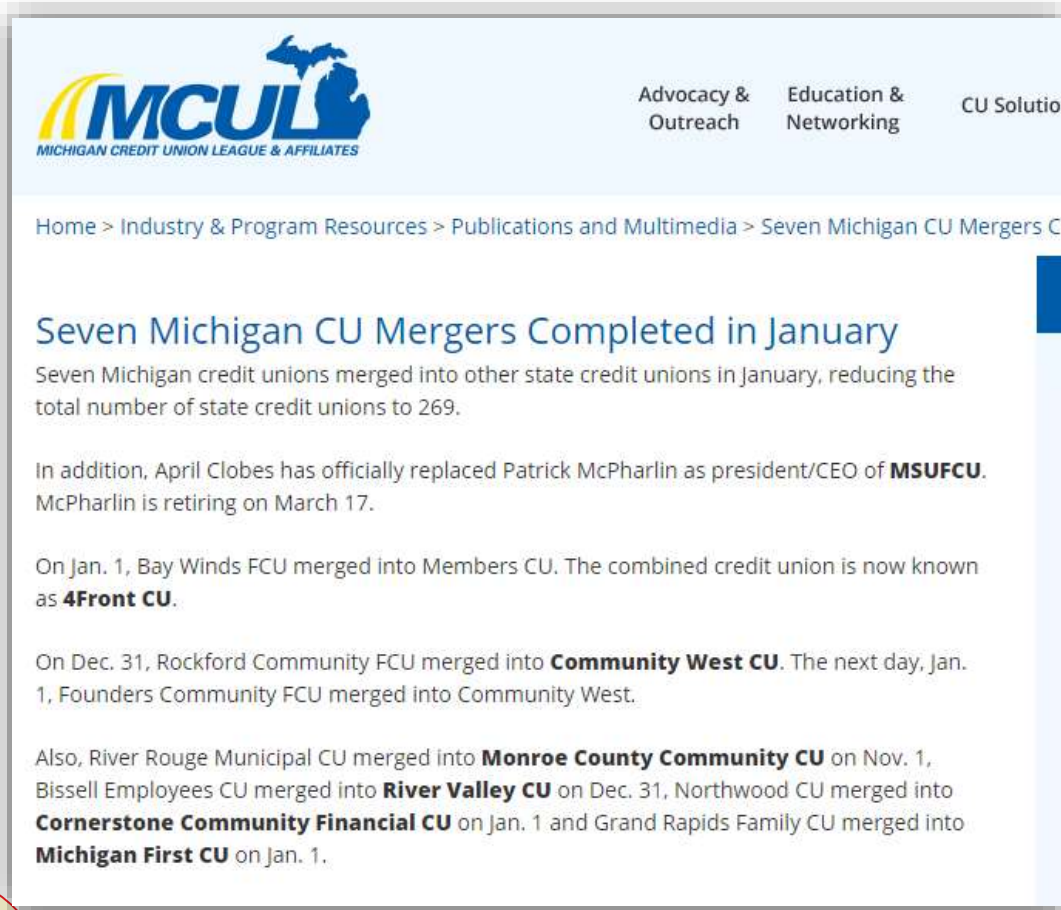
FORTUNE

If the U.S. economy is so good, why do we feel so bad?

by Dan Primack @danprimack OCTOBER 30, 2014, 7:50 AM EDT

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There is certainly a lot of preaching to the choir about how well we're all doing...while everyone thinks about how much smaller the choir is this year

MCUL
MICHIGAN CREDIT UNION LEAGUE & AFFILIATES

Advocacy & Outreach   Education & Networking   CU Solutio

Home > Industry & Program Resources > Publications and Multimedia > Seven Michigan CU Mergers C

Seven Michigan CU Mergers Completed in January

Seven Michigan credit unions merged into other state credit unions in January, reducing the total number of state credit unions to 269.

In addition, April Clobes has officially replaced Patrick McPharlin as president/CEO of **MSUFCU**. McPharlin is retiring on March 17.

On Jan. 1, Bay Winds FCU merged into Members CU. The combined credit union is now known as **4Front CU**.

