

Harland Clarke CLICKSWITCH Webcast 07/14/2015
Hassle Free Automated Account Switching
TRANSCRIPT

Presenter Name 1, Erik Kelly, Senior Product Manager, Harland Clarke
Presenter Name 2, Cale Johnston, CEO, ClickSWITCH

Matt: Good day and welcome to the webinar. Today's topic is ClickSWITCH Hassle-Free Automated Account Switching. This webinar is being recorded and will be provided to you along with the presentation recording and presentation deck within a few days. I will now turn the call over to Erik Kelley, Senior Product Manager with Harland Clarke. Mr. Kelley, you have the call.

Erik: Thank you, Matt. I also want to welcome everybody for joining us today. I'm excited to bring to you one of our newest solutions that we believe is going to help many of our clients fully activate all of their new account holders they bring in with all of their checking acquisition programs that you invest so heavily in. If you'd forward the slide there, Matt.

Overview of the agenda today, we're going to do a little bit of a background on the solution. We're going to give a live demonstration, and we'll follow that up with some question and answer period as well. We will also try to address questions throughout the course of the webcast as we go. Feel free to enter your questions into the question section within the webcast, the webinar portal. With that, I'm going to turn it over to Cale Johnston, the CEO of ClickSWITCH.

Cale: All right, thank you Erik. Thank you everyone for joining us today. Hopefully, we have a good schedule here prepared for you. As Erik mentioned, we're going to run through about a few slides here so you get a good overview of the company, of the solution. Then we're going to jump right into a demonstration of ClickSWITCH.

Right away, I'm going to focus on more of the member or customer experience with ClickSWITCH. What does the end-user go through to get switched over? Then there's a two-part approach, so then we'll go over to more of an administration site, and what your institution has capabilities of seeing. Really,



what you can now have exposure to what your member or what your customer is going through during the switch process. Like I said, two parts to the demo. We'll go right into the customer experience, and then we'll focus on the admin.

First, when we're going through what ClickSWITCH is, how it works, so ClickSWITCH is web-based. It's automated, and it's a completely paperless solution to get your new and existing account holders switched over. The customer experience, the member experience, is going to be about ten minutes or less. If you look at what the end-user is going through right now, it's taking them about 30 to 90 days to get switched over to your institution without a switch kit in place.

Now your customer or your member is going out to multiple different payee sites. They're downloading multiple Change Request Forms. They're printing. They're mailing, and they're running through it all on their own. Our studies were showing us that about 70% of consumers found it too frustrating or too strenuous of a task to get switched over. When your customer opens up that checking account, right then and there they have really good intentions of switching everything over, but when they go home, they're trying to do everything on their own. They just get fed up with the process, and a lot of those customers end up falling off.

What ClickSWITCH does, it allows you to get the customer switched over in the branch through an in-branch concierge service, or your customer can take the product home and get switched over on their own because it is web-based. If you look at the end-user, if you look at your customer right now, maybe they only have an iPad or a laptop at their home. Maybe they don't have a desktop computer or printer, which makes a paper switch very difficult if they don't have the tools to get switched over, so that's why it's critically important to make this a paperless solution where your customer isn't doing the printing, the mailing. They're not finding their voided check. They're not going through that process.

What we wanted to build ClickSWITCH as, it's more of a Turbo Tax or account switching. It's a web-based tool that easily orchestrates your end-user through exactly how to get their local energy bills switched over, how to set up their direct deposit, and how do you acquire a primary checking account through this

tool. That's what we really want to hit on when we're showing the demonstration.

Over the past year, we've onboarded over 150 financial institutions, which was beyond all of our expectations here at ClickSWITCH. I think, when we first started the company, it was, well, if we got ten, and between 2014 and 2015, if we got ten institutions, that'd be good. We really quickly realized how big of an industry this is, and so we're investing a ton of resources to make this as automated of a solution as possible so your customer can get switched over in ten minutes or less through our web-based solution.

ClickSWITCH is going to be customizable for your institution. When I'm showing you the demo sites, I'll show you where you can import your logo. How the subdomains work. How the IP addresses work, and how we've made it specific to your institution. Next slide please.

Understanding the value add in ClickSWITCH, I think it's really important just to hit on the key metrics really quick. You can see about 60% of consumers believe it's just too much of a hassle to switch their institution. One thing that I want to point on is we did do a case study with multiple of our existing clients, and one credit union in particular was averaging about 800 checking accounts a month before ClickSWITCH. They went live on ClickSWITCH, and they were very aggressive with billboards, commercials. Their marketing campaigns were great, and now, six months after going live with ClickSWITCH, they're averaging about almost 1,200 checking accounts a month opened. They went from 800 checking accounts to really marketing how easy it is to get switched over to them, hassle-free switching, and now they're close to 1,200 checking accounts.

