

Q2

# Powering Digital Transformation for Leading Credit Unions

Aaron Kwan



**\$415M**

2020 revenue guidance

**\$170M**

cash on balance sheet

**~19%**

Annual R&D investment

**25%**

YOY revenue growth



**1,600+** Q2 employees

**10** global office locations in key talent hubs

LEADERSHIP  
AND GROWTH  
DIVERSE AND TALENTED  
GLOBAL TEAM



**1,025**  
Total customers



**414** digital banking customers

**139** digital banking customers larger than \$5B

**33%** of Top 100 US banks are Q2 customers

**14.6M**  
end users



**14%**  
YoY end user growth

**3.5B** logins  
(2019)

**\$998B** total money  
movement  
(2019)



WHAT OUR CUSTOMERS ARE ASKING US TO DO



THE DEFINITION OF DIGITAL BANKING HAS EXPANDED, AND Q2 HAS RESPONDED

precision lender.  
a Q2 company

Centrix Solutions  
a Q2 company

CLOUD LENDING  
a Q2 company

Social Money™

Q2UUX

Q2Gro

SALES  
COACHING

BaaS

REG  
TECH

DATA  
ANALYTICS

DIGITAL BANKING

CONSUMER,  
MICRO &  
SMALL  
BUSINESS

CORPORATE

ACCOUNT  
OPENING

LENDING  
& LEASING

SDK

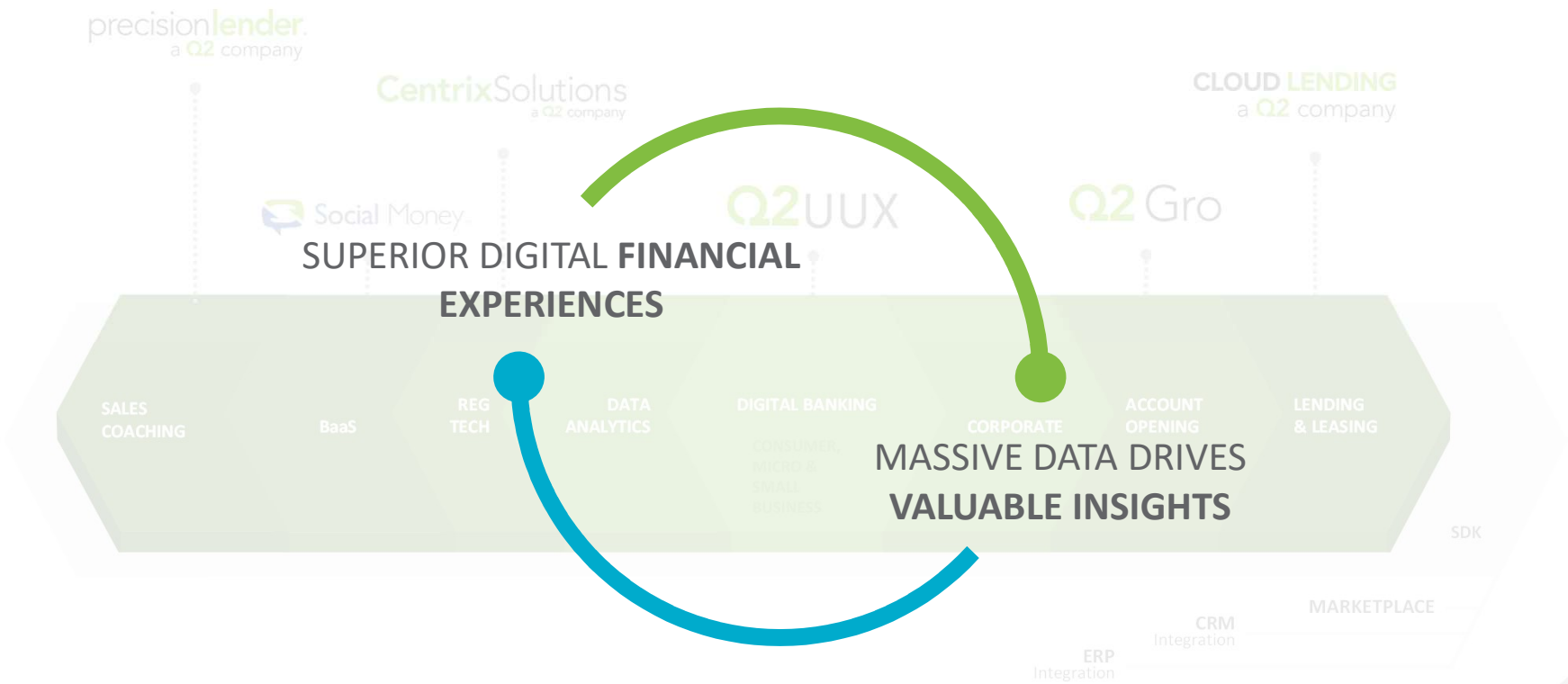
ERP  
Integration

CRM  
Integration

MARKETPLACE



THE DEFINITION OF DIGITAL BANKING HAS EXPANDED, AND Q2 HAS RESPONDED



JM1  
TD1  
FULL Q2 PLATFORM



## Slide 12

---

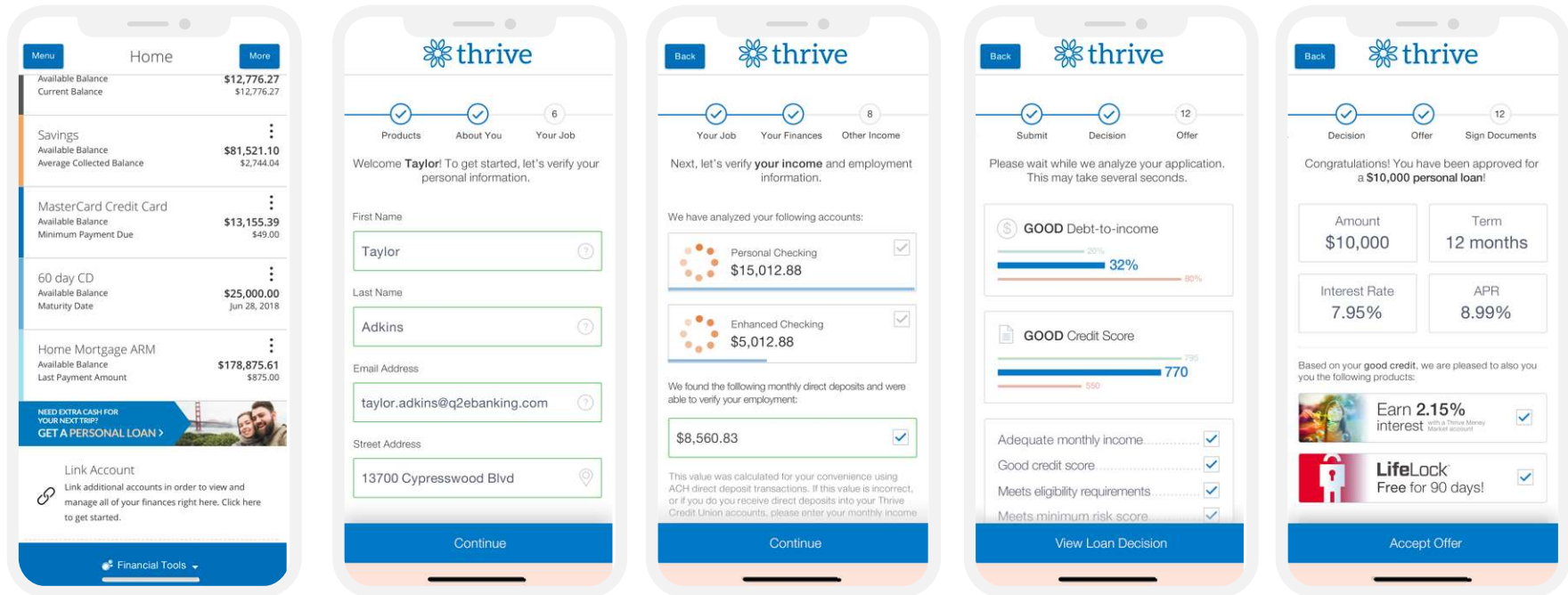
**JM4**    [@Juan] - think we want to use "Retail" instead of "Consumer," and "Commercial" instead of "Business" pretty much throughout (except for where we talk about small business, which is kind of a subset of the larger Commercial bucket). I didn't want to make those changes myself on here since this slide layout is complex.

