



2021 Business Plan

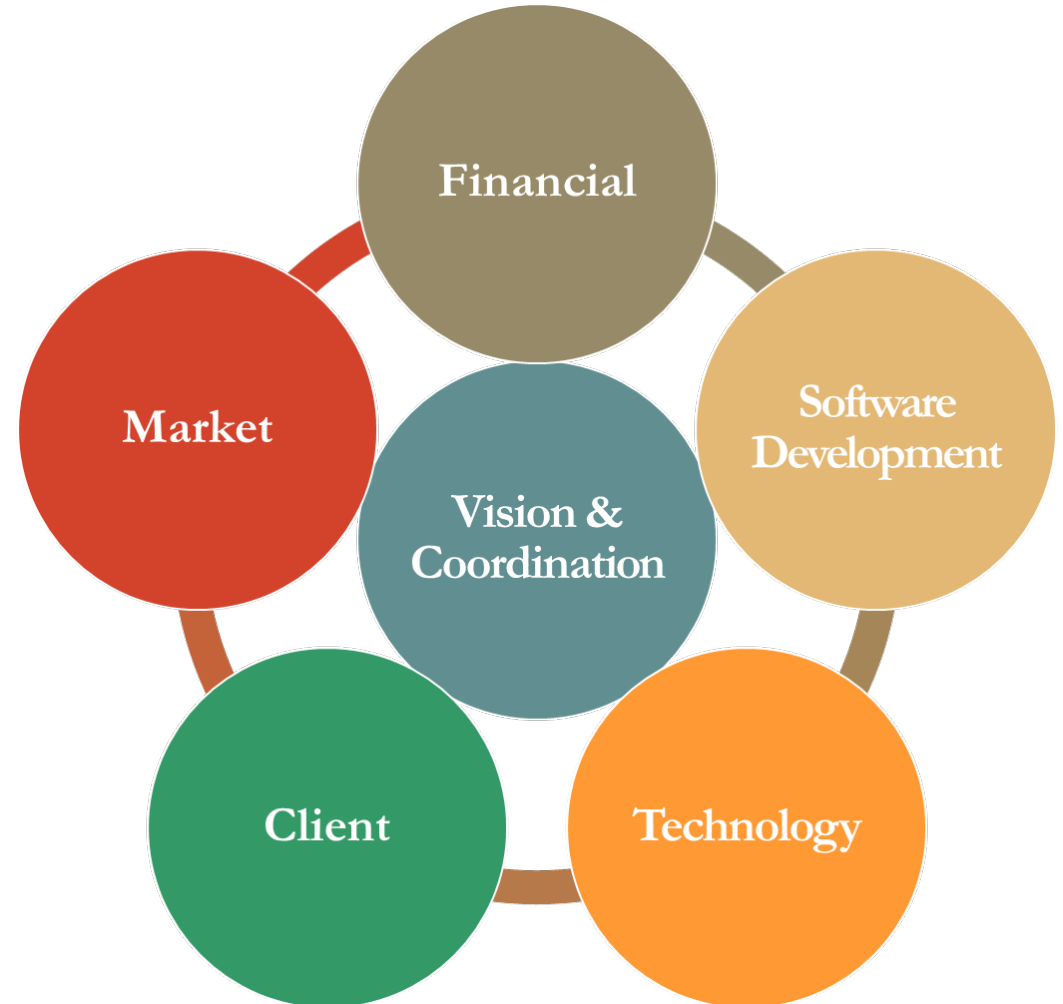
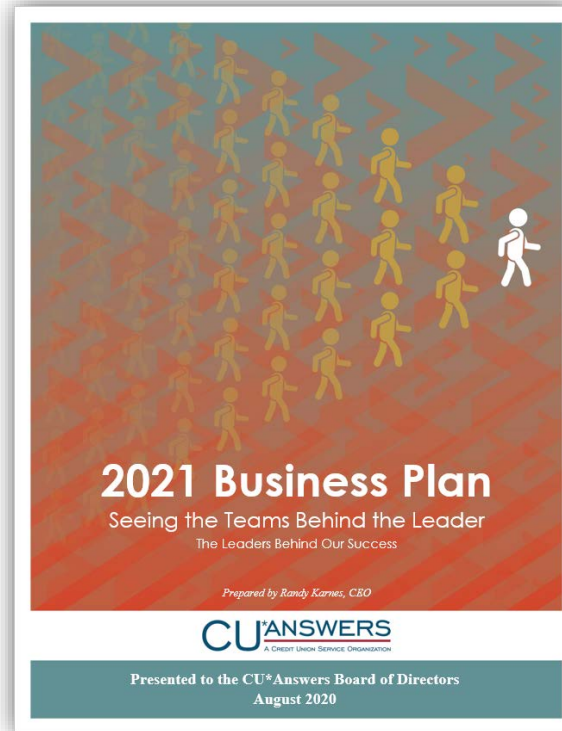
Seeing the Teams Behind the Leader
The Leaders Behind Our Success



August 2020

Seeing the Teams Behind the Leader

▶ This year’s business plan is designed to expose the Board to the entire Executive Council, to their specific disciplines and their teams



