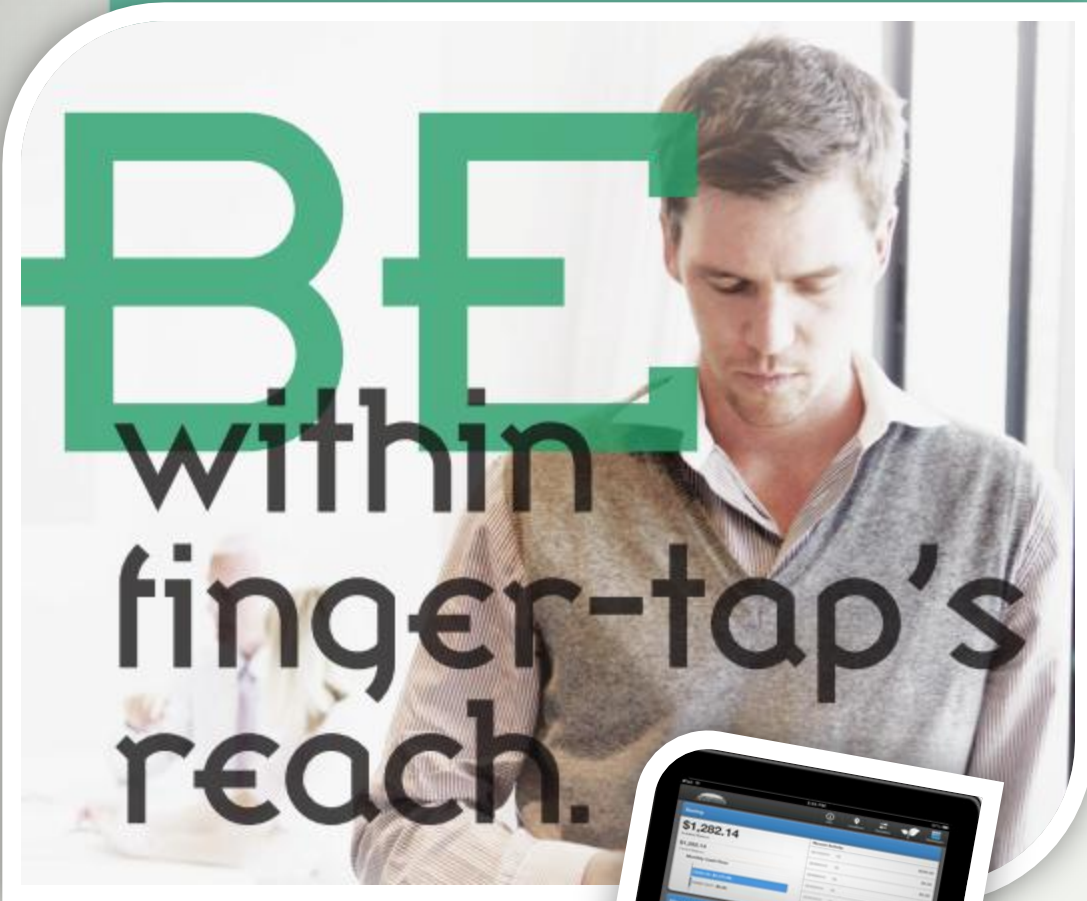


CO-OP Mobile: Mobile App for iPads



April 18, 2013



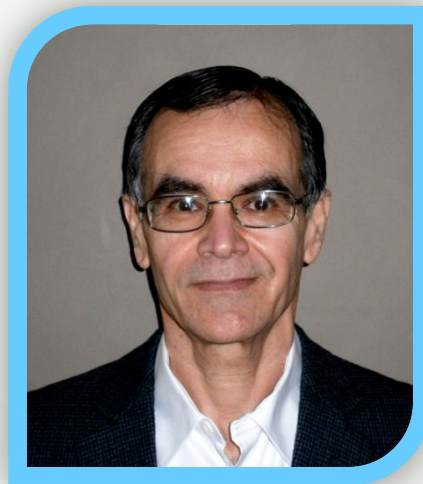
Be There Be More

Today's Presenters



DIANE ZABLIT

Product Marketing Manager



RANDY THOMPSON

Senior Product Manager

Agenda

Marketplace

Mobile Trends

CO-OP Mobile Overview

Introducing CO-OP Mobile for iPad

Mobile Roadmap

How To Get Started

Q&A

Marketplace

Poll Question:

What is your current Mobile Banking status?

