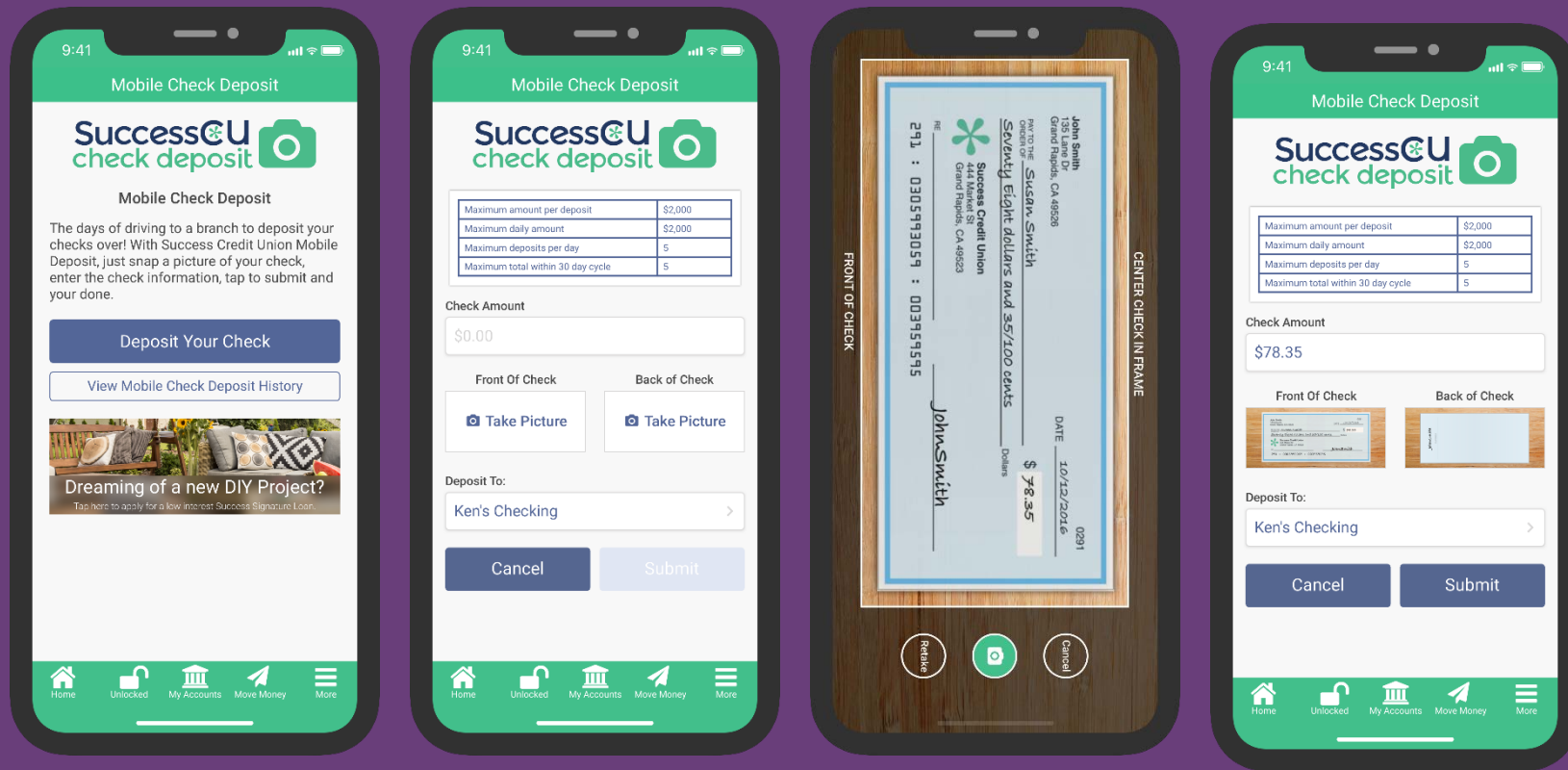


WAITING FOR THINGS TO BECOME SECOND NATURE FOR EVERY MEMBER

STANDARDS FOR THE NEXT GENERATION OF IT'S ME 24/7 PRODUCTS



The cost of RDC is dropping like a stone in Lake Michigan

Are you paying attention to the business evolution here as this becomes real for members?