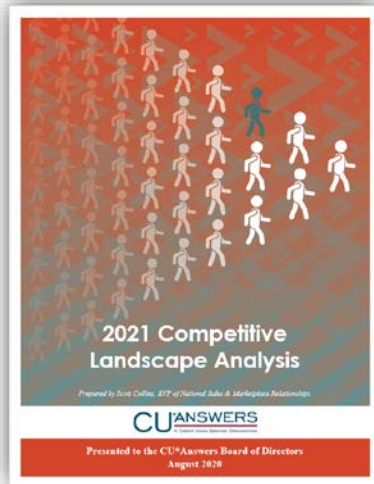
Seeing the Teams Behind the Leader



Bob Frizzle
CFO



Geoff Johnson
President/COO



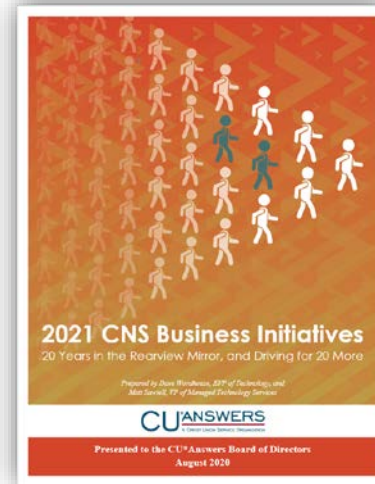
Scott Collins
EVP Nat'l Sales & Market Relations