A) Deployed CO-OP Mobile

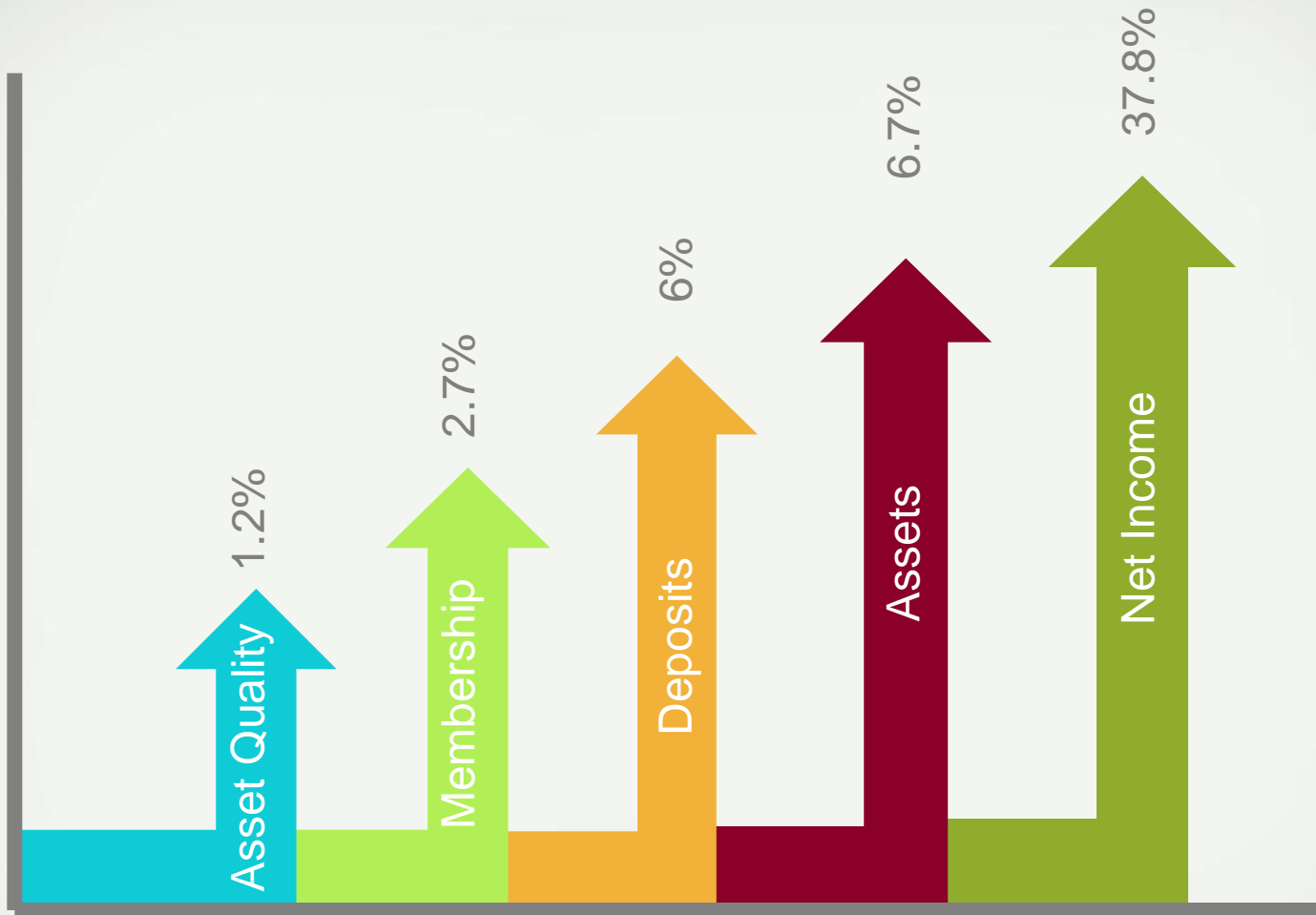
B) Deployed Mobile Banking from my PC Banking provider

C) Deployed mobile Banking from a Mobile Banking Provider

D) Deployed other Mobile Service

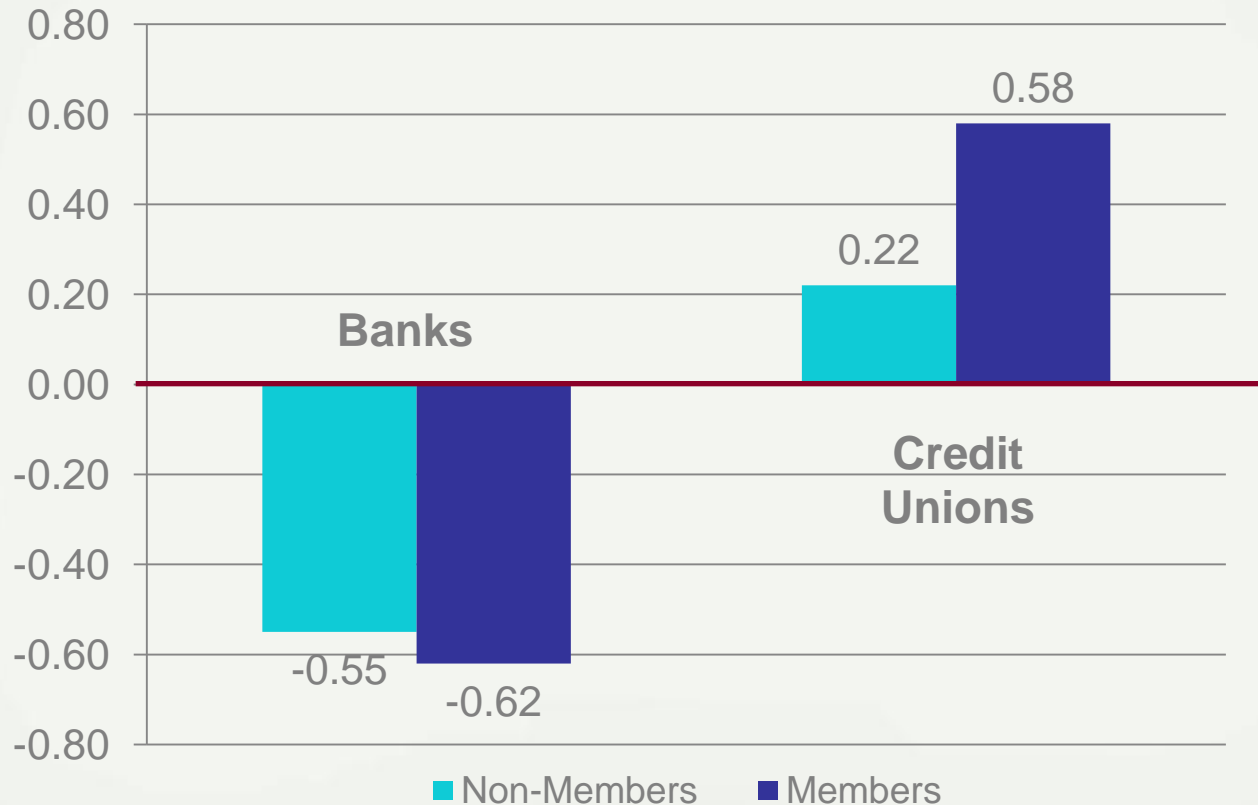
E) Have not yet deployed Mobile Banking

Positive Growth...



