

# CU Solutions Group Partnership Presentation

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CU Solutions Group (CUSG) is a Michigan-based credit union service organization (CUSO) that serves credit unions nationwide.

# CU Solutions Group Offers Solutions in the Areas of:



Technology  
Solutions



Marketing  
Solutions



Performance  
Solutions



Love My Credit  
Union Rewards



Michigan  
Solutions

CUSG  
Partnership  
Opportunities

# CUSG Mission Statement

We help credit unions serve, grow and remain strong by offering:

- Secure and reliable design, hosting and mobile solutions for remote service delivery
- Marketing solutions that grow membership, increase service usage and build loyalty
- Performance and compensation solutions that enhance productivity

# CUSG Guiding Principles

Our Guiding Principles define our culture:

- **Vision:** Create vivid experiences
- **Focus:** Retool our operations and be willing to cannibalize our own products
- **Communication:** Reimagine our customers and tell our memorable story
- **Service:** Overhaul our culture

# Our Leadership Team



**Dave Adams**  
President/CEO



**Drew Egan**  
COO/CFO



**Ken Ross**  
MCUL President/COO



**Lisa Rizk**  
SVP, Sales &  
Corporate Marketing



**Aaron Adams**  
SVP, Performance  
Solutions



**Tim Bohlman**  
SVP, Technology  
Solutions



**David Dean**  
SVP, Marketing Solutions,  
Product & Business Dev.



**Brandi Stankovic**  
SVP, CU Engagement &  
Consulting



**Amanda Kotsilidis**  
Chief Culture Officer



**Paula Piccinni**  
VP, Corporate Marketing



**Russell Gerrard**  
VP, Operations



**Wendy Vadnais**  
VP, Finance & Accounting



**Audrey Olzem**  
VP, Business Development



**Eric Loehr**  
VP, Michigan Solutions

# CU Solutions Group Company Profile

# Company Structure



More than 100 investors made up of leagues, credit unions and credit union service organizations, including CUNA Mutual Group, CSS, CUDL and CO-OP Financial Services.

Serving over 3,400 credit unions in addition to the public sector, small- and medium- sized businesses, universities, hospitals and other vertical markets.



Love My Credit Union® Rewards, LifeSteps™ Wallet, Performance Pro, Compease, League InfoSight, ComplySight, CU PolicyPro, Save to Win and Gas Station TV.

Approximately 150 employees headquartered in Livonia, Michigan.



Sprint, Intuit, Gas Station TV, FocusIQ and Salus Group. We also have marketing partnerships with credit union trade associations across 48 states.



# CUSG Core Solutions

Website Design & Hosting, ADA & Web Enhancements, Scalable Mobile Apps, Design & Build Services



**Technology Solutions**



**Marketing Solutions**

Digital Advertising, Save to Win, Gas Station TV, Marketing Packs

**Membership Enhancements:** Sprint, TurboTax

Performance Pro, Compease, Product-led Consulting



**Performance Solutions**



**Michigan Solutions**

Insurance & Benefit Solutions, ATM/Branch Networking, Card Services, Lending Solutions