We're doing some other case studies. We have a user group we just prepared where we put ten institutions in, and we're really factoring in what were their deposits at before ClickSWITCH? Where is it at now, account usage, account adoption, stagnant accounts? We looked at one institution who was sitting at about 30% account activation after their member opened up a checking account, and the month of June, let's say they opened up 1,000 checking accounts. Only 300 of those checking accounts had activity 3 months later.

What we're looking to do with ClickSWITCH is we're looking to flip the rates. We're looking to get 70% account activity. Because if you can get your member, if you can get your customer switched over in the branch there in ten minutes or less, you're going to see primary account activity, and really, that's what the key metrics are showing us is people want to switch over. People want to switch over to their community bank or to their community credit union, but if the tools aren't there to help switch over, there's a lot of frustration there on the customer end. That's why we want to enforce ClickSWITCH, and make sure that your users, your end-users, your customers, are having the most ease of getting switched over to your institution. Next slide, please.

The key benefits to the account holder. As I mentioned earlier, the ability to switch accounts using a mobile device, a personal computer, is the biggest. Because if you look at the – your millennials, if you look at your new account holders, like I said, they might not have a printer at their home, which makes the switch very difficult, a paper switch very difficult when trying to get – a lot of the local energy companies, power companies, they still require you to print out a piece of paper, fill it out, and send it in. When you're dealing with more national billers, like Verizon, Netflix, that is more of an online solution, it's still confusing because you don't – the average customer doesn't know how to orchestrate that, so what ClickSWITCH does is we show the end-user exactly how to get their Netflix switched over by using our portal, exactly how to get their local energy company switched over. All by accessing one single site, one single tool to get them completely switched over.

To initiate the switch process in under ten minutes is really cool. We need to strike while we have your end-users attention. We need to make sure your acquiring that primary checking account. Next slide please.

Erik: Cale, we do have one question that has come in, and it's a good one we get often. Is this available for business accounts also?

Cale: It is, so what we've designed on our back end site, which is your administration site, which I'll show here today, is you have the ability when you're setting up an end-user, you can mark if they're a customer or if their a business. If they check a business, we can do a business switch. Really, what a lot of our live clients are

doing is their sending their business banker onsite to a business, and said, “You promised us you’d switch over if it was easy do so.” Now you’re business banker’s onsite with an iPad, and they’re getting them switched over in ten minutes or less. It’s been a big game changer for switching small businesses over. Next slide please.

Here’s just a little picture of how it works without ClickSWITCH. You can see what your customers are doing. They’re filling out multiple forms. They’re doing multiple paperwork. They’re calling their employer. They’re trying to close their old checking account. It’s just broken down.

What ClickSWITCH does is it’s a single portal where they can switch their direct deposit, their utilities, their mortgages, their car payments, and they can even close their old checking accounts within a single portal, within a single site that is customized and branded for your institution. We’re going to want to keep the ClickSWITCH brand, but your institution brand is all over the site as well.

You can see here’s the Switch Track Code. A Switch Track Code is an 8-digit pin that ties in your customer into the account, so when you’re customer or your member opens up a checking account, they receive an email from ClickSWITCH. It looks like it’s coming from you specifically, but it comes from ClickSWITCH. It says, switching’s never been easier. Here’s your 8-digit Switch Track Code. Go out to our production site, enter this code, and get switched over today, and here’s some instructions on how to facilitate the switch, so it is web-based in that manner where they receive an email. They receive their code. They go out to a website, and then they can get switched over if that’s not handled in the branch.

The other option would be to get switched over in the branch. If your customer is switched over in the branch, they do not receive that welcome email. If you get them switched in the branch, that’s great. If you don’t get them switched over in the branches, there’s still another touchpoint that’s going to happen to remind your member, remind your customer that they need to get switched over. Next slide please.

Fully automated and convenient, it takes less than ten minutes to get switched over. That's really a good marketing tagline, I think, to capture the attention of your staff, of your employees, and as well as your end-users, as well as your customers, to get them switched over in ten minutes or less. We need to strike while the iron's hot. People's attention span just isn't there, so if we did our job, if we built this site correctly, we can get your customer switched over in ten minutes or less. I think that's probably a good segue into a demo, and I can show you how the solution works.

If you want to just shoot me over the capabilities, and I can share my screen with you. I think we've already covered a lot of this, and we'll continue to cover that within the demonstration here. Okay, hopefully, you all can see my screen. Erik, can you see my screen?

Erik: We can see it.

Cale: Okay, we're good to go. What you can see here, here's just our demo site with our logo. What I want to show you is just a couple production environments. Consumers Credit Union, they're doing a great job of promoting ClickSWITCH through commercials, through billboards, and they're seeing the results of that as well. They advertise it here, so here's what their homepage looks like on their website. They're showing other money markets, ClickSWITCH, grow deposits, very similar, and then their ClickSWITCH production site looks like this. When you look at our demo site, just keep in mind we brand it with the institution, so you can see their main logo, a background image, and then it's customized for a credit union to say new member.