*Jack McBee, 2/19/2020*

**TD1**    I would remove Virtual FI on this slide as well. Yields uncomfortable questions from the FI

*Tim Daley, 2/20/2020*

# IMAGINE WHAT'S POSSIBLE...



Consumer Lending Workflow

# IMAGINE WHAT'S POSSIBLE...

**Here are ways to reach the target:**

- Increase the Spread by 12 bps
- Add \$32,472 to the Initial Fees
- Add 0.325% to Initial Fees
- Adding \$2,191K of Commercial DDA reaches opportunity target
- Reduce LTV to 67%
- Reduce Maturity to 47 months

**Here are things to consider:**

- I recommend our Lockbox Services to handle tenant rents.
- Increase spread to L+165. More than 75% of similar deals are priced at or above L+165
- Add an origination fee of 22 bps - where assessed, origination fees on similar deals range from 20 bps to 30 bps
- Negotiate Foreign Exchange business totaling \$16K - many comparable customers have Foreign Exchange business averaging \$10-25K

Ask Andi your question...

**CL ORIGINATE**

APP-00000007

**Product Information**

- Product Name: Business Line of Credit
- Asset Class: Commercial Real Estate

**Business Information**

- Account: Acme Enterprises, Inc.
- Contact: Bobo Admin
- Owner ID: Bobo Admin

**S.M.A.R.T.s**

- Product Name
- Effective Date
- Submit Amount
- Has S.M.A.R.T.s to Check

**Loan Information**

- Loan Amount: 21000000
- Company: Acme Enterprises, Inc.
- CL Purpose: General or Capital Expenditure
- Primary Source of Repayment: Proceeds from sale
- Secondary Source of Repayment: Proceeds from asset or receivable
- Outlet: NEW - INTEREST

**Documents**

- Loan Documents
- Acme Enterprises, Inc.
- Acme Ent
- Acme's Taxmap
- Bank Statement
- Check Upload
- Financial Statements (2019)
- Financial Statements (2018)
- Financial Statements (2017)
- Income Proof

**Financial Statements (2019)**

Account	Market's Taxable	Status	DPES
General		Received	
Dividends		None	
Dividends		None	
Dividends		None	

**Parties**

- Acme Enterprises, Inc. (BORROWER)
- Acme Ent. (BORROWER)
- Market's Taxmap (BORROWER)

Acme Enterprises, Inc | BORROWER

Relationship Type:	Corporation	Tax ID:	987654321
Street Address:		Shipping Address:	

10:28

Menu **thrive** credit union

Submit Decision Finalize

Congratulations! You have been approved for a \$150,000 line of credit!

Amount <b>\$150,000</b>	Term <b>12 months</b>
Interest Rate <b>8.95%</b>	APR <b>8.99%</b>

This disclosure contains important information about your rights, and disclosures to which you are entitled, pursuant to certain statutory and regulatory requirements. Consent you provide for further consideration of this application is also included. USA Patriot Act Notice: To help the U.S. government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions

## CLS/GRO INTEGRATION

GRO →

### Loan/Deposit Cross-Sell

CLS and Gro will enable banks and credit unions to seamlessly cross-sell deposits and loans to customers via the digital channel. A pre-qualified offer at the end of a deposit application flow will extend to a loan application in CL Portal (and vice versa).

Q2

Thank you

**Aaron Kwan**  
Regional Sales Manager