# Delivering Shareholder Value



## Our Staff

Sales teams

Client Management

Program Management

Technology & Marketing

HR Experts



## Network of Relationships

Over 3,400 credit union relationships

League partners across 48 states

Partners and 100+ investors

Marketplace knowledge



## Marketing & Reach

80 million+ members/consumers

Credit union-to-member and direct-to-consumer marketing

Cause-based marketing



## Credit Union Products

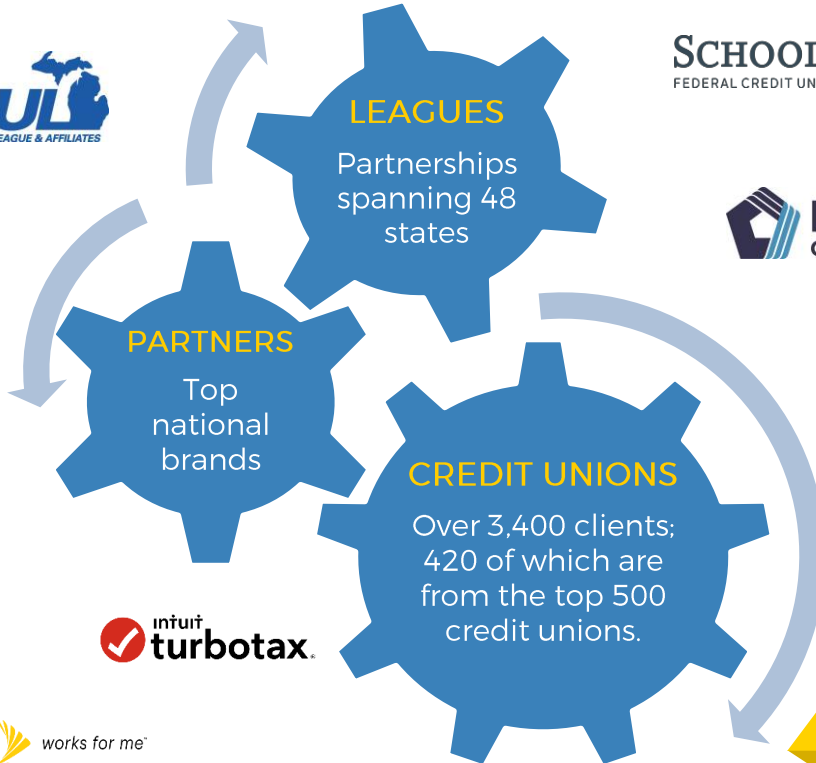
Wide breadth of offers

Marketplace aggregation

Delivery network & platform

Consistently recognized with industry awards

# Network of Strength



# Proven Partnership Growth

## Partnership Growth



**More than 1.5M  
active customers**

**Nearly \$22M cash  
rewards deposited**



**More than \$15M  
in member savings**

**Over 1,500 supporting  
credit unions**



**More than 1M sales,  
\$23B sales revenue**

**\$11.9B credit union  
member loans**

Program sunset in 2015

# Technology Solutions

The Technology Solutions division serves more than 400 credit unions nationwide.

- Award-winning responsive design services
- Secure web hosting services boasting 99.99 percent uptime
- Scalable Mobile App solutions that help members stay connected by providing access and information on mobile devices such as tablets and smartphones with responsive design
- Recently launched the LifeSteps Wallet wraparound container app
- Provide ADA services that are designed to guard credit unions from lawsuits and lessen the workload of ADA compliance.



# Website Design & Hosting

With over 20 years of expertise developing and hosting websites, specifically for the credit union industry, our websites are designed with clean and modern aesthetics, intuitive navigation and pathways designed to lead users to key products and services.

Our dual-active hosting environment protects websites with enhanced security, speed and reliability.



# ADA & Web Enhancements



## Built-in ADA Preparation

The Americans with Disabilities Act (ADA) is bringing a fresh batch of regulations that will be published in 2018 - but already, the Department of Justice has issued a general, sweeping requirement for businesses to ensure their websites are just as accessible for people with disabilities as they are for everyone else.

Our ADA services are designed to guard you from lawsuits today and lessen the workload of ADA compliance tomorrow. Technology Solutions already prepares websites with comprehensive readiness, provides audits that detect potential accessibility gaps, and can fix issues of accessibility on your credit union website with our partner AudioEye\*.

\*Provided by AudioEye, Inc.

# Scalable Mobile Apps

The future of fintech in the credit union space

Google reports that since 2015, more than half – and as much as 60 percent – of online searches are made on mobile devices. Credit unions can capitalize on member-preference and behavior by leveraging mobile app technologies like LifeSteps Wallet.

