

First Responders Unite

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CU First Responders Finance, LLC



Is NOW the Time for an MBL CUSO?

It would be the first of its kind!

New & Important Ruling

NCUA RULE 12 CFR 712.5



Effective Nov. 26, 2021

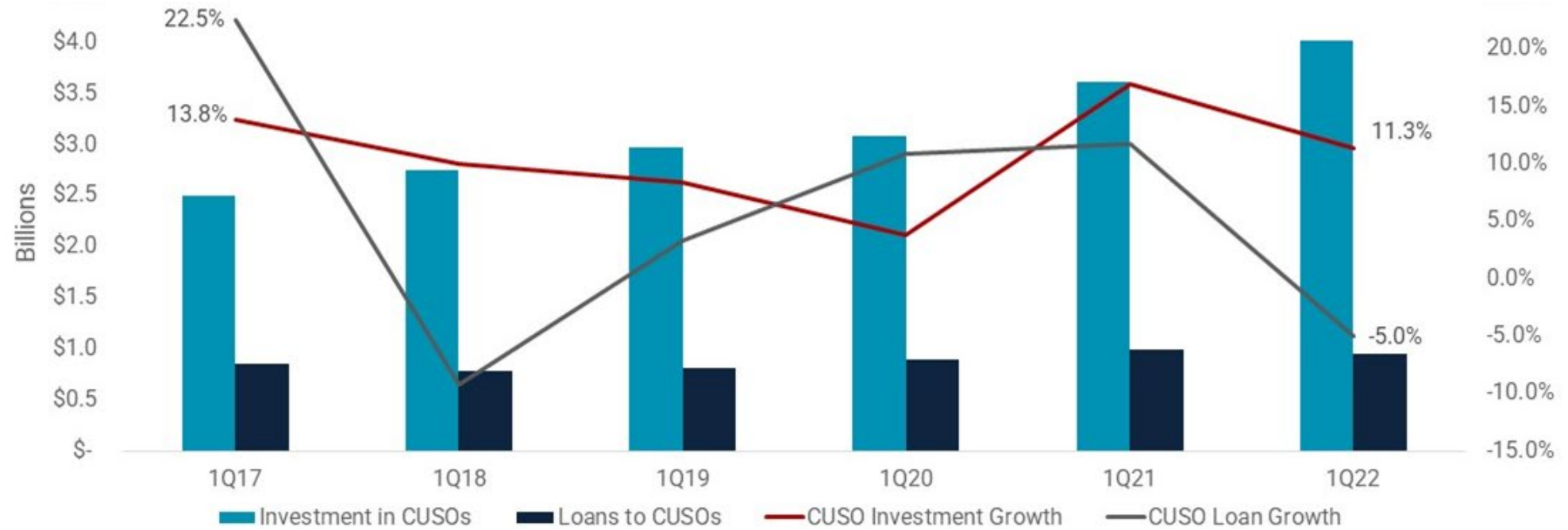
National Credit
Union Administration

Expansion of Permissible Federal Credit Union Lending and Investment in CUSOs Engaged in Lending

The Board has reconsidered its 2008 position on permitting Federal Credit Unions to invest in or lend to CUSOs that engage in all types of lending.

The Board now believes that permitting Federal Credit Unions to invest in or lend to CUSOs that originate any type of loan that a Federal Credit Union may originate.

This ruling will better enable Federal Credit Unions to compete effectively in today's marketplace and better serve their members.



CUSO Investments Keep Climbing

NCUA Wants CUs to Embrace FinTech

"CUSOs—and the credit unions and their members who own them—can and should be on the forefront of fintech investments. I believe these investments are critical to keep the credit union system safe and sound in the long term as credit unions should be at the table working with FinTechs. Without investments in FinTechs, the credit union system runs the risk of becoming stagnant in the years ahead as the cooperative system must respond to changing dynamics."