Positive Perception

Consumer trust scores for credit unions vs. banks



Source: CO-OP Study of Non-Members, 2012,
conducted by Neil Goldman Consulting & Strategy

High Consumer Expectations

Consumer desire for convenience
and instant gratification
is reshaping every industry...



Snail mail >> Email

Daily paper >> 24/hr news cycle

Help desk >> Online chat support

Office hours >> 24/7 web access

On-site meetings >> Webinars

Street maps >> GPS >>

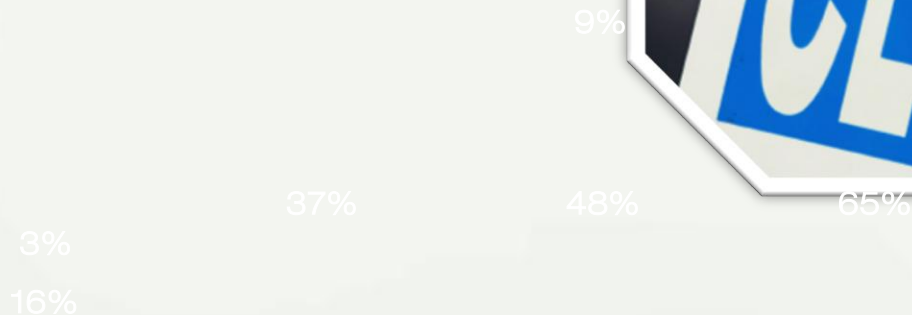
Smartphones 48% 65%

Shopping malls >> E-commerce

High Consumer Expectations

... especially the financial industry.

- “Inconvenience” is the #1 reason consumers leave their financial institution



Source: CO-OP Study of Non-Members, 2012, conducted by Neil Goldman Consulting & Strategy

How Will You Support Growth?

- Increase membership
- Deliver choice and convenience
- Grow interchange revenue
- Reduce your service delivery costs

**Leverage technology to compete
with the “big banks”**

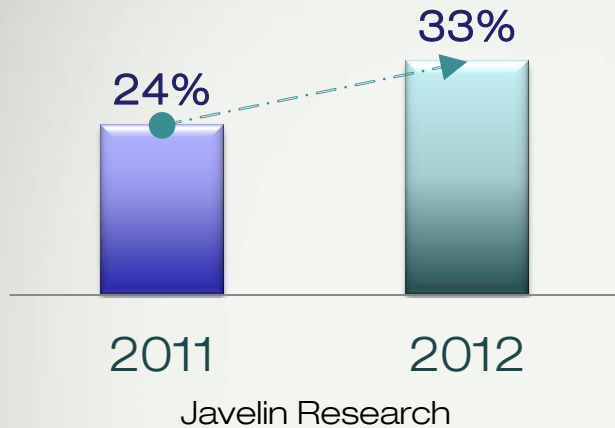
Mobile Trends

Trending Up – Mobile

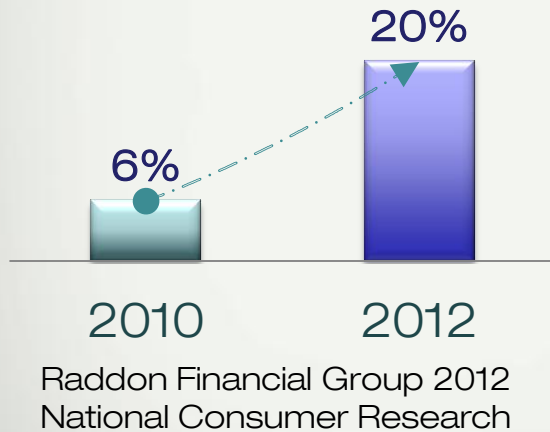
Americans love their mobile devices...
but are they banking with them?



Mobile Banking Usage



Mobile Banking Usage
33% of consumers use mobile banking



Household Mobile Banking
In two years, household mobile banking
has tripled

Consumers on Mobile Banking



80% of consumers rank mobile banking as “important.”



41% want a native app for mobile banking.



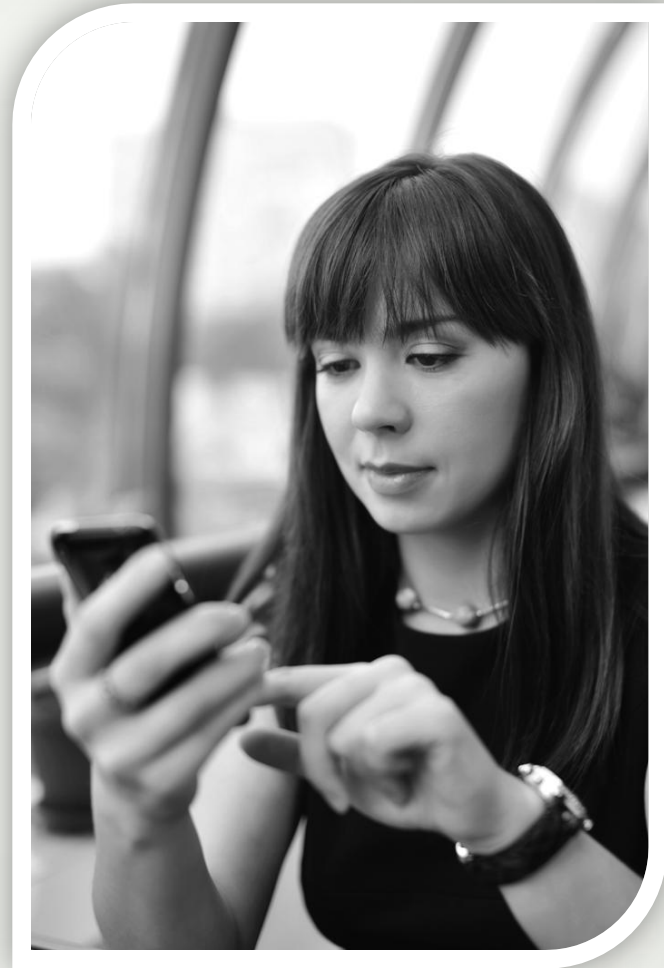
\$675 Billion in deposits vulnerable to bank switching.