Credit unions can offer tech-savvy members the mobile banking services they want and expect from their financial institution, attracting new members while delivering a consistent experience across every device and platform.





# Scalable Mobile Apps

The future of fintech in the credit union space

## Mobile Finance Manager

- All the features that a credit union needs to engage members where they are
- Get your product to market quickly with a partner that knows credit unions
- Our partner already has API integration with many core processors
- Save money - you only pay for members that use your product

## Orpheus

- Multi-factor authentication that uses a robust infrastructure and employs multiple failsafe systems
- User-friendly dashboards with visual analytics that detail user balances and spending trends
- Quick, easy ways to transfer funds from one user account to another, even to and from accounts at other financial institutions
- Integrated online bill pay
- Transfer and payment architecture that allows members to make any form of payment from a single screen

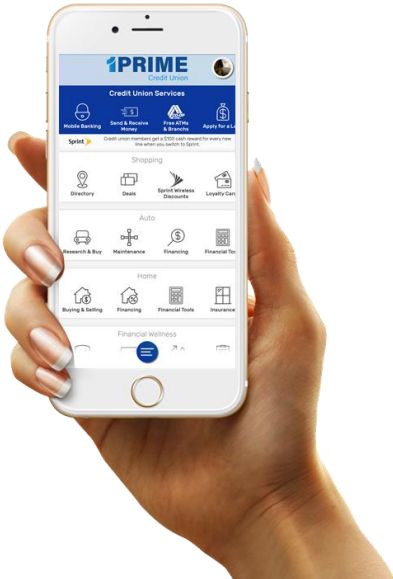


# LifeSteps Wallet

Wraparound Container Mobile Application

Created by Technology Solutions and launched Nov. 1, 2017, the LifeSteps Wallet vision is to keep a credit union “top of mind” and “top of wallet” by empowering millennial members before, during and after life’s biggest financial decisions.

LifeSteps Wallet is a wraparound container app that enhances your credit union's mobile banking experience while saving your members time and money.



[Click here to learn more or sign up for a live demo.](#)

# Marketing Solutions



## Marketing Solutions

Business-to-business solutions designed to help credit unions attract new members and increase service usage. Our award-winning, full-service marketing agency provides industry-leading marketing communications and support.



## Love My Credit Union Rewards

Business-to-consumer solutions that enhance membership value, build loyalty and generate income. Member savings are now nearing \$2 billion with partner discounts from Sprint, TurboTax, TruStage and more.

# Marketing Solutions

The Marketing Solutions division offers unique solutions that help grow membership and service usage.

Through internal initiatives, partnerships and acquisitions, CUSG's marketing solutions have grown significantly over the past 30 years.

For some credit unions, it functions as a full-service agency, for others, it drives focused initiatives with tactics like GSTV and Save to Win.

FocusIQ, our joint venture with DP+, adds new dimensions of targeted advertising and big data tactics to help credit unions gain market share and grow service usage.



**Additional Solutions:**  
CUBE TV Studios, Big Data Solutions

# Digital Advertising

Marketing Solutions Powered by FocusIQ

Consumers leverage digital channels to find the lowest loans rates and best credit cards in a matter of seconds. Credit unions need to be there when they're researching their options in the digital space.

## Search Central:

Paid search campaigns conducted through Search Central optimize online presence when consumers search with chosen keywords or phrases. It's highly targeted, easily measurable and offers a strong return on investment.



# Digital Advertising

Marketing Solutions Powered by FocusIQ



## Social Accelerate:

Facebook to Twitter, LinkedIn to Instagram – whether just diving into social media or taking a social presence to the next level, we make sure to manage a smart social strategy, engage people and manage the growing community.



## Media & Market Management:

In the dynamic world of media, it takes both knowledge and know-how to be effective. Whether it's broadcast, digital, outdoor or print – we push for maximum penetration on every dollar by mapping out the market, defining a strategy, allocating budgets and negotiating with media suppliers.