Brian Maurer
EVP Software Dev



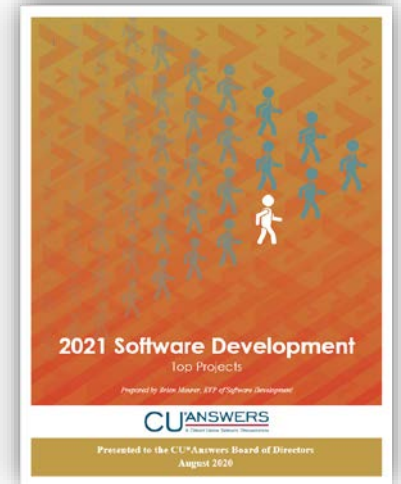
Dave Wordhouse
EVP Technology



Dave Wordhouse
EVP Technology



Matt Sawtell
VP Managed Tech Svcs



Brian Maurer
EVP Software Dev



2021 Budget

Randy Karnes

CEO

Bob Frizzle

CFO

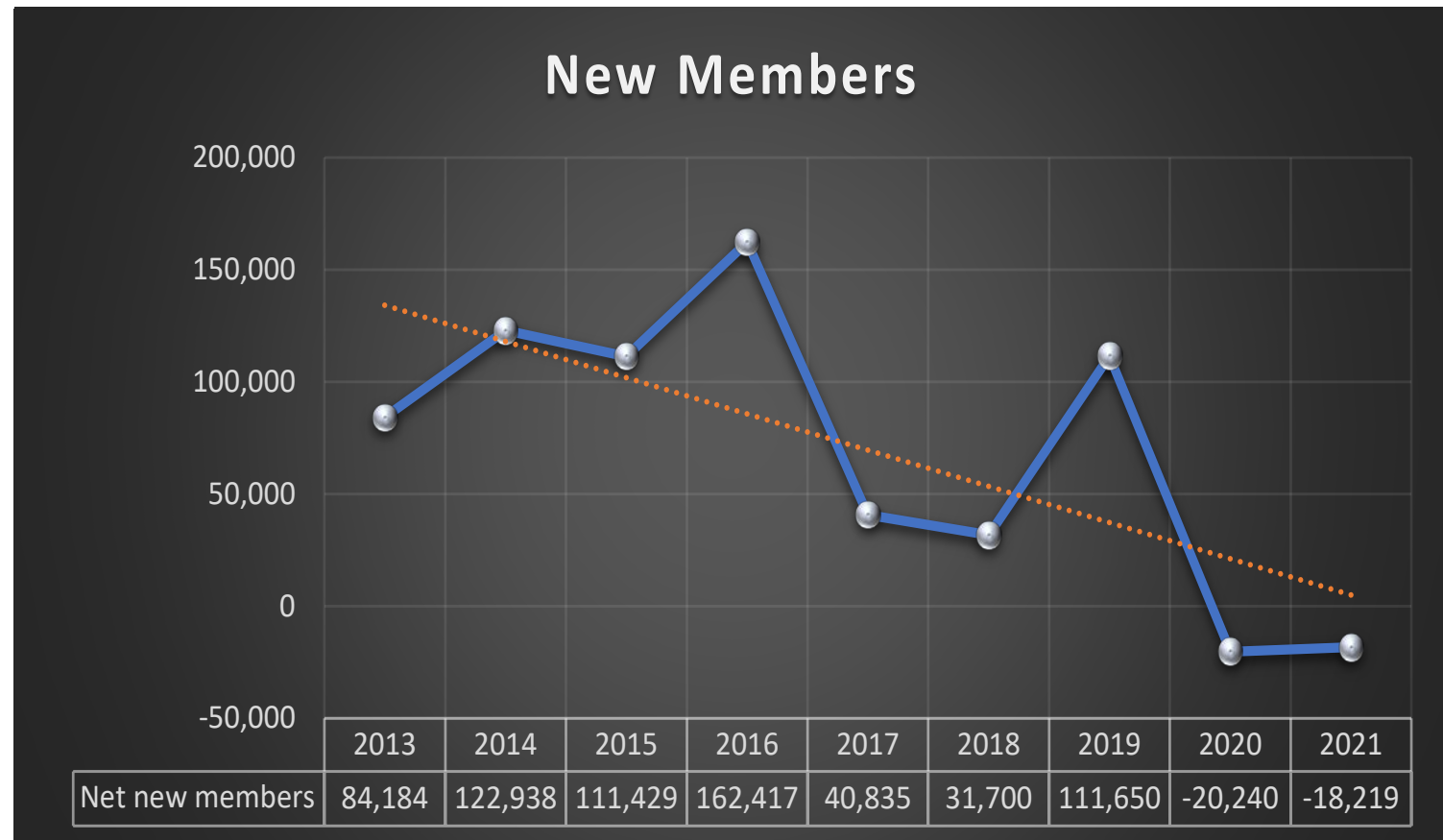
2021 Budget CEO Comments

- ▶ What do you do the year after your 50th anniversary?
- ▶ What I'd like to see in our 51st year:
 - ✓ Success for the My CU Services project
 - ✓ Las Vegas Innovation Center an inspiration for the cuasterisk.com network
 - ✓ Growing confidence about our ability to identify our future leaders and never miss a beat
 - ✓ Credit union community attitudes and spirits on the upswing, with enthusiasm about all our futures



2021 Budget CEO Comments

- ▶ We're transitioning from a primary focus on new members in, new members out, new members in...
...to a focus on **revenue expansion outside of member acquisition**
- ▶ We are more than a core provider – we are a machine for credit union operations, and much more



2021 Budget CEO Comments



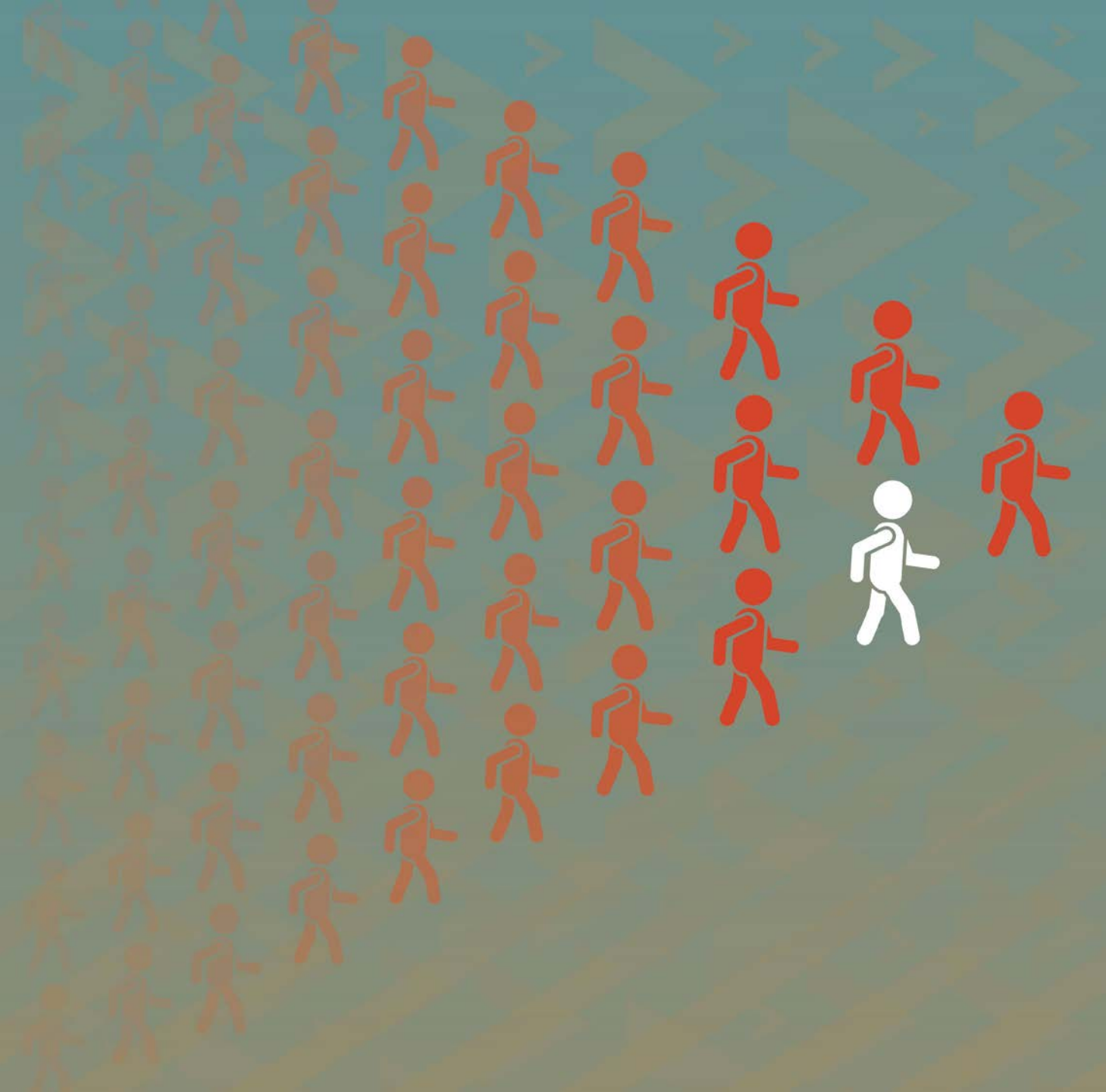
Key Focuses for 2021/2021:

- ▶ Drive our national sales investments in 2021/2022 to build the necessary infrastructure for sales, post COVID-19
- ▶ Push harder on the concepts of CU*BASE SE and rally CUSOs and non-chartered financial service providers to use CU*BASE and our internet products
- ▶ Prepare a Plan B: Understand how CU*Answers would restructure its teams, business initiatives, and long-term development projects to be a smaller firm for the next three to five years
 - ✓ When you consider where we are today – the status of our assets, the extent of our partnerships and collaborations, our financial wherewithal and the quality of our staff and their output – versus where we were just a short 20 years ago, who could be afraid?