On Dec. 31, Rockford Community FCU merged into **Community West CU**. The next day, Jan. 1, Founders Community FCU merged into Community West.

Also, River Rouge Municipal CU merged into **Monroe County Community CU** on Nov. 1, Bissell Employees CU merged into **River Valley CU** on Dec. 31, Northwood CU merged into **Cornerstone Community Financial CU** on Jan. 1 and Grand Rapids Family CU merged into **Michigan First CU** on Jan. 1.

Credit Union Times   Topics   Resource Center   Marketplace Directory   Ca

NCUA Approves 123 Mergers in First Half of 2014

By Peter Strozniak
July 24, 2014 • Reprints

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NCUA said it
oved 20
ers in June,
ne more from
9
olidations that

Credit Union Times   Topics   Resource Center   Marketplace Directory   Ca

Three Wisconsin Credit Unions Decide Together, They're Better

By Michael Muckian
January 22, 2014 •
Reprints

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Three Wisconsin credit unions have decided there is strength in numbers when it comes to facing the challenges of an increasingly competitive financial market.

As of April 30, $396 million CitizensFirst Credit Union in Oshkosh will merge with $109 million Lakeview Credit Union in Neenah and $68 million Best Advantage Credit Union in Brillion.

Wisconsin's first three-way credit union merger awaits final

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Should we be afraid of consolidations, or should we be artful investors in an era of recombination?

What is the opportunity, and where is it focused?

A Hub

What is the opportunity, and where is it focused?

A Network

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As I approached the 2015 business year, my goal was to create a network of leaders who were ready to face the recombination of our entire industry as an opportunity

Back to the drawing board in 2016…

In an Era of Recombination, Which Do We Choose?

- **Goal #1:** Invest and maximize our resources to effectively manage and execute merger support and the resulting projects from vendor consolidation

- **Goal #2:** Design programs to support credit unions on both sides of the merger table to minimize the expenditure of member capital in recombinations

- **Goal #3:** Design programs to raise funding and give network CUs a competitive advantage when approaching merger opportunities – fund the growth of our network

- **Goal #4:** Develop a support network for credit unions with corporate growth initiatives and strategic plans

- **Goal #5:** Diversify our CUSO and react to opportunities based on the consolidation of CU industry vendors and interconnected trade-type organizations

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Organically, we have responded to all of these goals when talking to CUs one on one, but given the pace of today's recombinations, is it time we respond with the power of a network?

Goal #1: Build Resources for Merger Support

- Added one full-time merger coordinator, adding another team member in 2016
- Adding 2 new EFT programmers to help with plastics projects and vendor consolidations
  - The vendor marketplace is closing down dates and almost holding people hostage
- It's becoming more important for CUs to let CU*Answers in earlier in the negotiations for these kinds of projects

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Don't let us rain on your party…give us a heads up to avoid being disappointed at the last minute after doing so much work

Goal #2: Minimize the Expenditure of Member Capital

HOW SHOULD YOU APPROACH VENDORS CONTRACTS, IF YOU'RE NOT GOING TO BE *YOU* IN THE FUTURE?

- What might we consider changing about the way we all plan for the future?
  - Far too often, we simply plan to stay on the same track and design our futures with no contingencies for serious left- and right-hand turns
- In 2016, the CU*Answers Board will work with its CU peers to innovate on the approach to negotiating vendor contract terms, knowing that every CU faces the challenge of navigating mergers as a more likely possibility in their future
  - A world where vendor exclusivity is getting harder
  - A world where solutions for change of ownership happen equally often on both sides of the negotiation
  - A world where winning the approval for your next project might rely on contracts that anticipated recombination as a likely outcome
  - A world where our collective does have a stake in making sure our peers are armed with the tools that favor their agendas and ours

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Coming in 2016, new contract addendums that allow our CUs to work with 2 core providers at the same time...what's this world coming to?

Goal #3: Fund the Growth of our Network

DO YOU KNOW HOW CU*ANSWERS PROGRAMS CAN PUT MONEY IN YOUR POCKET FOR GROWTH?