# Gas Station TV

GSTV gives credit unions access to an audience that's captive, watching and in their direct area – at the gas pump.

- Geo-targeted marketing-enhanced campaign performance
- GSTV grants the flexibility needed to drive the most value possible out of media impressions.

Reach premium viewers:

- 78 percent age 18-49
- 55 percent more likely to acquire new savings or checking account
- More than 70 million viewers per month
- 88 percent watch every time they pump



# Save to Win

Incentivize smart saving and attract new members by leveraging the nation's largest prize-linked savings program: **Save to Win**.

Every time your members make a \$25 deposit into their Save to Win savings account, they're entered into monthly and quarterly cash prize drawings.

- More than \$2 million in prizes awarded
- Nearly \$140 million saved by members
- Up to 99 percent account rollover rate
- More than 30 percent of accounts held by millennials



# SAVE WIN



# Love My Credit Union Rewards

## Membership Enhancements

Love My Credit Union Rewards provides exclusive member discounts developed specifically for credit unions and their members.

The program features standardized marketing requirements and bundled marketing materials that make it easier than ever to:

- Enhance membership value and build loyalty
- Grow core products and services
- Drive credit/debit transactions
- Earn non-interest income



# Sprint Credit Union Member Cash Rewards

10+ years of partnership.

This unique program, available through Love My Credit Union Rewards and Sprint, has made a positive impact on the credit union industry.

## Sprint Program 2017 Year to Date



Active Sprint Customers

1.5 MILLION



Cash Rewards Lines Paid

MORE THAN 207,000



Cash Rewards Deposited

NEARLY \$18 MILLION



# Sprint Credit Union Member Cash Rewards

**Sprint's best credit union offer EVER!**

Members get a \$100 cash reward with every new line when they switch to Sprint.



Current Sprint customers will receive a \$50 cash reward for every line transferred into Sprint Credit Union Member Cash Rewards.



Plus, they get a \$50 loyalty cash reward every year for every line.



How to sign up:

1. Become a Sprint customer and mention you're a credit union member.
2. Register at [LoveMyCreditUnion.org/SprintRewards](http://LoveMyCreditUnion.org/SprintRewards)
3. Allow up to six to eight weeks to see cash rewards directly deposited into your credit union account!



# TurboTax Discount

Credit union member discounts available throughout the entire tax season.

- \$5 savings on Federal Deluxe (14 percent discount off retail price)
- \$10 savings on Federal Premier (18 percent discount off retail price)
- \$15 savings on Federal Self-Employed (19 percent discount off retail price)

Every credit union gets a **custom co-branded microsite** with an exclusive opportunity to promote products and services to members.

FREE marketing materials available to credit unions.



# TurboTax Success

## TurboTax Program Tax-Year 2017



Serving over  
244,000  
members



Saving  
members  
over \$1.2M



Adding over  
\$464M in low  
cost deposits

### Three \$1,000 Sweepstakes Winners!

- Franklin Mint Federal Credit Union
- Members 1<sup>st</sup> Federal Credit Union
- Grow Financial Federal Credit Union



# Partner Offers Keep Growing



Credit union members get an exclusive offer on a **NEW ADT** service. To receive this exclusive offer, members must call **844.703.0123** through the Love My Credit Union Rewards program. The plan includes an ADT-monitored home security system, plus more perks!



The TruStage Auto & Home Insurance Program offers competitive savings for credit union members. Members can save hundreds on car insurance. Some members could save even more from all of the discounts offered including: multi-car discounts, anti-lock brakes, air bags, automatic seat belts, good student discounts and more.



Members get great discounts and earn cash back for every purchase at more than 1,500 online retailers. Credit unions can market in conjunction with debit and credit card products, home mortgages and holiday club accounts.



# Performance Solutions



## HR Performance Solutions

Offering performance and compensation solutions that enhance engagement and productivity. Our employee-performance, management software is time tested, content rich and used by more than 100,000 professionals nationwide.