2021 CU*Answers Management Services Initiatives

Geoff Johnson

President/COO



2021 CU*Answers Management Services Initiatives

▶ Asterisk Intelligence

- ✓ Optics
- ✓ Data Warehouses
- ✓ Fraud
- ✓ Analytics Booth
- ✓ ISO Data Analytics



▶ Client Services & Education

- ✓ Building on Our Success with POV
- ✓ Las Vegas



▶ AuditLink

- ✓ Shared Execution
- ✓ Internal Cross-Team Initiatives
- ✓ Building Our Brand Through Partnerships



▶ DHD

- ✓ Vendor Opportunities
- ✓ Follow-up on Cancelled Project Requests



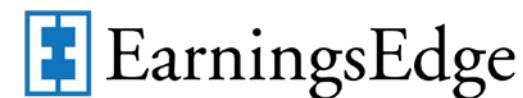
▶ BizLink

- ✓ ACH Services
- ✓ Money Management Sweeps



▶ Earnings Edge

- ✓ Tiered Services for Business Members
- ✓ CECL
- ✓ Post Release Verification (PRV)



2021 CU*Answers Management Services Initiatives

▶ Imaging Solutions

- ✓ Building on Today's Momentum
- ✓ Succession Planning



▶ CMS Sales

- ✓ Brand Development
- ✓ Realigning Our Sales Resources



▶ Internet Retailer Support Center

- ✓ Mobile 5.0/Annual Deployments
- ✓ CU Publisher Self-Service



▶ SettleMINT EFT

- ✓ ISO Analytics Investments
- ✓ 1Click Offers



▶ Lender*VP

- ✓ Sync1 Decision Model
- ✓ CLR Path Decision Model
- ✓ All Things Member-Facing



▶ Web Services

- ✓ Stores
- ✓ Web Development
- ✓ CUSO Magazine





2021 Competitive Landscape Analysis

Scott Collins

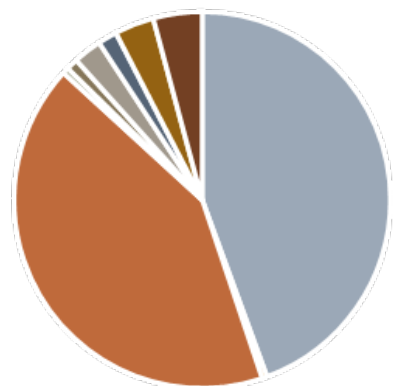
EVP of National Sales &
Marketplace Relationships

2021 Competitive Landscape Analysis

Our Marketplace Position

	2016	2017	2018	2019	1 Yr Change	3 Yr Change	
CU*Answers	244	250	258	267	9	23	9.4%
Fiserv	1950	1860	1775	1709	-66	-241	-12.4%
FedComp	654	619	597	558	-39	-96	-14.7%
Symitar	641	630	631	625	-6	-16	-2.5%
CompuSource	295	283	269	262	-7	-33	-11.2%
Sharetec (Bradford Scott)	274	251	246	234	-12	-40	-14.6%
CMC Flex	243	239	236	245	9	2	0.8%
FIS	240	224	211	191	-20	-49	-20.4%
Finastra (UltraData)	202	193	186	154	-32	-48	-23.8%

Members Per Core



- Fiserv
- FedCom
- Symitar
- CompuSource
- Sharetec (Bradford Scott)
- CU*Answers
- CMC Flex
- FIS
- Finastra (UltraData)

2021 Competitive Landscape Analysis

Top 10 Competitive Challenges

1. CEO Changes
2. Industry Consolidation
3. Competitive Consolidation
4. “If You Can’t Beat ‘Em Join ‘Em”
5. Resurgence of In-House Appetite
6. 2020 Election and Looming Pandemic “hangover”
7. Client Retention
8. Increasing API pressure to go outside the Core Suite
9. New Entries to the Market
10. IBM Sunsetting the iSeries Space