Trending Up – Mobile

Today in the US:

- 87% have a cell phone
- 45% have a smartphone
- 31% access the web primarily by phone
- 91% keep their mobile within reach 24/7



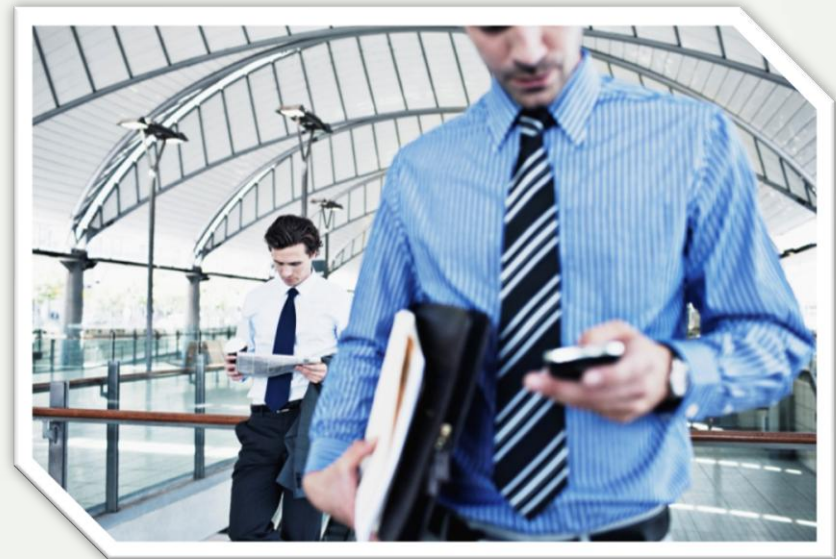
Trending Up – Mobile

YES.

When asked what makes a financial institution convenient, nearly 50% of consumers identified mobile access as “extremely” or “very” important.

Today:

- 13% of account holders use mobile banking
- 44% of smartphone owners use mobile banking



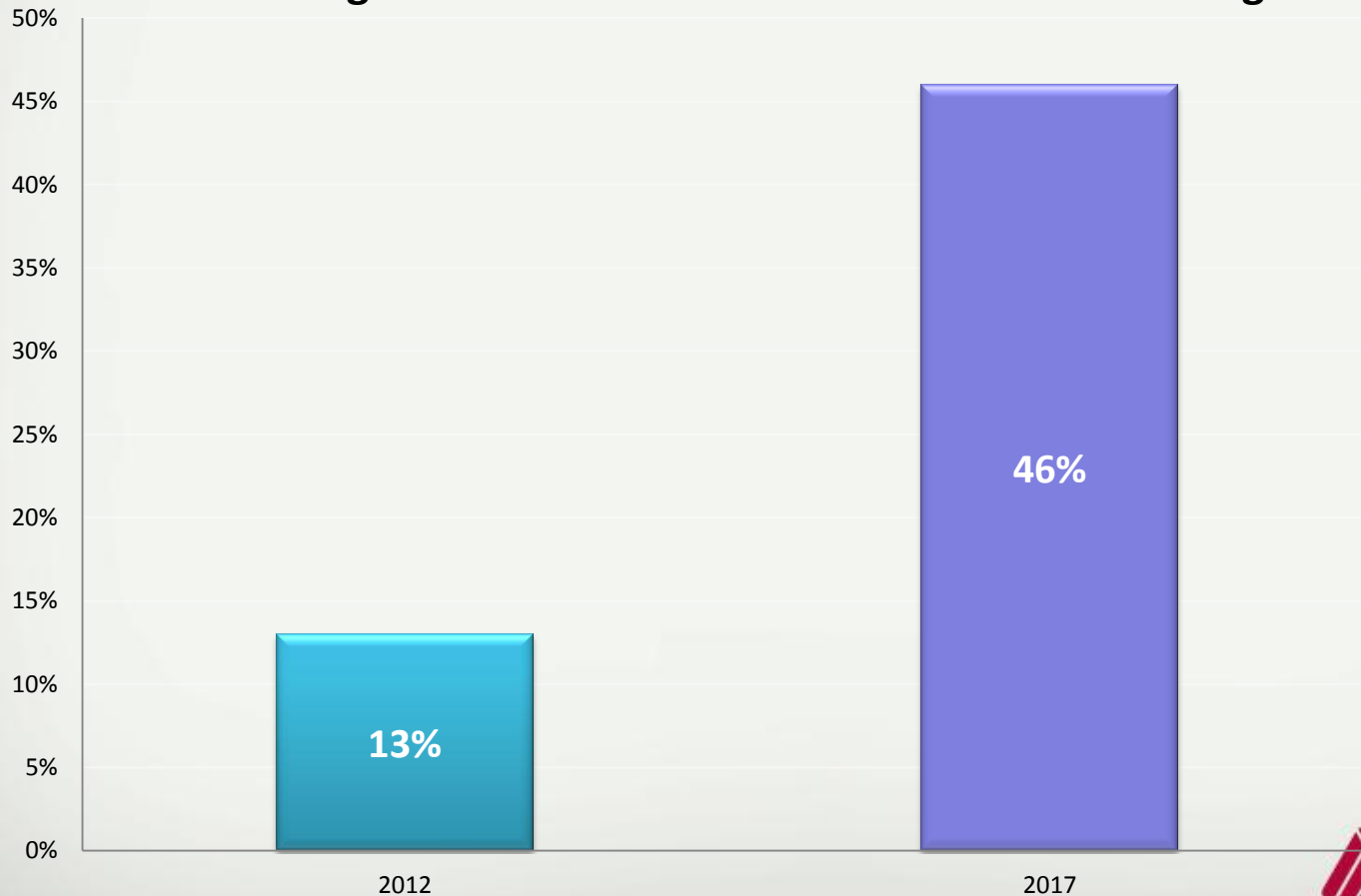
Tomorrow...