## Operational Solutions

Helping credit unions improve strategic planning, governance and compliance systems. We provide customized and turnkey solutions that help your credit union develop long-term growth and viability.

# HR Performance

HR Performance Solutions has grown to more than 1,500 clients spanning many industries across the United States. Our applications are time tested, content rich and used by more than 100,000 professionals nationwide.

Our solutions are designed by human resource professionals with decades of experience to be secure, effective, flexible and easy to use.

HR Performance Solutions' consultants and product support representatives are with you every step of the way when implementing and using Performance Pro and Compease.





# Performance Pro

Performance Pro is designed to simplify and improve performance management in a simple and comprehensive implementation.

- Allows users to align individual employee goals with specific strategic initiatives
- Automates the employee performance evaluation process
- Provides customizable, automated email reminders to managers, employees and 360-degree reviewers for evaluations on any frequency
- Includes dashboards, workflows, customizable templates, writing assistants, legal checks, goal cascading, customizable employment action forms and robust reporting



# CUSG Executive Search Powered by Angott

CUSG Executive Search is a new joint venture between CU Solutions Group and Angott Search Group.

- New recruitment firm launched December 2017 to Michigan credit unions. Not available nationally at this time.
- ASG is an industry leader in mid- to senior-level talent search.
- Currently has strong working relationships with credit unions. Anticipate this recruitment tool will be widely used by our credit union partners and their affiliates.
- Firm will attract, identify and deliver best-suited and verified candidates to credit unions.



# Compease

Compease is an industry-leading salary administration software that helps credit unions attract, retain and engage top talent, and is the *only* system that uses CUNA's Credit Union Staff Salary Survey Report data.

- More credit unions share their data directly with Compease than any other system.
- Compease uses an additional 10 data sources and expert analysis to ensure that your salary ranges truly represent the market since, at the end of the day, nothing is more important when deciding between different products.



# Product-Led Consulting

Helping credit unions reach their workforce management objectives by researching trends, advising and implementing customized, product-led HR solutions



# New Innovations: Coming Soon!



A powerful web application that helps credit unions prioritize energy and resources. Among other tools, this application will help credit unions create strategic and operational plans, define and achieve organizational goals and develop industry-related key performance metrics.



## CUBoardnavigator™

A board relations and policy building tool. Fostering positive and productive relationships between CEOs and boards, this go-to kit will include policy manuals with best practices, shared resource libraries, board evaluation tools, training resources and other board-focused assets.



# Michigan Solutions



## Payments & Insurance Solutions

Providing partner-based insurance, networking and payment solutions for Michigan credit unions



## Lending Solutions

Helping credit unions grow and expand their portfolios with innovative lending products and solutions

# Michigan Solutions

Credit unions have always relied on Michigan Solutions for our insights and deep industry expertise. We help credit unions identify opportunities to increase revenue and improve overall efficiencies.

Key areas of focus include:

- Card Solutions
- Insurance and Benefits
- ATM/Branch Networking
- Lending



Card Services



Insurance Benefits



ATM/Branch Networks



Lending Solutions

# Card Services

Partnerships with FIS and Card Services for Credit Unions (CSCU) provide a comprehensive range of solutions including:

- The best end-to-end debit and credit card processing
- Finest risk management programs
- Exemplary client and cardholder support
- Turnkey enhancement services





# Insurance & Benefits

Credit unions exist to help people protect, invest and plan for their future – regardless of their financial standing. These solutions help do just that.

## CUNA Mutual Group

Employers can provide employees with the safety and security of CUNA Mutual Group's retirement plans, and protect the financial wealth of your members with risk management services, lending programs and personal lines through CUNA Mutual Group's TruStage.

## The Salus Group

A benefits consulting, brokerage and administration firm specializing in employee benefits, the Salus Group is a CUSO that helps credit unions provide employees with health, dental, vision, and long- and short-term disability insurance.