Then we also have a bank site here. Here's Southwest Bank that is customized for a bank, and the language is branded to a customer. If you go out to Southwest Bank, their regular website is southwestbank.com. Their ClickSWITCH production is southwestbank.clickswitch.com. That's how we made it web-based.

Then we can even limit it down to – if there's more of an IT presence on the call, we can limit it down to more IP address driven to make sure that it's only

getting switched over in the branch, etc. We can handle that on a technical call, but we do have a lot of controls here from a security measure. Again, Consumers CU is consumercu.clickswitch.com. We'll take your regular web address of your institution, and we'll just tie it into [.clickswitch.com](http://clickswitch.com) to create your production site.

Right out of the gate, I want to focus on what the end-user experiences. I just opened up a checking account. We're going to use Navy Federal Credit Union today for branding. Let's say I opened up a checking account with Navy Federal Credit Union. I receive an email from Navy Federal Credit Union with my Switch Track Code. I go out to their website, and I enter it in.

It's an 8-digit code that your customer or member receives. They type it into this box, and they hit Start a New Switch. Your customer has availability to re-log back into ClickSWITCH, so it's important that they set up a user name and password. Their username will be the email address they use when opening up their checking account, and then their password will be created by your customer. I need to create a password for my ClickSWITCH site in case I want to re-log back in in ten days and switch over my social security payment. This is the email address I used to open up the checking account, and then my password we just generated.

For first time users, there's Terms and Conditions. Now our attorneys here at ClickSWITCH put together the Terms and Conditions. We always send this over to the institution's legal department, so Navy Federal Credit received our Terms and Conditions. They redline it. They make it look very similar to, probably, a mobile deposit End-User License Agreement, or mobile banking End-User License Agreement. Any product that has a first time use, there's usually an End-User License Agreement. The ClickSWITCH End-User License Agreement looks very similar to that.

Your customer or your member said they read and accepted the terms. They hit Accept, and it brings them right into a production site. Okay, again, without ClickSWITCH, they're trying to figure out – your customer is trying to figure out how to switch over their direct deposits on their own, how to switch over their auto pays on their own, and how to close out their account on their own. What

we've created here is a site that's going to be branded for your institution that shows your customer exactly how to get their direct deposits switched over within the single portal, how to switch over their auto pays within the single portal, and how to close their account.

Now we have two ways of switching an account. Your customer can read through this, and say, okay, it's easier. It's very easy to get switched over. I can click the Create a Switch link. It's right here. Enter the name of my biller, and follow the guided steps to create and get switched over.

We can switch it over on more of a manual basis by manually typing in my biller, or we can use an online account aggregator. I'm sure everyone on the call is familiar with Mint. We use the same technology as Mint. Mint uses it for a budgeting tool. We use that account aggregator as an account switching tool.

What we will do here is if your customer – this is a demo site on a production environment. This is a lot more accessible. It can drop down the screen right here. You can see we have 19,000 institutions in here that your customers can switch away from. If they're trying to switch away from HSBC over to you, they can just type in HSBC, hit Search, and if they have a business account, let's say you're trying to acquire this HSBC from business, well, they can click on there at HSBC Business Banking.

Even down to local community credit unions, like Wings. Let's say Wings Financial. Let's say somebody wants to switch over from there. They can type in the institution name, click on Wings, and right now, ClickSWITCH is accessing their Wings Financial account data right here. If I went out to Wings Financial, I could enter my Wings ID and password, and that would give me access into my online banking. ClickSWITCH is doing the same thing.

I just want to show you very quickly from a demo perspective. We set up a site right here. What I'm going to do is I'm going to show you the manual approach first, and then we'll come back in here, and I'll show you how to use this account aggregator to get switched over as well. Right out of the gate, I want to show you how our biller database works. The way we've been able to switch

over end-users, it's not due to this Mint account aggregator. That's really cool. It puts the statement right in front of your customer, but how we do it is we have a back end database which ties in the front end.

If I'm trying to switch over my Century Link, I can type in Century Link, and it pulls Century Link's Change Request Form in real time. When we first started the company, we were using standardized Change Request Forms to send out to the biller because, keep in mind, your customer is not printing or mailing anything. ClickSWITCH is doing it all, which means ClickSWITCH has to print and mail these forms. We were just using standardized forms, and we were sending a standardized form to Century Link. Fifty percent of the time, the biller was returning it back to us, and they kept saying the same thing. You need to put this information on our own paper. What we've done is we've built a database full of billers, full of depositors, and we're dropping the information, dropping your customer, dropping your member's information onto that biller's specific form.

I just want to show you very quickly – before we jump back into the Mint and how that works, I want to show you how the database works. If I want to create a switch, I can just hit Create a Switch link, and I enter the name of the biller I want to switch my automatic payment from. The next time, let's say I have Upper Peninsula Power. I'm a bad speller, okay, so I don't know how to – let's say you don't know how to spell Peninsula, or you don't spell Peninsula correctly. I go to type in my biller, and I can just hit Search.