- When you think about going after an opportunity, do you inventory the monies you have available to you to gain an advantage?
  - Do you inventory the contract advantages you have over the other suitors?
  - Do you inventory the actual dollars you can find the fund the project without using either CU's capital?
  - Do you inventory the process resources available in your situation that might be an advantage?
  - Do you have a list of partners ready to engage and be listed as part of your team?
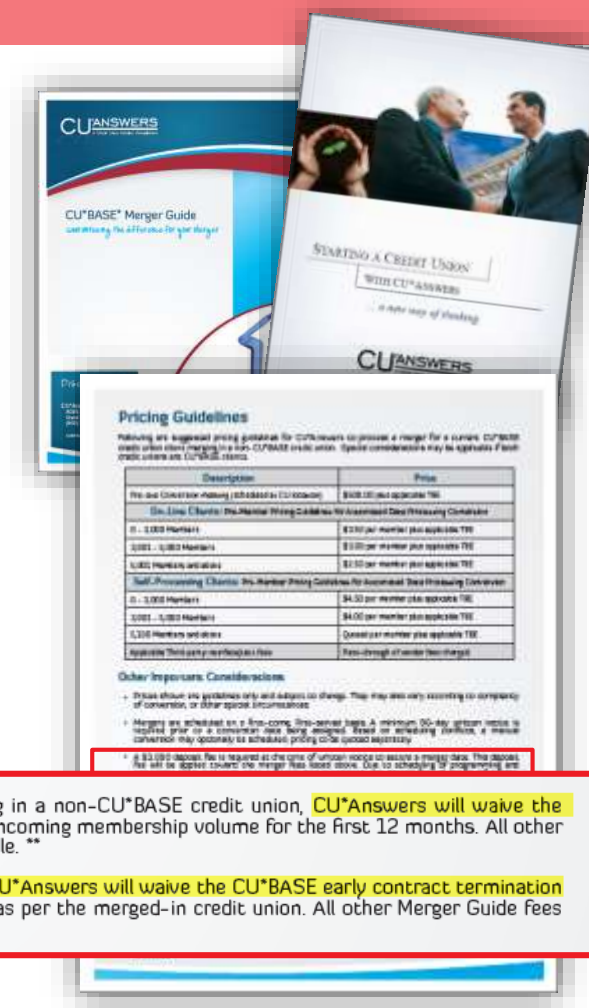
Announcing a special session during the
CEO Strategies Collaboration Workshop
(Tuesday, Nov. 10)
Using Collaborative Resources in Closing Your Next Merger Opportunity

- For existing CU*BASE clients merging in a non-CU*BASE credit union, CU*Answers will waive the Base Member Processing fee for the incoming membership volume for the first 12 months. All other Merger Guide fees shown are applicable. **

- For CU*BASE to CU*BASE mergers, CU*Answers will waive the CU*BASE early contract termination and deconversion programming fees as per the merged-in credit union. All other Merger Guide fees shown are applicable.

Designing Big Alliances: A New Organizational Reality

Planning and Preparing for a New Kind of Credit Union Future

Board and Governance Design for Big Alliances

Using a Regional Approach to Maximize Owner Involvement

Designing Big Alliances for Career Professionals

Using a Regional Approach to Maximize Careers for Credit Union Professionals

Designing Big Alliances

A Regional Approach for CU*BASE©

3 New Emerging Job Categories – New Hats To Wear

LEADERS WE ALL MAY NEED TO CONTEND WITH IN THE FUTURE AS WE BUILD CU TEAMS

Internet Retailing	Analytics & Data	Corporate Growth
■ Vice President of Internet Retailing	■ VP of Data Acquisition & Management	■ EVP, Director of Regional Corporate Growth
■ EVP, Virtual Channel Solutions	■ Manager of Coordinated Database Design	■ SVP for Marketplace Development & Alliance Sales
■ Manager of Social Media Interactions	■ Director of Analytics	■ Manager of Process Consolidations
■ Manager of the Mobile App Suite	■ VP of What-We-Know-About-Our-Members	■ Director of M&A
■ VP, Regional Virtual Branch Network	■ VP of What-We-Know-About-Our-Operations	■ Chief Financial Analyst for Corporate Acquisitions
	■ EVP, Distributed Information & Marketplace Communications	

3

Are these the people that may someday make the call when it comes to the products you pick and the strategies in which you invest?