Card  
Services



Insurance  
Benefits



ATM/Branch  
Networks



Lending  
Solutions

# ATM / Branch Networking

Provides credit union members surcharge-free access to their money through CO-OP Financial Services and its network of more than 30,000 ATMs and more than 5,000 shared branches nationwide

Credit unions can reach out to their members and offer them the access and convenience they want with easily recognized nationwide terminals and the latest tools for locating them.



Card Services



Insurance Benefits



ATM/Branch Networks



Lending Solutions

# Lending Solutions



Through small business loans, business cash advances, lines of credit and SBA bridge loans, RapidAdvance offers credit unions the opportunity to serve their small business members when traditional financing options don't apply.



Auto Financial Group helps increase loan yields and indirect / direct loan volume, by offering lower monthly payments and flexible, residual-based loans.



With Spireon's GoldStar GPS, credit unions can give credit to more members while improving member payment behavior and reducing credit union risk.

# Rapid Advance

## Lending Solutions

Rapid Advance allows credit unions to extend their small business lending by offering optional, flexible funding when the credit union's underwriting requirements cannot be met.

- Rapid Advance has provided more than \$700 million to more than 31,000 small businesses nationwide.
- Loans are subordinated: no impact on credit union's collateral.
- Approval is not driven by FICO score nor collateral.
- Funding within five days.
- Credit unions earn non-interest income based on referral fees, and protect their member relationship by meeting the members needs without sending them to a competing institution.



Card  
Services



Insurance  
Benefits



ATM/Branch  
Networks



Lending  
Solutions

# Auto Financial Group

## Lending Solutions

The attractive low payment of vehicle leasing is increasingly cutting into credit unions' lending portfolios.

- Finance options for new and up to five years used vehicles.
- 100 percent residual value is guaranteed to the credit union.
- Balloon loans are titled in a member's name allowing them to privately sell, trade, or refinance their vehicle at anytime or surrender the vehicle at loan maturity in lieu of paying the final balloon installment with no penalty.
- AFG manages the entire end-of-term process including vehicle inspections, dispositions and answering member questions, to make this process as easy as possible for the member.



## Spireon

### Lending Solutions

Spireon's solutions enable credit unions to lend to more members while improving member behavior, keeping them safe and reducing credit union risk.



- GPS tracking system that offers real-time locations, theft protection and push notifications.
- Payment reminder and starter interrupt features improve member payment behaviors and loan portfolio performance.
- Saves members thousands on reduced fees and interest.
- Improves effectiveness and reduces expense of collections.



Card  
Services



Insurance  
Benefits



ATM/Branch  
Networks



Lending  
Solutions

# CU Solutions Group Partnership Opportunities

# CUSG Offers Unique Partnership Opportunities

- In-depth understanding of credit union members
- Strong network of relationships with credit unions and credit union organizations
- Full-service, award-winning marketing agency
- National sales and client service teams
- Successful relationships with top brand partners
- Established track record of bringing together members, credit unions and partners to achieve success