We built Google Search Analytic into – sorry. I timed out there. We built Google Search Analytic into ClickSWITCH, so in real time, if I just start typing in the biller, I can hit Search. Then it does a search analysis through our database to pull Upper Peninsula Power Company or any other biller that was close to matching that. If I want to switch over my Upper Peninsula Power Company, I go to type it in, I hit Search, and here it is right there. Your customer can click on it. Hit Create. Then your customer needs to tell ClickSWITCH what account would you like this payment debited from.

Let's say that want this Upper Peninsula Power pulled from their checking account, they click the dropdown, they hit save, and now it's ready to be

submitted. First, you can see this “I” icon. You can view the request form that ClickSWITCH is going to send out to Upper Peninsula Power. This is Upper Peninsula Power’s change request form. They need this form to be sent to their P.O. Box in Green Bay, Wisconsin. Here’s your information, here’s your customer’s information, so your customer’s name, home address, city, state, and ZIP is right here. Name of new institution; again, we’re using Navy Federal Credit, the new routing number; the new account number; and then there’s an e-signature, electronic signature, that’s data dropped onto this form as well. How do we get the e-signature there?

At the top here, there’s a signature required where I can hit the signature. It just requires your customer to type in their name. This is a legal, binding signature that we then data drop onto all the different change request forms that are in our database. If this is ready to submit, your customer can just hit submit this switch and Upper Peninsula Power has been switched over to Navy Federal Credit Union. The next time Upper Peninsula Power goes to pull this payment it’s going to be pulled from their new checking account at Navy Federal Credit Union. Erik, has there been any more questions that came in so far? Typically, there’s a lot of questions during this phase.

Erik: There is. There’s been a few here. One I think you’re about to get to is – this one is specifically to a local utility company in a rural area that requires an in-person switch of payments. Another example might be if the payee is not currently in the database, what happens?

Cale: If the payee – let’s say I use XYZ Fitness; I type it in. Part of our search pulled Anytime Fitness, but that’s not right. We need XYZ Fitness, so if it didn’t find your biller, click here and we will find them for you. Your customer clicks there, and it will tell them, XYZ Fitness isn’t currently in our database, but don’t worry we’ll do the work and we will get your switch processed with the rest of your payment, but if you could help us locate this biller, we would appreciate it. Your customer looks at this and says, “You know, I’m not sure of the city, state, ZIP, or phone number, but I do know it’s XYZFitness.com. It still goes through the regular process: Where do you want this payment debited from? We hit Save, and now this is ready to be submitted as well.

What happened right here is this is red flagged within our back-end operations team, and we see that an unknown biller has come through our system. Right now, we’re going out to XYZFitness.com and we’re finding their change process and change request form, we’re downloading it, and we’re modifying it into our PD Upscript so we can data drop information onto XYZ Fitness’s new change request form. Let’s say that another customer logs in 10 minutes from now and searches XYZ Fitness, it’s now in the database. That’s why we’re able to grow

this database so rapidly. What we will do for your institution during your implementation is, we ask you to run a bill-pay report or an ACH report and we cross reference your institution's ACH report to what's in our database. Right now we are seeing that we already have 90 percent of that report. Those billers will already be in our database. On average, we're going to go out and have to customize your database about 10 percent to what's on your ACH report. When you go live, we want to make sure that everything on your ACH report is in your database so we're covering all tasks so the unknown biller is not popping up. It's Upper Peninsula Power; it's there, and it's easy to get switched over.

Erik: Have you encountered a situation where the biller requires the person to come in in person? That was part of this question as well.

Cale: We have not encountered that. That may be a smaller operation, so what we will do there is process this switch as normal and we will send that form. What would happen there is the biller would reach out to your customer specifically and say, "I understand you're trying to change your account information, but we just require you to come in and sign a few documents." At that stage, the biller will contact your customer directly. They're not contacting the institution. That biller is not contacting ClickSWITCH. It switches from the biller and the biller communicates directly with the end user. That's what we're seeing.

Erik: We do have a flurry of questions here on this topic. I have two that I'm going to combine into one. How often are these forms updated, and what happens if a company changes a form?

Cale: These forms are updated – We're in the biller database each and every day. If the biller updates the form, what we'll do is we'll data drop onto the biller's form that's in our database and we'll send that out. If the biller has an issue, they will reject that form back to our PO box. We would pick it up and then they would say, "We rejected this form because it's not on the correct paper." They would send that piece of paper back to us. We then scan that and modify it into the database, and then that's the new form we data drop on to. That happens less than half a percent of the time. I think that's happened twice to us. We do about 5,000 switches a month right now and it's growing. It's very, very rare that that happens, but that would be the protocol in case that situation happens.