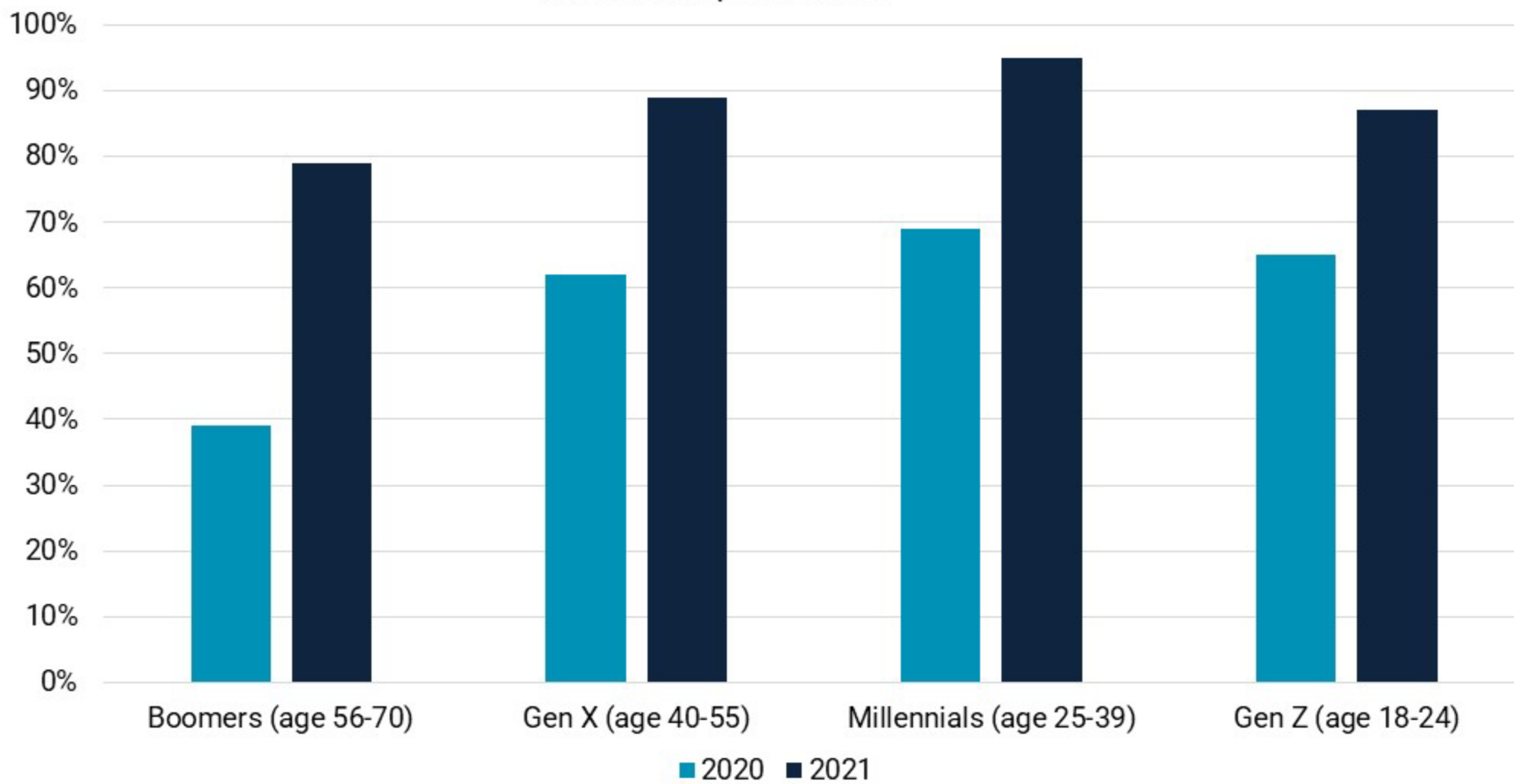
- Rodney Hood

Chairman of the National Credit Union Administration

October 21, 2021



Fintech Adoption Rates



Accounting & Finance

- brightflag #NoQast
 tipalti Chargebee Khatobook STAMPLI autobooks AGICAP clear
 pilot SETTLE Pennylane avidxchange highradius zenoti

Capital Markets

- carta genesis iCapital Trumid PrimaryBid CAPITOLIS

Personal Finance

- scalable trustwill wealthfront Betterment HMBradley
 StashAway Albert Titan STASH ALTO Truebill