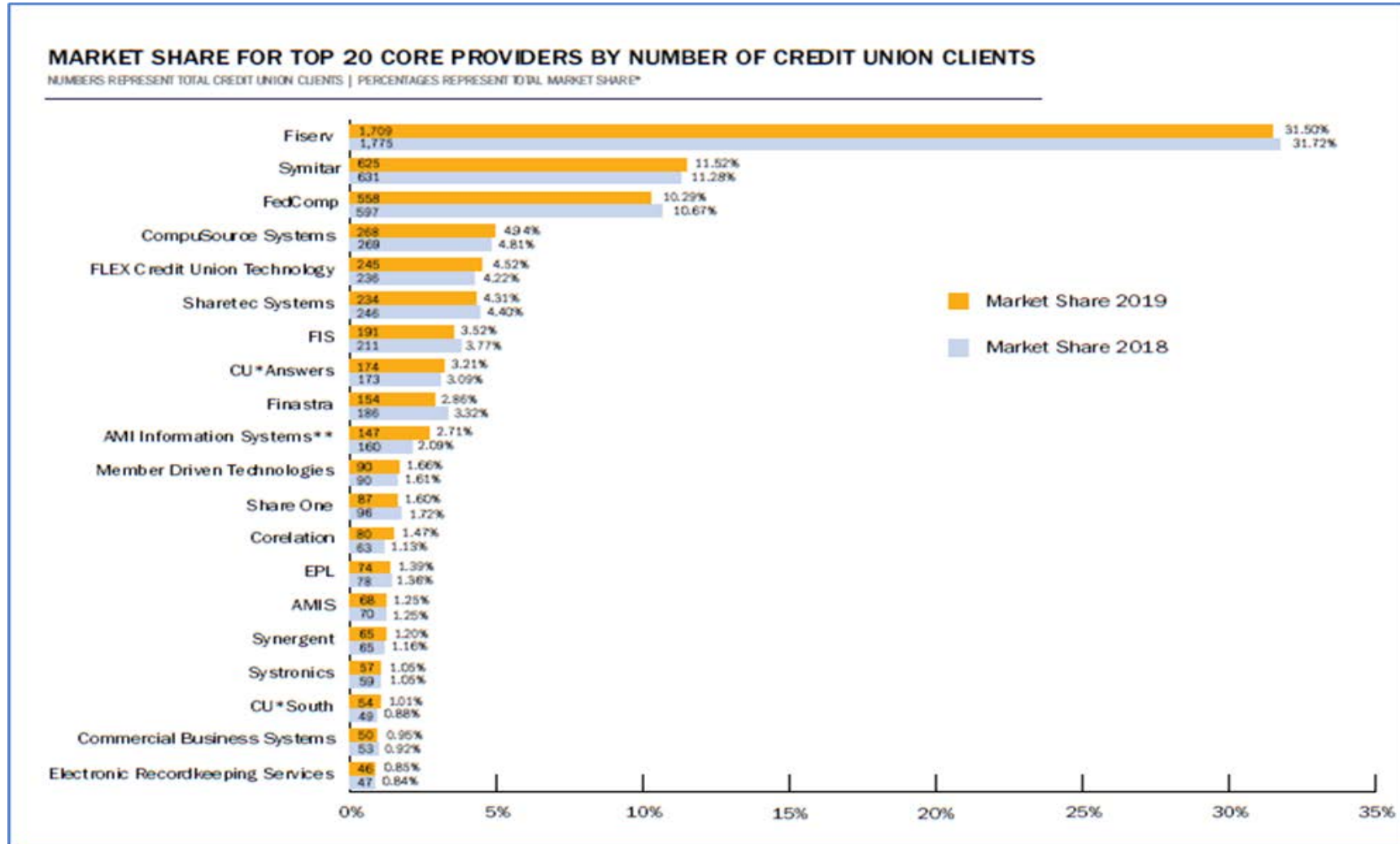
2021 Competitive Landscape Analysis

Top 10 Tool-Related Challenges

1. Does the system integrate with “_____” online banking and mobile vendor?
2. Can the system perform OCR recognition when opening an account?
3. Does the core have ability to integrate with any 3rd parties the credit union is/would like to work with?
4. Can an account be accessed using a driver’s license or debit card mag swipe?
5. Does the system integrate with Ascensus for IRA Tracking?
6. Is the system browser-based?
7. Are member tools considered omni-channel?
8. Does the system include an internal instant messaging tool?
9. Does the system include pop-up messaging or “ticklers” for staff if they have incomplete assignments?
10. Does the teller system include a denomination calculator prior to posting a transaction to assist with cash outages?