# Credit Union Members Are Loyal

Credit unions continue to out-perform themselves

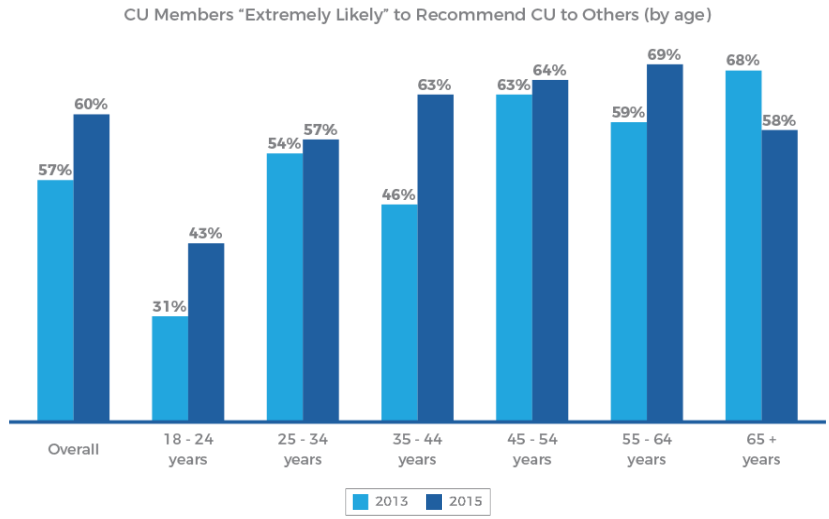
- 89 percent of consumers say credit unions are different than banks.\*
- 66 percent of credit unions members trust that their credit union is doing what is in their best interest – versus 27 percent for bank customers.\*
- On average, 60 percent of all credit union members say they're "highly loyal" to their credit union.\*\*
- Two-thirds of credit union members say they prefer to use a credit union or community bank, instead of a big national bank.\*\*
- 34 percent of all credit union members are in peak borrowing age range, while 12 percent are "future borrowers" (ages 18 to 24).\*\*

*\*Source: 2013 MCUL & Affiliates Consumer Research Study*

*\*\*Source: CUNA's National member & Nonmember Survey, 2015-2016*

# Credit Union Members are Loyal

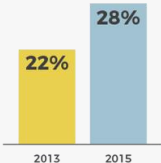
- All age ranges except 65+ are continuing to recommend credit unions to others
- Age range 35 to 44 years is growing quickest, up 17 percent from two years ago in likeliness to recommend a credit union
- Closely followed by millennials, age 18 to 24 who are up 12 percent



# Credit Union Members Represent a Key Market

## AT A GLANCE

**28%** of consumers ages 18 to 24 now belong to a CU...



...up from **22%** in 2013

Amount surveyed members ages 18 to 30:

**35%**

say they visit a branch once in a typical month;

**29%**

say they never visit a branch.

Of 18 to 30 year old members:



say they're either "very familiar" or "somewhat familiar" with cooperatives, compared with **40%** of same-age nonmembers.



Nearly **25%** of Hispanic consumers belong to a CU.

**60%**

of members overall are "highly loyal" to their CU.

- The average age of a credit union member is 46.7 years, which is down by last year's average of 48.5 years.
- 28 percent of adults age 18 to 24 belong to a credit union, up from 22 percent from two years ago.

# Credit Union Members Represent a Key Market

## 2015 – 2016 Survey\*

- 49% male, 51% female
- 12% age 18 to 24
- 34% age 25 to 44
- 62% married
- 69% own home