Erik: Great. Cale, we have a few questions around specific banks and credit unions in your database. Can you speak to how comprehensive your database is?

Cale: Yes. I think it'd be more on the online account data. This database is 19,000 institutions, so it's not just U.S. Institutions, it's Canadian based, it's U.K., China,

etc., all institutions are in this financial institution database. If I want to switch away from a financial institution – what you see here is really cool, but we’re not putting a statement in front without this online account aggregator. We’re not putting a statement in front of your end user, which struggled to get people switched over in the branch, because they didn’t know what their payments were off the top of their head. What we’re doing with this online account data is we’re going to put a statement right in front of your customer and it will show them, yeah, I have XYZ Fitness, Upper Peninsula is pulled every month, my Cell Energy is pulled every month, my CenturyLink is pulled every month. It’s a statement put right in front of them that allows them to easily get switched over. Let me show you how this institution database works. Let’s say I want to switch from HSBC to Navy Federal Credit Union. I would enter my HSBC online ID and my password. This is the same data I would use if I was going out to HSBC’s web site and entering my username and password to access my online banking.

Very quickly, we use that data and we built our code, so **Clickswitch** uses the code as a balance tool, as a budgeting tool. We use this information to parse out data. We’re looking at frequency, velocity of payments, time and date, and we’re pulling out what was an ACH transaction, what was a direct deposit, and what was a bill-pay transaction. Because we’re within online banking, we can see what bill pays they have set up within their HSBC account. We can see their credits have occurred, what was deposited into their account, and what was debited from their account through an ACH.

These are examples of billers that are set up to come in and pull every month for this allotted amount. I want to switch over – this is a statement. Let’s say now, your customer wants to switch over their CenturyLink. We put this statement right in front of them. They do not have to close out. They can go through here and just see CenturyLink and they can hit this add button. They want to add this as their automatic payment and they want to switch this over to Navy Federal Credit Union. We built the database into this API where CenturyLink is data dropped into here. Your customer hits search. It searches the database and finds CenturyLink. They click on it, hit create, and now it’s asking them the same questions. Which account would you like this payment debited from? I want this pulled from my checking, and it looks like there’s a variable on the CenturyLink form that requires their telephone number; so, they could enter their telephone number and they hit save.

Because pulling all these billers’ change request forms in real time, we can tell what variable they have. If I close out of here right now, you can see that CenturyLink has been added to the automatic payment tab and it needs to be

submitted. I go through and hit submit switch. CenturyLink has been switched over to Navy Federal Credit Union. If you want to see the form, here is CenturyLink's exact change request form. Your customer's information has been data dropped into the field. You can see that the phone number was required here. We didn't have that phone number, so that's why your customer had to manually type in their phone number. Here's the date and there's the e-signature as well that we dropped. We then at ClickSWITCH print this form along with a voided check. We have a voided check maker here. All these billers need to see a voided check, so if you see the CenturyLink form, it's going to say, "Please enclose a voided blank check or savings." We include a voided check as well. We print off their change request form and then we have a voided check maker. The maker is just the account number, routing number, their home address, and their name. Everything goes here. It's all prepopulated. It's all ready to go. The customer doesn't even know that this is happening. We're taking care of this on the back end. As soon as they hit submit a voided check and that specific change request form gets printed in our operations center, we send it out first class priority mail. The next time CenturyLink goes to pull, they're going to pull from that new account number and routing number that was just delivered to them.

Erik: Cale, another question along these lines is: How much in advance does this switch need to be requested before it goes into effect? Also, there's a similar question about who provides the guarantee or takes responsibility for a missed payment.

Cale: What we're going to do is provide a balance-assist tool in here. When we're in this account aggregator – I didn't have it turned on the first time, but you can turn on balance assist and it captures different fields so we can show your customer when this payment is going to be pulled and what is the recommended amount they should have in their old checking account and new checking account during the switch process. It's like a schedule-payment finder.

If I go back to CenturyLink now – I just turned on balance assist; again, I didn't have that turned on the first time around. You can see now that there's two more fields, so we can see that this was pulled on July 2nd and the date of the last withdrawal is now imported here, and the dollar amount is now imported here. I'll redo this switch so you can see it. I'm going to save out, and if I go up into balance assist now – if I click on this balance-assist tool – it can see that the recommended minimum balance is \$100. What we can do here is we can data drop this in, and we can put together a budgeting tool of what they should have in their new account during the next 10-15 days while their switch is being completed, because again we can now tell when the biller is going to pull next

and the amount that's going to be pulled in an estimate manner. Give or take \$10.00 to \$20.00, that's what we're going to factor on.

Erik: There's a question that relates back to the Upper Peninsula Power Company. A question came in regarding – they didn't see you enter an account number. How is that processed?