POS & Consumer Lending

- Addi CRED deserve Klarna sunbit Petal

Regulatory & Compliance

- Comply Advantage FORTER Trulioo Signifyd Secure HPR
 quantexa onfido IMMUTA

Real Estate & Mortgage

- loft HomeLight Rhino roofstock Pacaso hometap
 LeaseLock SPRUCE QUINTOANDAR snapdocs Valon
 Juniper Square SIMPLENEXUS Qualia Flyhomes Divvy

Retail Investing & Secondary Markets

- Webull atom
 public.com YIELDSTREET GROWW Rally TRADE REPUBLIC

Payroll & Benefits

- remote snappy PayFit Human Interest dailypay. check
 PAVE papayaglobal Guideline deel. truework gusto

Asset Management

- ADDEPAR
 VISE EquityBee DRIVEWEALTH AlphaSense

Payments Processing & Networks

- Bolt cedar mollie
 Airwallex ppro Orum checkout.com clip NIUM
 paymongo Cashfree BharatPe GOCARDLESS
 Flutterwave stripe ZEPZ OPay PayCargo
 Enfuze RELAY Rapyd Razorpay deliverect
 balance Paystand Pine Labs xfers ripple
 SpotOn meliq xendit EBANX recharge



Insurance

- Extend Ladder wefox
 a1an CyberCube TRACTABLE at bay ARTURO
 CAMBRIDGE ZEGO BESTOW socotra digit
 PIE INSURANCE VOUCH COWBELL ETHOS
 NEXT Thimble Coalition luko CORVUS
 EMBROKER BOUGHTSBY MANY Policygenius marley

Business Lending & Finance

- spendesk ramp CLEARCO Konfio pipe
 Tradeshift PLEO BlueVine Capchase Rho
 C2FO MERCURY Brex airbase tide
 PRODUCEPAY Fundbox

Financial Services & Automation

- glia Oculus (h[s]) Notarize unqork Fairmarkit

Core Banking & Infrastructure

- ALLOY AMOUNT Finxact unit Solarisbank MX
 TRUELAYER zeta MAMBU Modulr NYMBUS
 FINIX Reserve Trust cross river TREASURY PRIME harmi
 MANTL Thunes Railsbank Lithic HASH belvo.
 codat PLAID

Credit Score & Analytics

- Borrowell freo credit sesame NOVA CREDIT

Digital Banking

- chime Current Varo Greenlight LUNAR step nu
 monzo qonto Revolut Starling Bank GREENWOOD vala

Mobile Wallets & Remittances

- Chipper FONDEADORA PAYSEND FAZZ FINANCIAL toss

Cryptocurrency

- CERTIK Bitcoin Suisse ANCHORAGE DIGITAL copperco FTX SYNTHETIX
 MESSARI BLOCKDAEMON Chainalysis Blockchain.com
 Dapper BlockFi TAXbit bitpanda Bitwise Lukka
 PAXOS FALCONX Fireblocks alchemy MobileCoin
 Bitso celo Finoa AMBER Ledger CoinDCX wyre

General Lending & Marketplaces

- CAPITAL FLOAT upgrade credits WeLab

Note: Companies are private as of 9/14/21.

Created by You. Powered by CBINSIGHTS

FinTech Competition for Business is Massive



WHY DO CUs SETTLE
FOR **7%** OF
THE MARKET?

Collaborate or Merge?

Unprecedented Opportunity

Electrification

is the most exciting transformation of our time!

The shift away from fossil fuels towards an electric-powered future.

What is being Electrified?

Transportation

- Public Charging Stations
 - Electric Vehicles
 - Fleet Electrification

Residential

- In-Home Charging Stations
 - Air-source Heat Pumps
- Lawn maintenance equipment (mower, trimmer, hedger, blower, etc.)