## 2012 – 2013 Survey\*\*

- 49% male, 51% female
- 44% age 45 to 64
- 66% married
- 86% own home

## Who Are Your Members?

### Demographic Profile

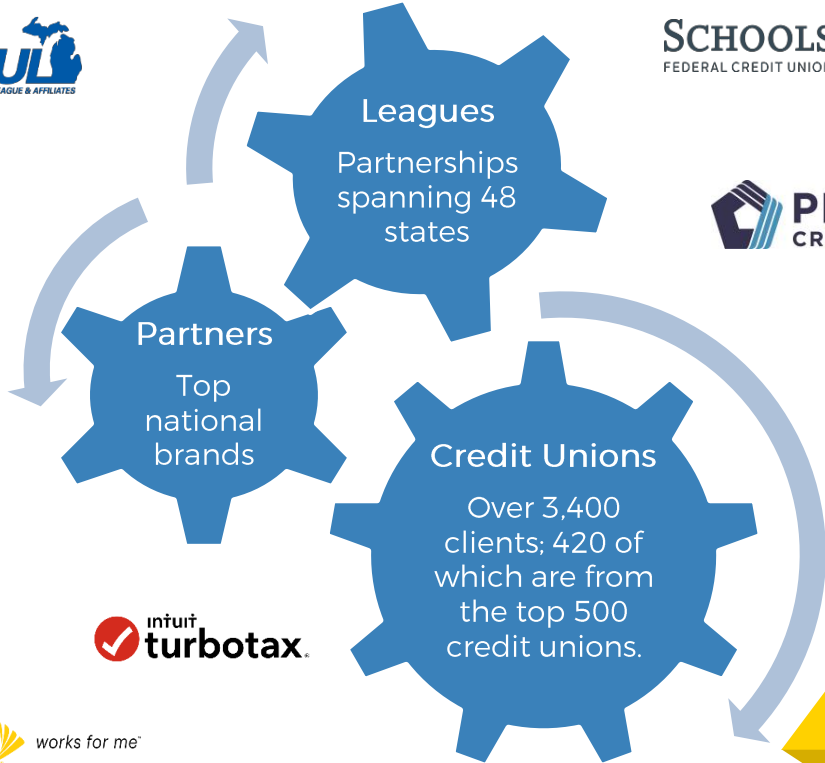
<b>Average Age</b>	<b>46.7</b>
Ages 18 to 24	12%
Ages 25 to 44	34%
<b>Male/Female</b>	<b>49% / 51%</b>
<b>Married</b>	<b>62%</b>
<b>Education Completed</b>	
High school or less	33%
College degree or more	34%
<b>Employed Full-Time</b>	<b>55%</b>
<b>Own Home</b>	<b>69%</b>
<b>Have Bank Account*</b>	<b>86%</b>

\*2014

\*Source: CUNA's National Member & Nonmember Survey, 2015 – 2016 (infographic)

\*\*Source: CUNA's CU Member Satisfaction, Growth and Loyalty Report, 2012-2013

# Network of Strength



# Proven Partnership Growth

## Partnership Growth



**More than 1.5M  
active customers**

**Nearly \$22M cash  
rewards deposited**



**More than \$15M  
in member savings**

**Over 1,500 supporting  
credit unions**



**More than 1M sales,  
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**\$11.9B credit union  
member loans**

Program sunset in 2015

# 30-Day Launch Plan



Segment Key  
Targets



Build  
Collateral



Launch  
Outbound  
Campaign

# Segment Key Targets

- Evaluate top 500 credit unions
- Determine market scope; sweet spot for partner target
- Work with data sources (Callahan's, NCUA and CUs) to determine member market segments
- Identify sample of credit unions to target





# Build Collateral & Strategy

- Develop talking points for national business consultants (NBCs)
- Letters to the CEOs and vice presidents of marketing and lending
  - Announce partnership
  - Introduce partner
- Emails from NBCs
  - Multiple options to suit tactic, barrier or need
  - High-level introduction to the products
  - Promote case study or whitepaper
  - Webinar invitation
  - Meeting request



# Marketing & Sales Collaboration

## Marketing Agency

- Press releases
- Trade publication advertising
- Websites ([CUSC](#) and [MCUL](#))
- [CUSC](#) and [LMCUR](#) social media
- [Love My Credit Union Rewards newsletter](#)
- [Monitor publication](#)
- [Industry events](#)
- [CU TrendScan](#)

## Sales Team

- Send CEO and vice president letters
- Townhall meetings/lunch & learns
- Establish webinar calendar – holistic value proposition of Love My Credit Union Rewards
- Begin bi-weekly cadence of sending targeted emails

**CreditUnionTimes** CREDIT UNION JOURNAL **CUinsight**<sup>®</sup>

**CREDIT UNION**  
MAGAZINE

**CUES**  
POTENTIAL. REALIZED.<sup>™</sup>

# CUSG to Consumer Marketing

LifeSteps  
Wallet

LMCUR  
Website



Direct  
Emails

Gas  
Station TV

Newsletters

Thank you!

Please let us know if you have any presentation feedback, additional questions or would like to determine the next steps of partnering with CU Solutions Group.