Source: Forrester Research 2012, Pew Internet Survey March 2012, CO-OP Study of Non-Members, 2012, conducted by Neil Goldman Consulting & Strategy

Trending Up – Mobile

Mobile banking users will increase by more than 3X

Percentage of bank customers who use mobile banking



Source: Forrester Research, 2012



Be There Be More

Trending Up – Mobile

**Mobile bankers are wealthier,
younger, more engaged, more loyal**

- **5% higher** “net promoter” score
- **75% interact** at least once per week
- **60%** are aged 18 to 34
- **2X as likely** to have a household income of \$100K+

Source: Bain Report 2012, comScore 2011 State of
Online and Mobile Banking



Trending Up – Mobile/Virtual



- 7,500 will visit the website



- 100 will visit a branch



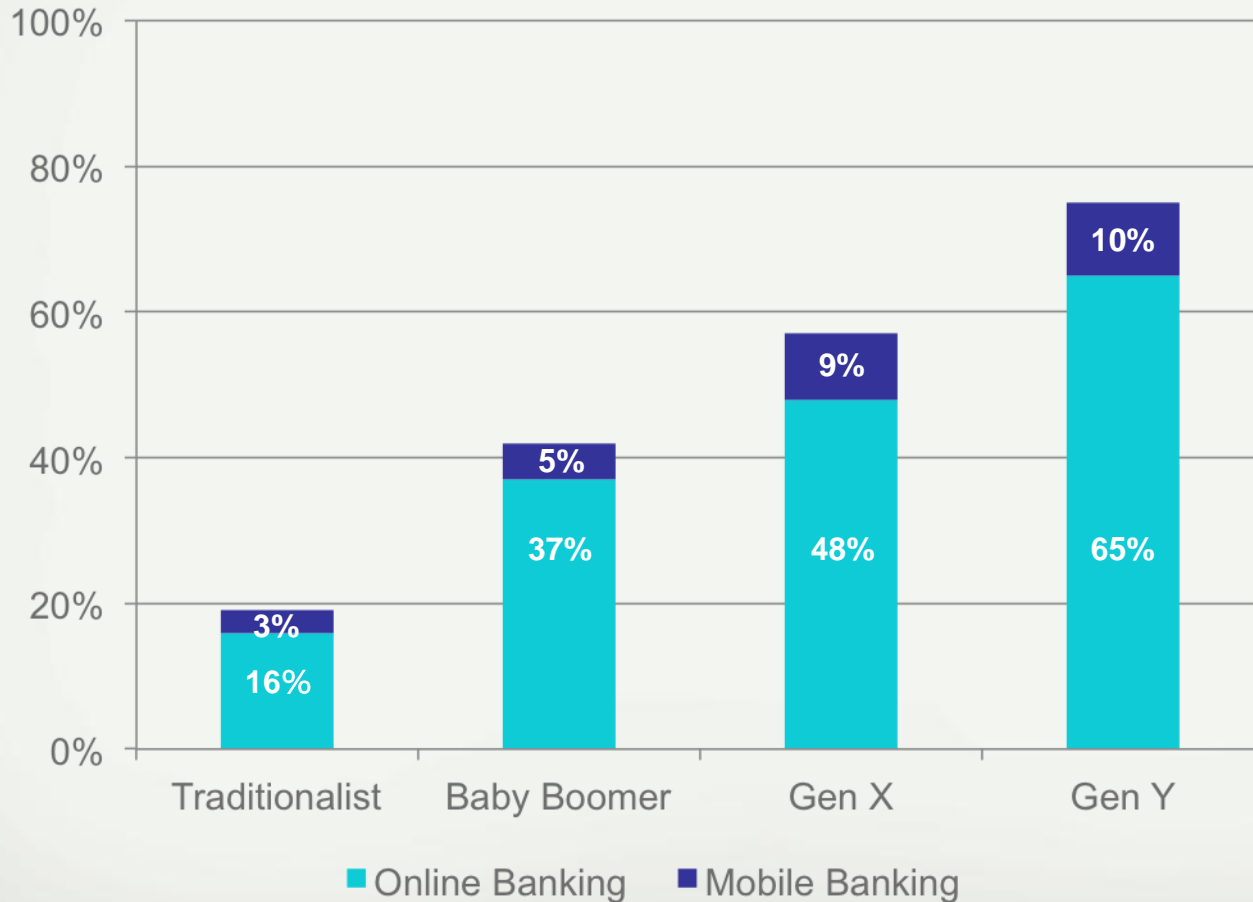
- 850 will visit the ATM



- 2,200 will use a mobile app

Trending Up – Mobile/Virtual

Increasing demand for virtual services



Source: The Raddon Group

Trending Up – Remote Deposit Capture

Consumer demand is driving fast growth



- 25% of consumers find mobile deposit “desirable” or “very desirable”
- 2X more effective in prompting consumers to recommend their financial institution

Trending Up – Remote Deposit Capture

Not just popular... *cost-effective.*

- \$0.75 – \$3.00 for each traditional check deposit
- Mobile RDC diverts 10% of all deposits away from costly in-branch service



Trending Up – Tablets



Percentage of Americans who own tablets

5%	10%	18%	31%
2010	2011	2012	2013



Growth in US tablet sales (in millions)

9.7	24	40.6	39.8 (forecast)	44 (forecast)
2010	2011	2012	2013	2014

Source: Pew Internet Survey 2012, 2013, Forrester Research 2012

Trending Up – Tablets

Tablet owners want banking apps.

