CULedger’s Milestones

Early 2016
- Began Research-to-Action POC
- $650K in Seed Contributions From 70 CUs & CUSOs

Oct 2017
- Company is Established
- Launched $10 Million Series A
  - 27 CUs
  - 12 CUSOs/Techs

Nov 2018
- $10 Million Series A Fully-Subscribed

Oct 2019
- MyCUID Live with Three Pilots
  - Twelve Other Pilots In-process with CUs and System Cores

Dec 2019
- Additional Pilots in-process with CUs and System Cores

2020
- MemberPass™ launch
- MemberPass commercialization
- Partner Agreements
- Corporate Rebranding
- CUFX Integration
- Begin Series B Investment Round

CULedger Recognition

- CIO Top 25 Blockchain Technology Applications Finalist
- supernova Award
- New CUSO Year in Review 2020 Award
- TAI FinTech Advance Awards 2020 Award
The Global Credit Union Industry

86,055 Credit Unions

Serving 291,432,972 Members

From 118 Countries

On 6 Continents

With a Penetration of 9.55%
Transaction Components

- You Need To Know Who You’re Interacting With
- You Need to Document the Transaction
- You Need to Exchange Value
Network of Verifiable Digital Exchange

You Need to Know Who You’re Interacting With

DIGITAL CREDENTIALS

You Need to Document the Transaction

TRUSTED INFORMATION

You Need to Exchange Value

DIGITAL VALUE
The CU Member Identification Problem

**Existing Member**
- Branch Transaction
  - Authentication Process A
- Call Center Transaction
  - Authentication Process B
- Online Transaction
  - Authentication Process C

**Prospective Member**
- Branch
  - Authentication Process D
- Online
  - Authentication Process E
- Indirect Lending
  - Authentication Process F
Is This The “New Norm”?

- How will you verify your member’s covered face against a physical ID?
- Will your members be comfortable with your staff touching their physical forms of ID?
- How do you trust that the ID you’re given hasn’t been tampered with?
- What personal health and safety concerns will your members and employees have?

- How will you handle the increase in call center volume?
- What privacy concerns do you have with remote call center employees?
- How can you ensure that your member is not a fraudster?
- How will your members know it’s your credit union calling them?
Consumer Perspective on Privacy and Control

- 87% of consumers say **data privacy** is a human right
- 84% of consumers say they want more **control** over how their data is being used
- 84% of consumers expect their financial institution to maximize their digital interactions
- 82% of consumers are concerned about visiting their local financial institution
- 78% of consumers are most protective of their financial data

Sources: KPMG, Cisco, RSA, Lightico, PMTS.com
The **SIMPLEST**, most **SECURE** way for you to **VERIFY** your members.

**CRYPTOGRAPHIC SUPERPOWERS**

- Cryptography
- Biometrics
- Distributed Ledger Technology
Verifiable Exchange Within the Credit Union

Member

Verifier

MemberPass

MemberPass

Trust Registry™

Credit Union

Listed in
DTR

Issues MemberPass™
credential

Proof

Verifies Digital Proof

Confirms with
Registry

Public, Permissioned Distributed Ledger

Walk-in

Drive-up

Call-in

Video Banking

Log-in

ATMs
Optimal Omni Channel Member Experience

Provides a single source of truth

Credit Union
MemberPass
Online Banking
Insurance Services
Fintech Services
Mobile Banking
Lending Services
ATMs
Call Center
Investment Services
Payment Services
Account Services
KYC
ATMs
MemberPass

CONFIDENTIAL
Verifiable Exchange with Partners
Contact Center Results

Call center authentication reduced to only a few seconds
Reduced call authentication from 80 sec to < 10

Add capacity or reduce staff
Five FTEs could be repurposed

Reduction in multiple types of fraud
Annual fraud reduction of nearly $150,000

MemberPass investment payback in less than a year

Credit unions with 125K members can save over $425,000 annually!
Early UNIFY Results

• Over-achieved enrollment goal in 5 weeks.
  62% branch / 38% contact center
• Over 40% post-enrollment authentications
• 22% of post-enrollment are "cross channel"
• Word of mouth marketing only, no mass promotion

• Team member feedback positive, energy & engagement high
At Desert Financial we understand that when life gets busy, every minute counts.

https://www.youtube.com/watch?v=J6pWDdYq7uk&feature=youtube
How Does MemberPass Work?

Enroll

Download the MemberPass Identity Wallet
1. Find your Invitation.
   Check your text messages for an invitation request from one of our Enrollment Specialists to download the MemberPass app.
2. Download the App.
   Click the text message to be taken to the Apple Store or Google Play Store. Click GET or INSTALL, to download the app.

Secure Your App
   To open and protect the MemberPass identity wallet, choose a Biometrics (FaceID or TouchID) or Passcode option.
   In the event the Biometrics of your phone fail, you can open the MemberPass app by establishing a 6-digit passcode.

Connect

Establish a Secure Connection
1. Accept Secure Encrypted Connection.
   Once the MemberPass app is installed, an invitation will be sent asking you to connect with our Credit Union. Click CONNECT to approve the connection.

Receive the MemberPass Credential
2. Accept the MemberPass Credential Offer.
   After you've established a secure connection with our Credit Union, click ACCEPT to receive your MemberPass credential into your MemberPass-branded wallet.

Verify

Receive a Verification Request
1. Find your Verification Request.
   Check your text messages for a notification question from us to verify that it’s you interested in conducting a transaction.

Accept Verification Request
2. Send your MemberPass Credential.
   We will send you a verification request in the form of a question to verify that it’s you with whom we are interacting. Click YES I AM to approve the request and to continue with your transaction.
For more videos, visit https://www.memberpass.com/how/#memberpass-in-action
Consumer Research Summary

• 70% of respondents agree that "MemberPass addresses a safety concern that I had when identifying myself"

• 75% of respondents would increase their satisfaction in their FI if MemberPass was available to them (in all four scenarios)

• 67% of respondents would sign up for MemberPass if it was available to them

• Over 60% would recommend MemberPass to a friend or a family member

• About half of the respondents report changing their preferred way to interact with their FI in the last year.

• About a third has experience identity theft, and half of all respondents experienced account fraud (two thirds within the last year in both cases)
MemberPass Traction

• 70 credit union investors
• 12 LIVE credit union deployments or implementations scheduled
  • 2 credit unions deployed in multiple use cases
  • 4 credit unions deployed in October
  • 3 credit unions deploying in Q1 plus a CUSO off-hour integration
  • 3 credit unions deploying in Q2, including 5th largest CU in US
• 23 priority customers
• ~10,000 MemberPass credential issued
We are just getting started, the time is NOW

**WHAT members receive:**
- Provides a simple, seamless authentication experience across all channels
- Protects against identity theft
- Addresses fears for personal health, safety & privacy
- Ability to own & control personal information

**WHY should credit unions implement?**
- Creates an omni-channel authentication experience
- Reduces fraud
- Safer for employees--contactless
- Reduces time and money in member authentication process
- Builds digital trust with their members
Thank You

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