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I had big goals for an amazing focus group and partnership with CUs around these topics...I'm struggling

Goal #5: Diversity Our CUSO for a Changing Marketplace

WHAT DOES THE CONSOLIDATION OF CU VENDORS AND TRADE-TYPE ORGANIZATIONS MEAN TO US?

- To some, what our industry is going through is just the natural evolution of a capitalist market
- To others, it's only one or two steps away from a natural disaster
- Have we done enough scenario planning to know how our collaboration might respond to the future?
  - We know that mastering data makes sense, given the future
  - We know that evolving our cultures for better retailing makes sense, given the future
  - What do we know about new ways to collaborate, given the consolidation and recombination of our industry?

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We are cooperative entrepreneurs

In 2016, we need to make sure we're ready to make that work for all of us as customer-owners of our futures

Cascading Effects

CU*ANSWERS
A Credit Union Service Organization

6000 28TH S
PHONE: 616.285.5711 •
VISIT US

May 18, 2015

RE: CONTRACT ADDENDUM FOR ACCENTURE MORTGAGE SERVICES

The purpose of this letter is to request that your credit union sign a new contract addendum (Schedule G) in order to continue with your current Accenture Mortgage Services arrangement. Action is requested no later than September 1, 2015.

Some backgro
As you know, year
to offer a mortgag

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A Credit Union Service Organization

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June 9, 2015

RE: CU*ANSWERS AND FISERV END VAR ARRANGEMENT AS OF APRIL 1, 2016

The purpose of this letter is to alert your credit union about a significant change in our relationship with Fiserv for online bill payment solutions. Current Fiserv bill pay clients will need to make a decision before April 1, 2016.

Some background...
What seems like forever ago, CU*Answers led by its Board of Di
CheckFree as the go-to vendor for developing bill
banking solutions. CheckFree was the

CU*ANSWERS
A Credit Union Service Organization

6000 28TH S
PHONE: 616.285.5711 •
VISIT US

June 5, 2015

RE: CU*ANSWERS AND ENTRUST DATACARD

The purpose of this letter is to update your credit union about EMV support with Entrust DataCard (aka CardWizard).

Some background....
April 24, 2015 we sent an announcement to all our DataCard Group Instant Issue Clients. This announcement described the road that we
date regarding the support of EMV instant card

How will we act when disruptive intentions are disrupted by changes in the vendor marketplace?

Distribution alliances can change as quickly as letterhead

From last year's Annual Stockholders Meeting

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The advantage of a cooperative
The drivers for reaching for opportunity

How did our founding pioneers create our current opportunity?

- They found people where the solution was based on working together
- They found people where their challenges were important enough to build a company and do it themselves
- They prioritized the mutual needs (went on offense) without allowing the fear of what they couldn't do to dissuade them (being on the defensive)
- They knew if they created a community and bonded closely with it, that would be the advantage that would sustain them
- They did something they'd never done before, in order to get something they didn't have

These are the core traditions we need to hold on to, and make them work for this economy in the next decade

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Are we brave enough to be cooperative entrepreneurs?

WRAP-UP

There was a time I could almost cover the entire year's agenda in one day

I'm proud to say that today I've only scratched the surface of what we'll do in the next year

Stay tuned, stay in touch, 'cuz we sell it every day these days

POV

At CU*Answers, there's a Leadership Conference every day

What else is in your packet?

Tonight's Stockholders Meeting

- Owners, see you in the "pre-function" area (a.k.a. out in the hall) at **6:30** for cocktails
  - Join us for dinner back here at **7:00**
- Meet your Board
- 2015 Election
  - 4 candidates for 3 seats on the Board
  - **Bylaws changes**
- Come hear what Bob has to say about our numbers, 2013 and year-end 2014

- ...and find out if Randy knows the difference between bodacious and audacious!

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Pass It On...

- As always, all materials related to this week's events will be posted on our website

http://lc2015.cuanswers.com

Thank you to the crew

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