Cale: You can see here on the Upper Peninsula Power form there's no account number needed. We're going to pull the variables. Maybe their lookup – this is probably a smaller – this is the account number and routing number. This is probably a smaller outfit, so they can just look it up by name and have a unique identifier. Bigger billers go off account numbers. If I'm doing Xcel Energy, I can type in Xcel Energy and click on create, pull from checking – you can see that an account number is a primary field now. If your customer doesn't have this off the top of their head, it's fine. They can save out from here and then if they're in the branch, they won't be able to answer this number because odds are, they don't know their Xcel Energy account number off the top of their head, but you can get them set up to a certain point.

If they do know their Xcel Energy account number, they can enter it – again, a balance assist tool, and now if we look at Xcel Energy – here's Xcel Energy's specific form, and they do require the Xcel Energy account number, and that's why ClickSWITCH asked for your customer to enter that six-digit number. Again, if the form doesn't require an account number, we do not ask for an account number. If it does require one, we will ask your customer to input that account number and any other variables, whether that variable is a Social Security number – Most of the time on deposits, a variable is a Social Security number where they would have to enter their Social Security number through the site. That Social Security number is not saved; it's a one-time hit that doesn't get saved anywhere.

Erik: Typically, how long does it take for the payments to actually be switched?

Cale: We overnight these forms first class. We send it out. Typically the biller receives the form the next day or the day after, and everything switched over between 3-5 days. If a form gets returned, we notify your customer that the form was returned and to please allow another 3-5 days to get this payment switched over. We haven't seen a switch take longer than 15 days. That's where we're at. Without ClickSWITCH, it could take your customer up to 90 days to get switched over, so this one single platform orchestrating all the billers through it – they're not printing it; they're not mailing it – It's a lot more efficient than obviously doing it on their own.

Did you have another question? I was going to add a direct deposit. Your new customer can enter their employer. It'll search the database and can pull the employer. It can find their direct deposit form. Again there's some questions: you want this deposited credited to your checking account. Here's an example – Social Security number, very typical with a deposit – your customer can enter that. These are not primary fields right here. This is just an example. This helps from a budgeting tool perspective when we're laying out that scheduled payment – how much to have in their account and how much to have in their other account.

From a direct deposit standpoint, we can submit this direct deposit or you can print this form in the branch. We can add your institution's specific direct deposit if we're not pulling the Fusion Network's specific direct deposit, we can default on to your institution's direct deposit form. Here's the information and then we also include this voided check directly on the direct deposit form. We can send this out to the employer or when I go to hit submit here, when I submit this switch, you have the option of choosing "I want to print this direct deposit now," "I want to print the direct deposit later," or I can submit. If you print this now, you can't submit it. It doesn't go into our database.

If you hit submit, ClickSWITCH takes care of the request. If you had printed the form, we would rely on the end user to hand that form to their employer. We build in that functionality because a lot of people, if they're getting switched over in the branch, about 80 percent of our switches are happening in the branch through of a consultation or concierge service to get them switched over. If it happens in the branch and they're going into work that afternoon, it make sense just to print that form, hand it to them, and say, "Hand this to your employer when you go into work this afternoon." If they're not going into work, hit submit and ClickSWITCH will fulfill the request. We want to give the best of both worlds there.

Erik: Cale, can this be used to set up ongoing payments to an individual?

Cale: Like a PayPal? We have not incorporated that nor have we seen it, but that's a good idea. I'd have to scope that out and see what the development would look like on that, but I can revert on that question if I scope it out a little bit more.

Erik: This is probably weird. We have a question regarding bill-pay switching.

Cale: I will go back into the aggregator. Having this tool is important because we can now see what's going on from a bill-pay standpoint. Again, I was showing you automatic payments, direct deposits, and bill pay. We can now see that they have Xcel Energy, their Comcast, Sallie Mae, and their student loan. They have

these payments set up on bill pay. These payments within their HSBC online banking are being pushed out to these billers on a structured time and structured date with an amount every month. It's hard for us to automate bill pay because bill pay is not an automated system. It still requires manual intervention, so your customer has to work their bill pay. They have to go in, schedule their payments, etc., so it's hard for us to take all this data and import it into your bill pay system at their new institution because it still requires manual intervention by your end user to schedule payments and enter check numbers, etc.

If this check number is masked, we can't pull the data. I will say it's about 50/50 right now with us pulling the check numbers or being able to see it. What we're doing with bill pay – you can download bill pay records. You want to get these bill pays switched over to their new institution. You can download bill pay records and hit save/open. It data drops this information into an Excel file. What a lot of our institutions are doing is their accessing this as more of, again, a concierge service to get their bill pay set up. You can now see that these nine bill pays were set up in their old account and you're going to help them set up these nine bill pays within their new online banking. What we've recently done – we're working a relationship with Digital Insight to help automate this a little bit more so we can data drop into Fiserv's online banking or FIS's online banking in their bill-pay solutions. It requires a little bit more development. Right out of the gate, what we're doing is, we're going to put the data right in front of your member or customer, but it will still require them to enter that into their new online banking. A lot of our clients are helping their customers set this up within their new online banking because you're showing them everything they need they need to set up with this statement.