- 34% want to bank on their device

Financial institutions are delivering.


- 25% of the largest banks offer tablet apps



Source: Phoenix Payments study 2012, eCom Advisors
woman using iPad Photograph: Iain Masterton / Alamy/Alamy

Mobile Banking Apps

25% of the largest banks
currently offer
tablet apps



24 Of The Biggest Banks Offer Mobile Remote Deposit Capture



What Is The Market Research Telling Us?

1. Tablet ownership is increasing significantly among consumers and large FI's are deploying tablet apps
2. Mobile deposit is now widely offered and a much desired consumer added value feature
3. Mobile Registration is only offered by 8% of banks, but it is critical to reach non-desktop users

Opportunities with CO-OP Mobile

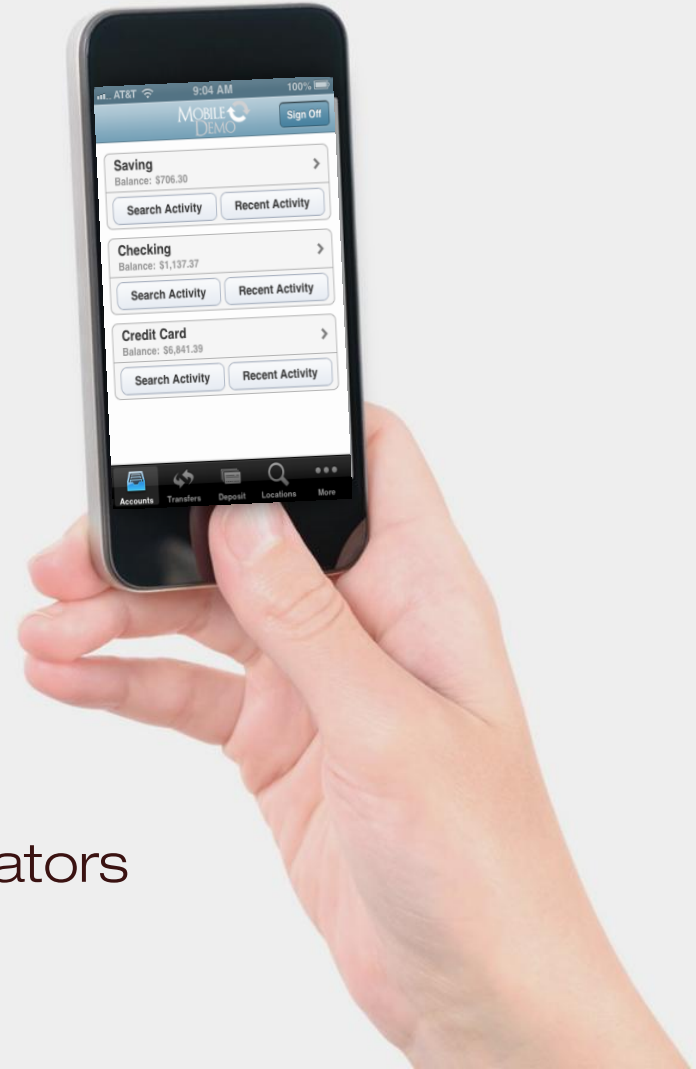
CO-OP Mobile - What's In It:

CO-OP Mobile

- Mobile Banking via:
 - iPhone Application
 - iPad Application
 - Android Application
 - Mobile Web and Text Banking

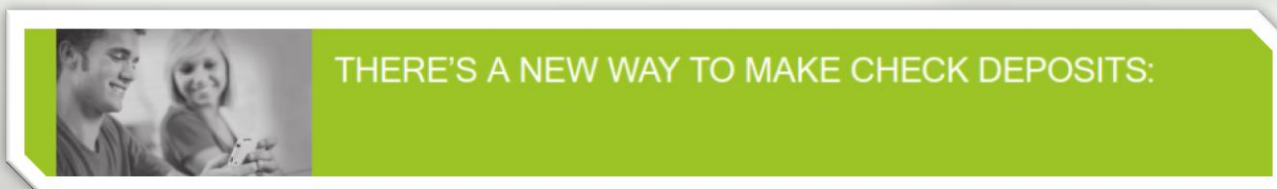
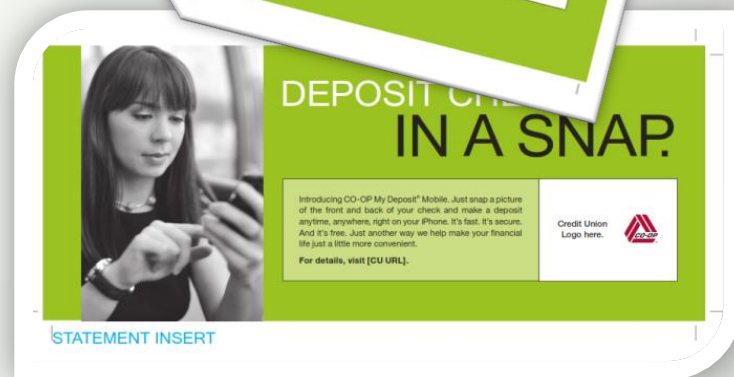
Functionality

- Account Balances
 - (Share, Share Draft, Loan Accounts)
- Statement History
- Account Transfers
- Deposits (iPhone / Android Apps)
- CO-OP ATM / Shared Branching Locators