Aviation

- Pushbacks
- Belt Loaders
- Baggage Tugs



Commercial and Industrial

- Heat recovery chillers
- Replace pneumatic equipment with electric
- Install induction furnaces for non-ferrous metal melting

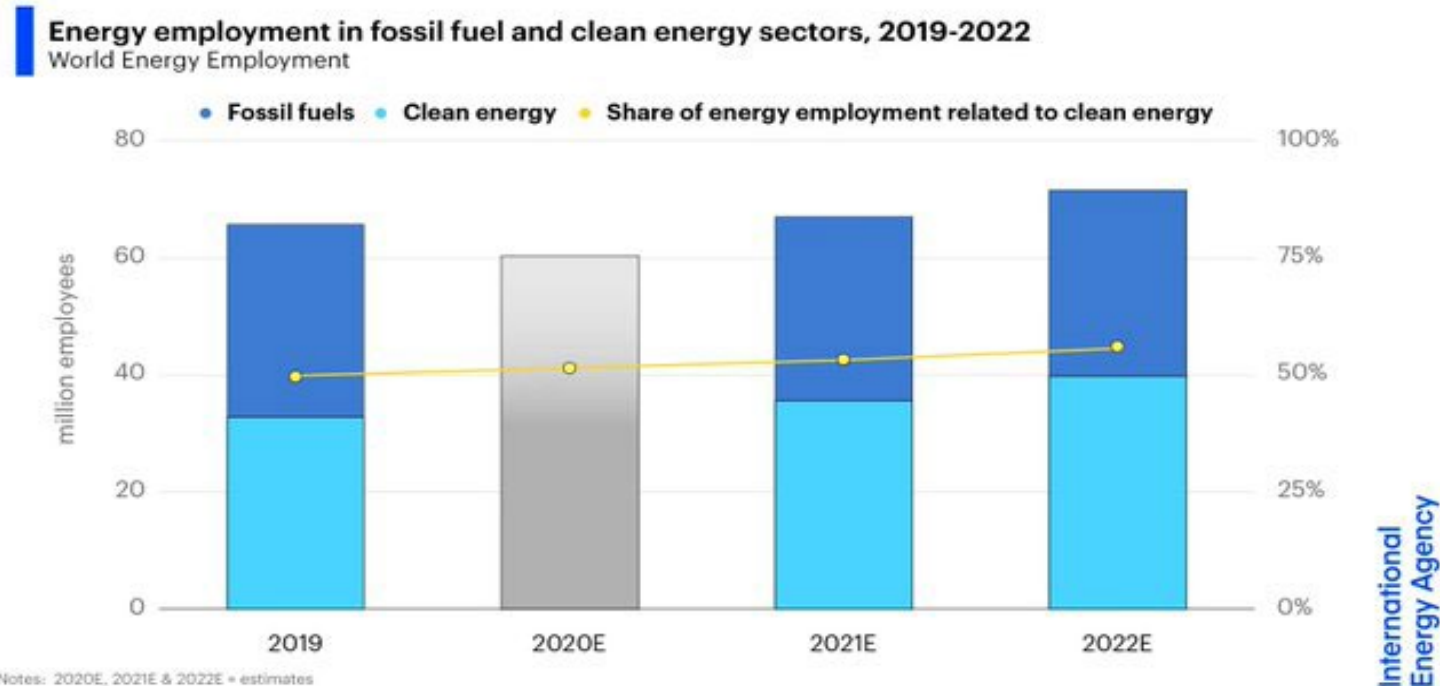
Heavy Duty Off-Road

- Replace propane/gas forklifts with electric
- Eliminate Truck Stop idling
- Convert rail yard cargo handling equipment to electric

Agriculture

- Retrofit Diesel Irrigation Pumps to Electric
- Indoor agriculture (controlled lighting, and space-conditioning)
- Infrared drying and peeling of vegetables

Clean Energy Jobs Outnumber Fossil Fuel



First Responder National Market

There are approximately **2 million** active First Responders in the United States

19,122 volunteer fire departments in the United States

Approximately **3009** fire departments in the United States composed of career firefighters

1+ million firefighters in the United States, of which approximately **750,000** are volunteers

Local Police departments have an estimated **556,000** full time employees

Sheriff offices have a reported **291,000** employees, including **186,000** sworn personnel

More than **155,000** nationally registered Emergency Medical Technicians (EMT)