2021 Competitive Landscape Analysis

CU*BASE vs. Our Top Competitors





2021 Strategic Technology Plan

Brian Maurer

EVP of Software Development

Dave Wordhouse

EVP of Technology

2021 Strategic Technology Plan

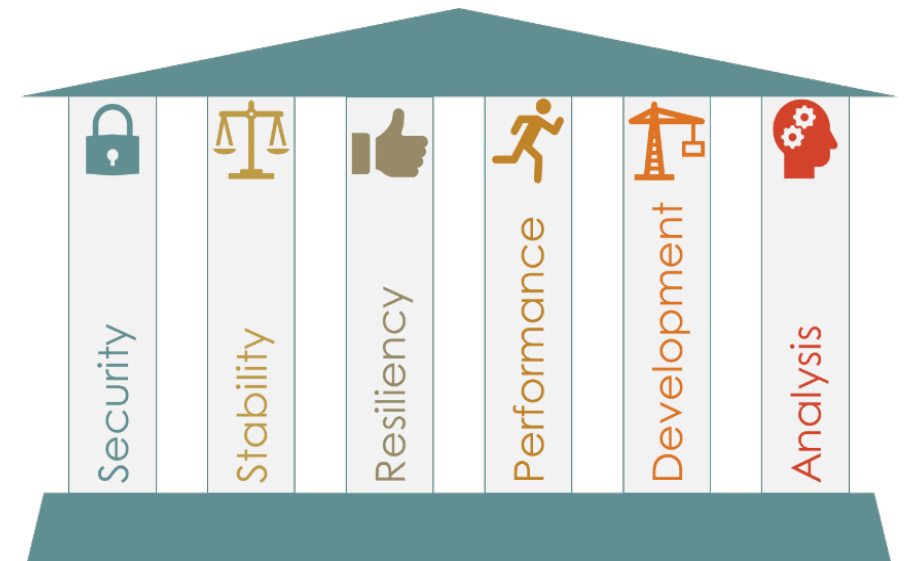
Spotlight Initiatives

▶ Group Providers Push for Operational Isolation

- ✓ A new approach to library management within the iSeries computer that provides isolated environments for custom Group Provider code to run that will help restrict the impact on other users of the system

▶ Expansion of MACO Tactics and Network

- ✓ Pushing Daon authentication convenience tactics past Mobile Apps into MAP/MOP; voice authentication for call centers & audio response; e-sign verifications



2021 Strategic Technology Plan

Spotlight Initiatives


▶ OAuth App Authorization Between Members & 3rd Parties

- ✓ OAuth is an internet standard that allows a member to authorize a 3rd party application, such as Quicken, to access their **It's Me 247** account, without having to share their password with Quicken

▶ Data Warehousing

- ✓ Data warehousing, data mining, data mart and big data strategies: Our emphasis is enhancing data with optics – volumes of data, from internal and external sources, and made easily available to end users





2021 CU*Answers Network Services Initiatives

Dave Wordhouse

EVP of Technology

Matt Sawtell

VP of Managed Technology
Services

2021 CU*Answers Network Services Initiatives

20 Years in the Rearview Mirror...and Driving for 20 More

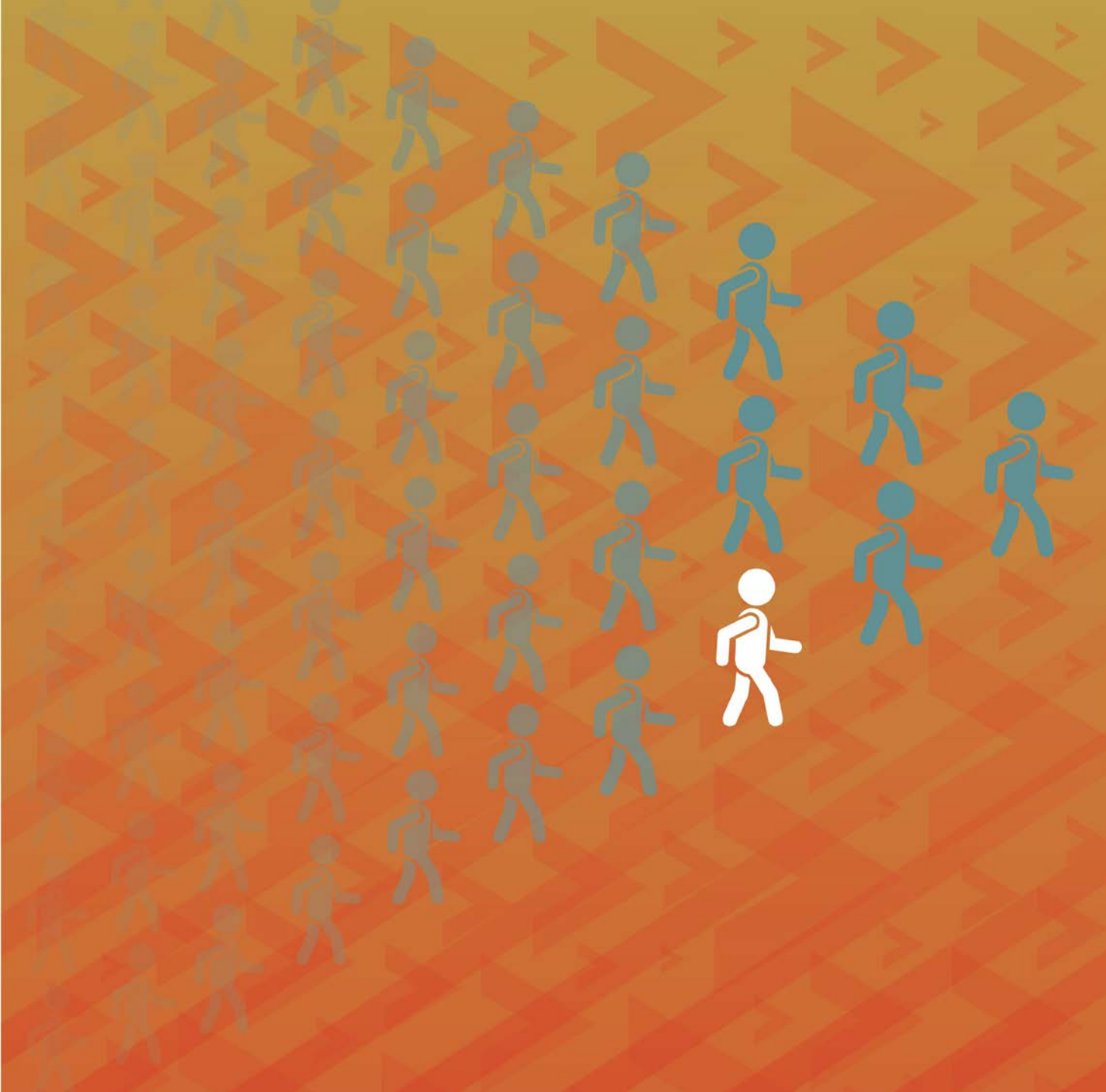
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- ▶ **Business Development:** The team moves forward for clients and owners
 - ✓ Business Development
 - ✓ Client Engagement
 - ✓ Marketing Plan
- ▶ **Partnerships:** Important to growing our potential audience and opportunity
 - ✓ My CU Services
 - ✓ CU*NorthWest
 - ✓ AuditLink
- ▶ **Revenue Projections:** 2021 does not look as certain as it did at the start of this year
 - ✓ New Products and Services
 - ✓ Managed Hosting and Colocation