CO-OP Mobile: What's In It For You

- Easy.
 - Generally, no changes to host or online banking system required
 - Ease of deployment for CUs using CO-OP Connect and Shared Branching
- Brandable.
 - Add your own branding for a more personalized member experience
- Generates Volume.
 - Deploying RDC significantly increases member awareness and participation
- Visible.
 - Free marketing materials help you promote your mobile offering



CO-OP Mobile: What's In It For Members

- Anytime, anywhere access for members
- Rich functionality: Check account details, make transfers and deposits
- Applications for iPhone, iPad and Android devices
- Enhanced Mobile Web for BlackBerry devices
- Locator services to find 30,000 surcharge free ATMs and 5,000 shared branching locations

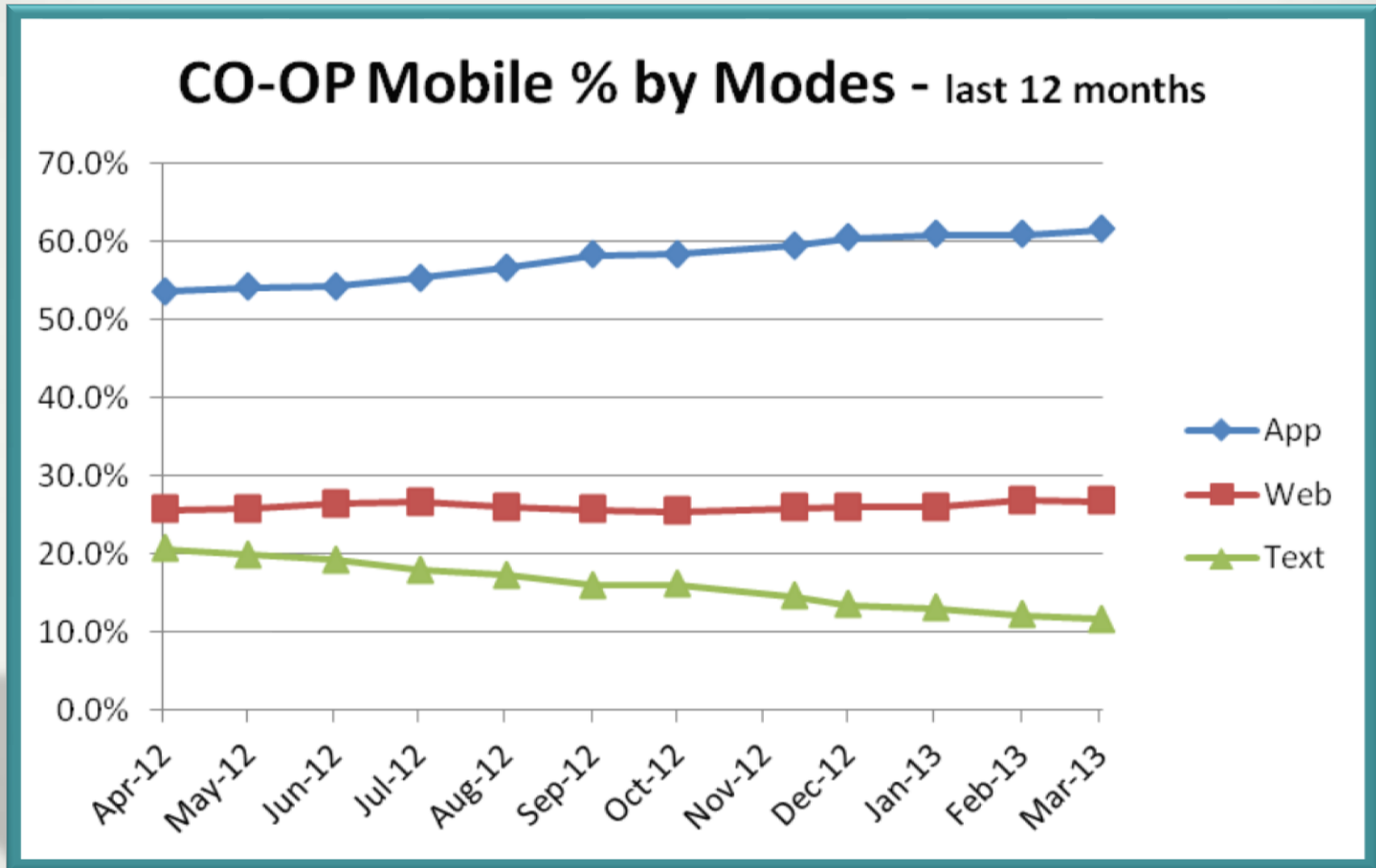


CO-OP Mobile Growth Trends




- In 2012, CO-OP Mobile transaction volume increased an average of 7.6% monthly
 - Member enrollment increased 6.9% monthly
- Mobile Applications are driving volume growth
- March 2013:




All Credit Unions	Usage Percent	Growth
Applications	61.6%	▲
Mobile Web	26.8%	▬
Text Banking	11.6%	▼

CO-OP Mobile Usage by Mode



Mobile Usage - All CO-OP clients vs. Top Ten

All Credit Unions	Usage Percent	Growth
Applications	62%	
Mobile Web	27%	
Text Banking	11%	

Top 10 Credit Unions	Usage Percent	Growth
Applications	72%	
Mobile Web	22%	
Text Banking	6%	

- Conclusions from data:
 - Apps Rule!
 - Text usage declining
 - Successful mobile banking programs deploy applications
 - Really successful mobile banking programs deploy remote deposit capture



Offer convenient access and attract new members—especially the youth market.

Mobile

Introducing CO-OP Mobile iPad app

Poll Question: When are you planning to deploy an iPad application?