Erik: We have a few follow-up questions on direct deposit. The first one is, what if you want to direct deposit into multiple accounts?

Cale: It does allow the availability to go 50/50, 100%, 25%. You can do that within ClickSWITCH if it's allowed on the depositor's form. We pull that variable if the depositor allows it, then it will pull it as a variable to how much do you want credited to this account. If only 50% of their pay period, then the depositor's able to do that. If it's not allowed, the depositor's not able to do it. We'll pull the variable, and if it's there, it allows your customer to enter to split the account. If it's not there, they can't. That's up to the depositor.

Erik: How do we handle joint accounts?

Cale: Joint account clicking is lifted when you enroll. We can sag way into the admin site, but when you enroll a customer, you can set up a joint checking account so

husband and wife are on one checking account. Husband and wife would both be listed as account holders within ClickSWITCH, so when they go to switch their account, it will say, “Who is set up on Xcel Energy? Was it John or Sally?” and they can say, “John was set up on Xcel Energy and Sally was set up on CenturyLink. It lists the account holders within ClickSWITCH.

Erik: Thank you Cale. The next question we have coming in is what if the customer member is having difficulties with setting up the switch? What are the help procedures?

Cale: We do offer our service levels on the back end. There is a support ticket system that we have. What your customer would go through is they would have to contact their banker or member service rep if they are at home and they have questions. They would contact that individual and then that individual would open up a ticket within ClickSWITCH and then ClickSWITCH would reach out directly to your customer or member to help. What we have built in on the roadmap for Q3 is some built-in chat functionality. When your customer logs in, there’s going to be a chat box that comes up right here that will have an end user, a team on the back end that’s helping field questions as your customers are going through the switches. That’s going to be very important.

We have also mapped out to put short video tutorials into ClickSWITCH to – so a first-time user, there’s a video that they can see – this is how you set up a direct deposit. Here’s a 30-second video of how you set up an automatic payment, and here’s a 30-second video of how you close your account. Because a lot of our switches in the beginning were happening at the branch level, we didn’t put a lot of attention into that, but now we’re seeing more and more switches happen at home because of the account data, so we need to build in more chat functionality and videos, which is exactly where the company is headed.

Erik: What are you seeing as far as adoption rates with your active clients and what are some of the best practices?

Cale: Adoption rates have varied. Some of our first clients, beginning clients, last year around this time they looked at this and said, “This is really cool. We want to go live to market as soon as possible and start running switches,” which was great. They didn’t necessarily put the process in place and build a structure and communicate to the MSR or the banker that when you open a checking account, we need to get them switched over. We need to get a direct deposit set up in the branch. We need to get a primary checking account and ClickSWITCH is the tool to do that.

What we've seen recently with more of our most recent signings on ClickSWITCH is that they've put that structure in place and their account acquisitions are through the roof. It's varied. I will say, three months out after going live on ClickSWITCH, the goal we set is 25% of your accounts that are open are using ClickSWITCH. We feel like that's an attainable goal, and we put in an account management team with your institution to make sure you're hitting those numbers. Maybe you say you want 75% adoption; okay, we need to put together a detailed plan to make sure you're hitting 75% adoption. Maybe it's only 10%. Maybe you only want to target a certain customer, based on the checking account they're opening. There's a lot of variables on that, but I'd say a universal goal of 25% adoption three months after going live.

Erik: What happens if the new member or customer does not or is unwilling to provide an e-mail address?

Cale: They'd have to enter the last four digits of their new account number. You'd think everybody would have an e-mail address, but that hasn't been the case. We had to do a little extra development there. Instead of entering their e-mail address, they would have to enter the last four digits of their account number that was given to them, which becomes their unique identifier to get them into ClickSWITCH. If the e-mail address is required on a form, it'll just be a variable that doesn't get answered when we send out that form.

Erik: This one's going back closer to the beginning. What information is all needed from the customer or what does the FI have to do to get the customer signed up?

Cale: Let me go into an admin site really quick. We have about 10 more minutes. Let me just pull out to keep with the Navy Federal theme here. When Navy Federal goes into their admin portal, their super users can see all this information. They can look at their site design, they can run reports on their switches, they can look at member activity, branch activity, and then they can run more detailed, crystal reports. Let's say they're sitting down in the branch, they're advertising ClickSWITCH, and the member says, "You know what, I have a couple of minutes, let's just get switched over today." We train every single member service rep at Navy or every banker at your institution on how to enroll a member in the branch. They can hit enroll member. We require these fields to get them switched over in the branch. It will take your banker about one to three minutes to enter this data.