2021 Software Development Top Projects

Brian Maurer

EVP of Software Development



2021 Software Development

Top Projects

▶ Analytics Team – *Josh Peacock, Manager*

- ✓ New Dashboards (OLB Optics, Who Earned Dividends, e-Signatures, iPay, etc.)
- ✓ Tiered Services Overhaul
- ✓ AB Infrastructure improvements (New Production Server, Database Partitioning, etc.)
- ✓ ID Direct Depositors to a Savings Acct
- ✓ Add Formal Online Help

▶ Applications Team – *Bob Misslitz, Manager*

- ✓ Teller Express/T3
- ✓ Fraud Block Lists
- ✓ Instant Loans
- ✓ LOS Expansion
- ✓ Data Warehouse/API Box Enhancements
- ✓ Create Engine for Predictive Retailing (Nostradamus)

▶ Conversions Team – *Deb Finkbeiner, Manager*

- ✓ CU*Answers conversion projects
- ✓ My CU Services conversions
- ✓ Deconversions
- ✓ Mergers

▶ Custom Team – *Kim Claflin, Manager*

- ✓ Everence FCU integration to Devenir for HSA Investments
- ✓ New OTB platform for Fiserv
- ✓ Update programs to use new upload/download tool
- ✓ My CU Services conversion custom and 3rd party vendor projects

2021 Software Development

Top Projects

▶ CSI Team – *Kellie Etterman, Manager*

- ✓ oAuth federated login server
- ✓ Integrations with phone providers (Mitel, Enghouse)
- ✓ Enhancing our R2B toolset (CU Outdoors), expanded functionality for our existing LOS integrations (Sync1, CU Direct, MeridianLink, TCI)
- ✓ New integrated partners (Lenders Protection, LLC)
- ✓ Rewriting and redefining our Retailer Direct and MicroLender CUA lending solutions
- ✓ Rollout of new Sync1 integrations

▶ Database Engineering Team – *Deb DeMann, Mgr*

- ✓ System performance enhancements
- ✓ Infrastructure architecture for high volume, high value systems (ISO processing, online banking)
- ✓ Database normalization
- ✓ Source code management

▶ EFT Team – *Sam Seume, Manager*

- ✓ New FISB (Payments One) platform support
- ✓ ISO data in FILExx
- ✓ Card randomization research project
- ✓ 8 digit BINs
- ✓ ATM/debit vendor switches, credit card conversions, and My CU Services conversions

▶ GOLD Team – *Mike Warren, Manager*

- ✓ Express Teller images API, panel sizes, look-and-feel innovation
- ✓ Membership opening workflow
- ✓ VAT panel sizes
- ✓ Integrating GOLD with more APIs

2021 Software Development

Top Projects

► Imaging Solutions Team – *Bob Anderson, Manager*

- ✓ CD-secured loans
- ✓ eSignatures for 3rd party documents (CU Outdoors)
- ✓ Forms Manager
- ✓ Configuration management tools
- ✓ eDOCVault rewrite
- ✓ Express Teller integrations
- ✓ Vertical receipts
- ✓ Native receipt processing solution
- ✓ Statements web module support
- ✓ eDOC release support

► Online Banking Team – *Seth Longcore, Manager*

- ✓ Launch of modules and mobile-first design for **It's Me 247**
- ✓ Expand online/mobile business services (**It's My Biz 247** and **BizLink 247**)
- ✓ Online loan app process redesign
- ✓ oAuth federated login platform
- ✓ Third-party offerings for Biz (Intuit/QuickBooks, etc.)

► OpsEngine Team – *Darrell Stickler, Manager*

- ✓ Tape encryption vendor transition
- ✓ OTB process redesign
- ✓ ACH process improvements
- ✓ Site-Four library addition, CU*BASE SE processing enhancements
- ✓ Time-zone processing for Pacific



2021 Business Plan Vision Summary

Randy Karnes

CEO

CEO Comments on the Team Plans

My Top 3 Goals for 2021

► For CU*Answers Management Services:

- ✓ Drive the Mobile First concepts through MTG
- ✓ Pick back up on the project for CU*Answers to have influence and value with CU board directors,
- ✓ Continue to drive the influence of Imaging Solutions into almost every element of CU*BASE and our internet suites

► For Sales and Market Relations:

- ✓ Work diligently with our cuasterisk.com network partners to develop a national sales approach
- ✓ Challenge our current shareholder investment tactics and approaches
- ✓ Make Scott's "Top 10 Tool-Related Challenges" a compass for our production and sales teams going forward