WHEN INTEGRATIONS CHANGE THE MATH: $1 + 1 > 2$

OUR INVESTMENT IN EDOC AND THEIR SUITE OF IMAGING PRODUCTS IS A MAJOR WIN

REAL-TIME RDC POSTING

- Guaranteeing 7 days/week posting for 20+ hours/day
- New dashboard to track deposit activity for settlement, and to understand this new member demographic (who uses mobile deposits?)
- Nearly 75% cost reduction for RDC posting (imagine \$25/mo. as the foundation for this service)

Targeted
for 18.10

RDC AS A FLEXIBLE PAYMENT SYSTEM

- Post RDC deposits direct to loans
- CU controls for DivApls and Loan Categories that can receive RDC deposits directly

Targeted for
early 2019

RDC ENROLLMENT IN CU*BASE

- Enrollment data and deposit limits stored in CU*BASE
- Auto-enrollment for RDC via the app
 - Enrollment controls based on member age, length of membership, credit score, and delinquency status
 - Eligible members can deposit their first check immediately upon enrollment

Targeted for
mid-2019

RDC ACTIVITY DASHBOARD: EARLY PROTOTYPES

120

A TRUE MOBILE TRANSACTION IDENTIFYING A NEW
MEMBER DEMOGRAPHIC, BY THEIR ACTIVITY

Session 0 CU*BASE GOLD -

File Edit Tools Help

RDC Analysis

Account # # Records 12

Age range to years Name contains

Tier score to Length of membership to years

Gender Blank Length of enrollment to years

Account #	G	Tier Score	Mbr Age	Length Membership	Length Enrolled	Total Savings	Total Loans	Deposit Count	Last 30 Day Count
1	M	605	64	49Y 10M	2Y 3M	9,255	24,361	2	4
2	F	705	93	49Y 1M	2Y 3M	4,448	0	49	1
3	F	600	57	48Y 4M	2Y 3M	2,988	61,680	13	11
4	M	605	69	48Y 4M	2Y 3M	7,844	0	8	8
5	M	305	54	47Y 10M	2Y 3M	27,492	6,253	1	3
6	M	455	91	47Y 1M	2Y 3M	36,448	0	21	15
7	M	680	57	45Y 11M	2Y 3M	36,223	8,502	5	9
8	F	685	67	45Y 9M	1M	6,304	4,832	24	14
9	F	805	73	45Y 1M	2Y 3M	65,285	60,117	10	10
10	M	390	63	44Y 7M	2Y 3M	16,273	239	22	18
11	F	745	69	44Y 5M	2Y 3M	159,738	162,862	30	20
12	M	440	59	42Y 0M	2Y 3M	21,378	929	73	14

View Account Detail

Totals 393,676 329,775 258 127

Common Bonds

Export

Member Connect

Session 0 CU*BASE GOLD -

File Edit Tools Help

RDC Analysis

Fred Flintstone Individual

Length of membership Oct 31, 1983 34Y 7M

Last RDC deposit May 30, 2018 1000.00

Deposits	# Transactions	Dollar Amount	Average Amount
Today	0	.00	.00
1 to 30 days	3	2,851.04	950.34
31 to 60 days	4	2,930.63	732.65
61 to 90 days	3	1,173.77	391.25

Destination Accounts	# Transactions	Dollar Amount
SAVINGS	4	12,381.05
CHECKING	8	6,000.00
CHRISTMAS CLUB	2	433.29

RDC FYI

THE WORLD WILL CATCH UP



RDC POSTING SERVICES

- 525,000 checks/year
 - 45,000 checks/month
- \$625,000 in deposits/day
 - \$230 million+ for 2018 fiscal year
- 1,500 posting files/week
 - 80,000 files annually

CUS WITH RDC

Via eDOC / Our Mobile App	141
Via Nitro Mobile App	22
Via Cachet Financial Solutions	2
Via BANNO	<u>2</u>
	167

121

Regulation CC (Reg CC) Changes Effective July 1, 2018



The Federal Reserve is releasing changes to Regulation CC (Reg CC) on July 1, 2018 to reflect the evolution from a largely paper-based check collection system to a virtually all electronic check collection system. The amendments in Reg CC will protect financial institutions that accept original, paper-check deposits that are returned unpaid as a duplicate of a previously submitted RDC item, **unless the original RDC item was restrictively endorsed.**

While most credit unions generally require members, by agreement, to restrictively endorse paper checks submitted via Remote Deposit Capture (RDC), using such terms as "For Mobile Deposit Only at ABC FCU", verification of the restrictive endorsement is a manual process.

What should you do until an automated restrictive endorsement check is available?

The answer is largely based on your credit union's risk tolerance. Most credit union members are not attempting to defraud the credit union. If an item is deposited twice, it usually is in error and the member reimburses the credit union. eDOC recommends the following best practices for

**Pay attention
in 2019**

**The volumes are
up, members are
figuring this out,
and new standards
are developing**