A) Already deployed an iPad App

B) Will deploy when my mobile provider provides an iPad App

C) This Year

D) Next Year

E) Not Sure

iPad App Benefits

Members

- Registration made easy
- Account Transfers
- CO-OP ATM and Shared Branch Locators
- Account information and recent history readily available

Credit Unions

- iPad is the most popular tablet in the market
- iPad Application can be customized
- Allows credit unions to be part of the 25%
- Ability to cross market your products

CO-OP Mobile iPad Application Extensions

- Application extensions allow customization of iPad application
 - App extensions could be:
 - Links to the credit union's:

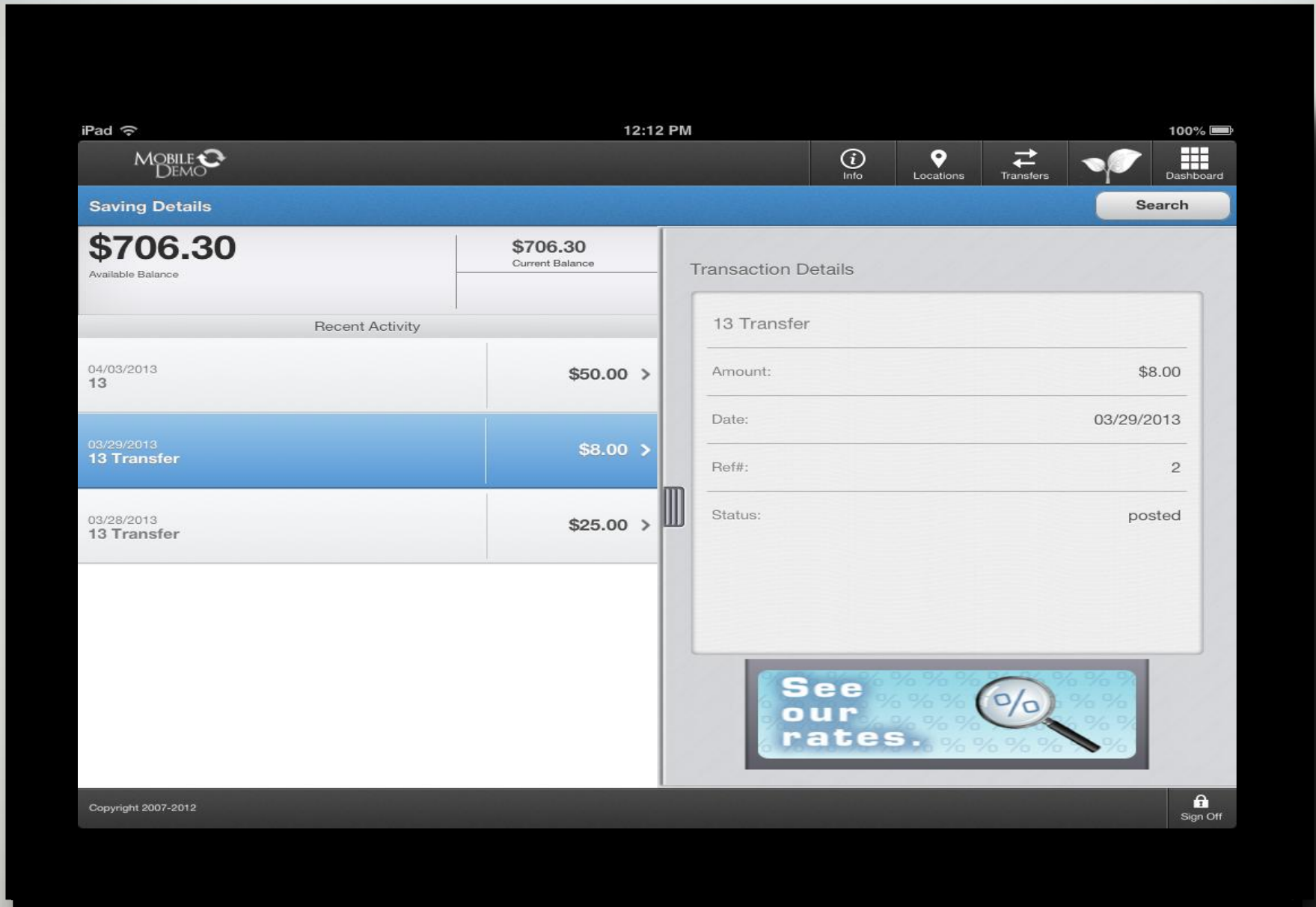


- Credit union loan rates and promotions



Credit union responsible for all destination website content.

CO-OP Mobile iPad Application



CO-OP Mobile iPad Requirements

CO-OP Mobile Participant

Shared Branching Participant or ISO Issuer Interface

Branding Assets

iPad one-time fee:
Includes 4 extensions

Additional extension fees
after 4.

Extension one-time
maintenance fee: Per
Extension

Credit union responsible for
extension links



Be There Be More

FINANCIAL
SERVICES

Getting Started

New Clients

New clients: Sign up for CO-OP Mobile

Sign pricing agreement

Credit union determines app extensions

Provide branding assets for app extensions per CO-OP requirements

Provide link to destination website

CO-OP will configure application for credit union review

CO-OP will deploy iPad application to iTunes when complete



Be There Be More

FINANCIAL SERVICES

Be the future: Roadmap

CO-OP Mobile Roadmap

2013*

- iPhone and Android Application
 - Application Extensible Interface
 - Modernize look and feel of applications
- Add remote deposit capture to iPad

And beyond...*

- Integrated extensions (i.e., P to P services, bill payment)
- Other tablet support

*Subject
To Change



To get started CO-OP Mobile for iPad
or any of our CO-OP Mobile features

Email

Linda Laux

sales@co-opfs.org



Be there. Be more.