CEO Comments on the Team Plans

My Top 3 Goals for 2021

► For Technology Strategies:

- ✓ Expansion of MACO Tactics and Network
- ✓ OAuth App Authorization Between Members & 3rd Parties
- ✓ Group Providers Push for Operational Isolation

► For CU*Answers Network Services:

- ✓ Use the Las Vegas Innovation Center to solidify our CNS business plans for west of the Rockies
- ✓ Continue the march towards technical services and away from hardware and third-party software sales
- ✓ Managed Hosting and Colocation

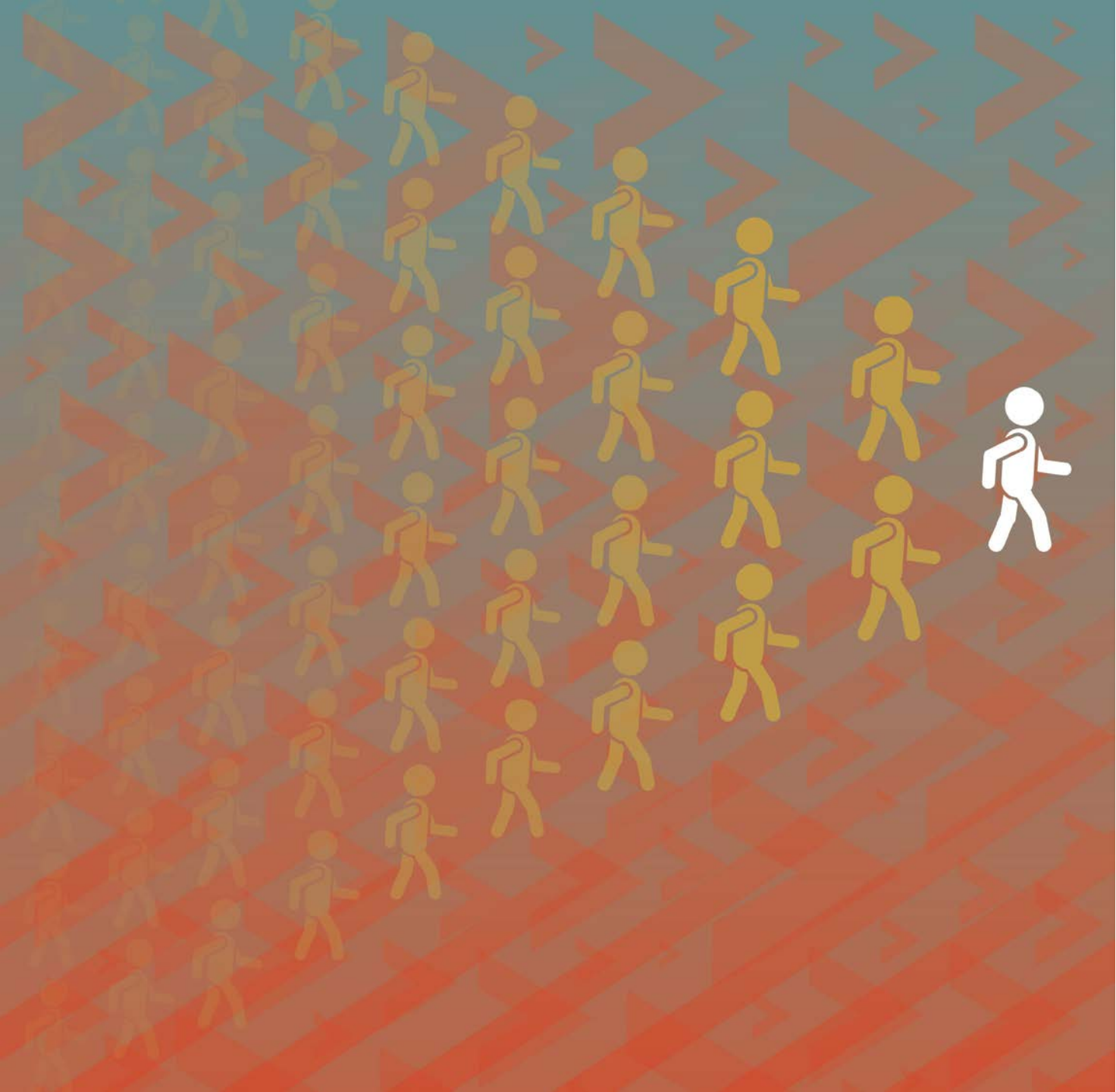
► For Software Development:

- ✓ Raise the Board's awareness of our investment in development resources
- ✓ Our continued work on a teller suite approach
- ✓ Deliver on the vision of a centralized design approach for look and feel (member experience)

The 2022 Planning Season

What will we study in the coming year?

- ▶ Use 2021 to refine the Board's CEO Selection Planning
- ▶ Envisioning a CU*Answers Board Member Design: "Board 2025"
- ▶ Driving non-transactional data as a new value proposition from CU*BASE
- ▶ Developing a long-term, direct-to-remote staffing model
- ▶ Marketing vendor/CU API/module access success
- ▶ Delivering a vision for Group Provider 2.0
- ▶ Refining a CEO performance evaluation approach for 2023



Conclusion

You don't always get what you want...

But most of the time you certainly get what you need.

Here's to 2021!