It's a little bit redundant right now. Let's say I just walked in and opened up a checking account at Navy – relies on them to type this information in – now we are then data dropping this information onto the forms in our database. We

look at this information on how to get someone switched over. The biller just typically needs a voided check. We take the information you need on a check and we data drop that information onto the form as the main characteristic and any variables from there like I showed you how the database responds. Any variables are then asked at that time. I enter this primary information and I hit enroll. Right when I hit enroll, ClickSWITCH generates a SWITCH-track code. It also allows us to start a concierge session, and it also allows for the signature. If I hit start a concierge session, I can get them switched over in the branch. If we just exit out of here if I don't hit that, you're customer or member receives a HTML e-mail very similar to what this will look like with their new SWITCH-track code branded for your institution. Go out to this site and use this code and get switched over today. If you don't get them switched in the branch, we're going to provide touch points via e-mail to make sure they're still getting switched over.

Erik: This leads into the logical next question of core integrations.

Cale: We have built an API that is like an integration switch kit that, as soon as you're a member, we will work with your core – whether your core is Symitar, Fiserv, or Jack Henry. We will work with them. We've already built out the API. Every time a checking account is open, we make a call. Let's say we make a call to your core every two seconds, and if a checking account was opened, we can pull the data, and we can pull those five fields that we used to enroll them, and we'll pull those fields and we'll just automatically enroll your new customer into ClickSWITCH and they'll just automatically receive an e-mail from ClickSWITCH. More core integrations are being installed.

When we first started, there was a lot of manual entry, no core integration, but I see into 2016 probably all of our clients, we'll have them set up more on a core integration level, because that's only going to help your switches and it's going to take the banker and the MSR – because when you rely on your MSR to type in that, the product relies on your MSR. When we're making core calls, it relies more on your member to get switched over because we're going to feed them the information. What we'll do is we will set up a call, and if there's institutions on this call who want to see if we can do core integration, just let us know who your core is and then we can try to set up calls with the institution on the phone as well to make sure we are integrated with your core and what we need to do to pull those fields to manually enroll your customer. That's been done a hand full of times, and that's just the way the company is heading.

Erik: The next question is around response design for mobile.

- Cale:** You can see here that it's completely inline – everything that we have on our site is inline. If I minimize this screen – I know there's probably a lot going on – You can see that it's all inline. This is what it would look like on a mobile device. It's iPad mobile friendly, Android. It's completely mobile responsive.
- Erik:** What is a typical implementation time frame?
- Cale:** We've launched banks and credit unions a week after they sign their service agreements or two months after; it depends on the level of integration. Some people want single sign-on; some people want core integration. The more levels of integration you want, the longer it takes for you to go live. If it's standalone, let's get out there and start running switches, you are looking at less than 30 days. What's involved in a standalone, is we'll build out your biller database; we provide training to your staff; and we'll get you live, customize your site, and we'll get you live running switches. Like I said, if you want a lot of integration, it's going to take a little bit longer to get you live.
- Erik:** On a basic setup or implementation, how much IT support is needed?
- Cale:** Very, very minimal. I'd say the only thing is, is if you want to put a link on your web site; that's about it. This requires little IT from Consumers' Credit Union, but that was the only thing involved on a standalone setup, putting a link on your home page.
- Erik:** Have you seen any fraud reported to you during this process?
- Cale:** No. I'm knocking on wood there but no. A lot of our clients feel this is more secure than making the "Wild West" of switching, because if you look right now, somebody could go out, download and fill in a deposit form if somebody got somebody's account number and routing number. They could do that, but when you're in ClickSWITCH, it requires more of a secure level to get into your site, and we know that it is that customer. ClickSWITCH is actually more secure than what your customers are going through without ClickSWITCH right now.
- Erik:** We are getting really close to the top of the hour and we're going to be somewhat limited in the number of questions that we're going to be able to answer. As a reminder, all attendees are going to receive a copy of this presentation, a link to a recording of the webcast, and then we're also going to respond to any and all the questions that have been asked, even ones that have not been currently answered. I want to close with one, I think, final, very important one, Cale, is if you could demonstrate direct deposit for Social Security.

Cale: This is the site we were just in. Social Security direct deposit; Social Security Administration; create it, and then here's a list of questions that Social Security requires. You can go through local Social Security office. What you would do here is – we're building a Social Security database that can tie in to where the location of the login is coming from, and these fields will be prefilled, but if your customer doesn't fill this information out, it's fine because we will piece it together on our back end. We've got this ready and then I'll just show you the form really quick. I know we're running close on time, but here's the Social Security direct deposit form with the depositor's account number. Again, it pulls the Social Security form in real time and then data drops the information into the specific, modifiable fields. And see attached for the voided check.

Erik: Thanks, Cale. We are at the top of the hour. I really want to thank all of our attendees today. There was great interaction and great questions. If you have any further questions, feel free to reach out to your Harland Clarke account rep and they should be able to assist you with anything you need. With that, thanks again and enjoy the rest of your day.

Cale: Thank you.