Millions of First Responders, active and retired, have their own businesses

Ultimate Credit Union Strategic Question

If you know that your credit union needs to increase its technology assets, data analysis capabilities and expertise to remain competitive and you cannot afford the cost on your own, **what is your plan?**

- Guy Messick



Create a FinTech MBL CUSO



Become a sales CUSO

– Attract loans, members, fee income



Provide affordable scale of MBL services



Generate Participations to enhance the bottom line




Technology to compete with FinTech competitors



Compliance as required by regulators

CUSO Loan Products


Book Member Business Loans



Commercial Real Estate & Multi-Family Refinance and Purchases

Equipment & Commercial Vehicles

Electrification for Green Loan – Utility Buy Down Residential & Business



SBA 7(a) & 504 loans direct to CUSO

CUSO MBL Services

MBL Policy, Procedures and Guidelines

Loan Previews and Credit Committee
Presentations

Digital Lending Platform

MBL Underwriting

MBL Documentation/Servicing

MBL Portfolio Management

MBL/Consumer Participation Sales and Purchases

What CUFR has Learned



CUFR has encountered challenges closing loans.

Loan requests for start ups, short time in business, or borrowers with poor credit are difficult to place. The capability to assist members in some geographical areas is also limited.

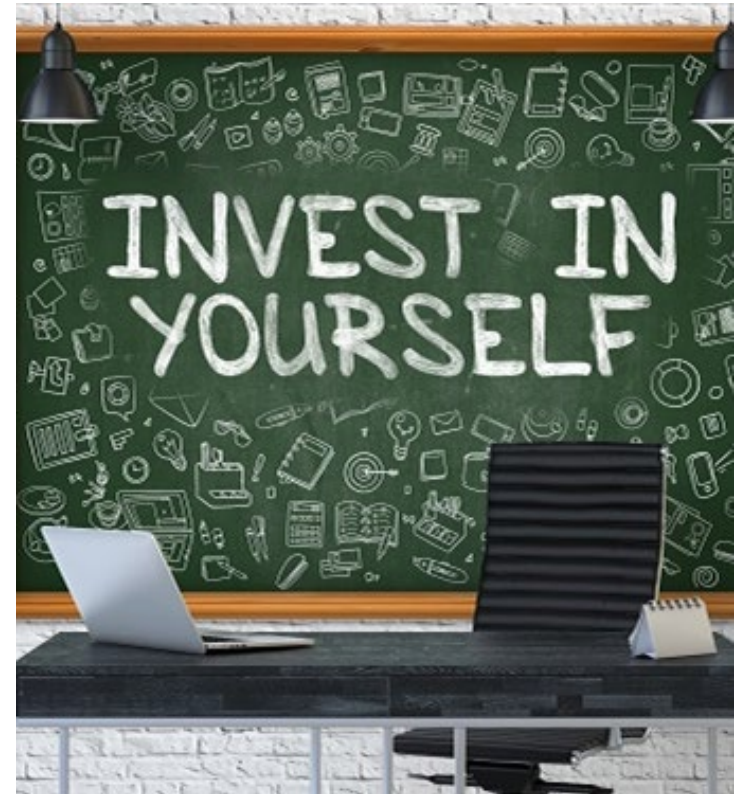
The CUFR network needs more MBL diversified lead lenders to be effective. We are building a collaboration of strong referral partners to drive volume into the system.

A First Responder MBL CUSO can take this to the next level!

Forming a First Responder MBL CUSO

- CUSO can make loans like a Federal Credit Union
- Loans can be made anywhere in the US
- CUSO papers, funds and services the loans
- All loan products have automated applications and processing
- CUSO markets nationwide to first responder departments, industry retailers, and business owners
- CUSO partners with third party loan originators, i.e., utilities, apparatus dealers, suppliers etc.

It's like a finance company subsidiary!



Head Start

By combining these initiatives with the new CUSO

- cuBIZloan.com (CrossState Credit Union Association Partner)
- CU First Responders Finance (CUFR)
- Current servicing portfolio from credit union partners
- New Commercial Green Loan Business
- New MBL loan sales, servicing, and portfolio management
- Participation Machine

WE ARE NOT STARTING FROM ZERO REVENUE!



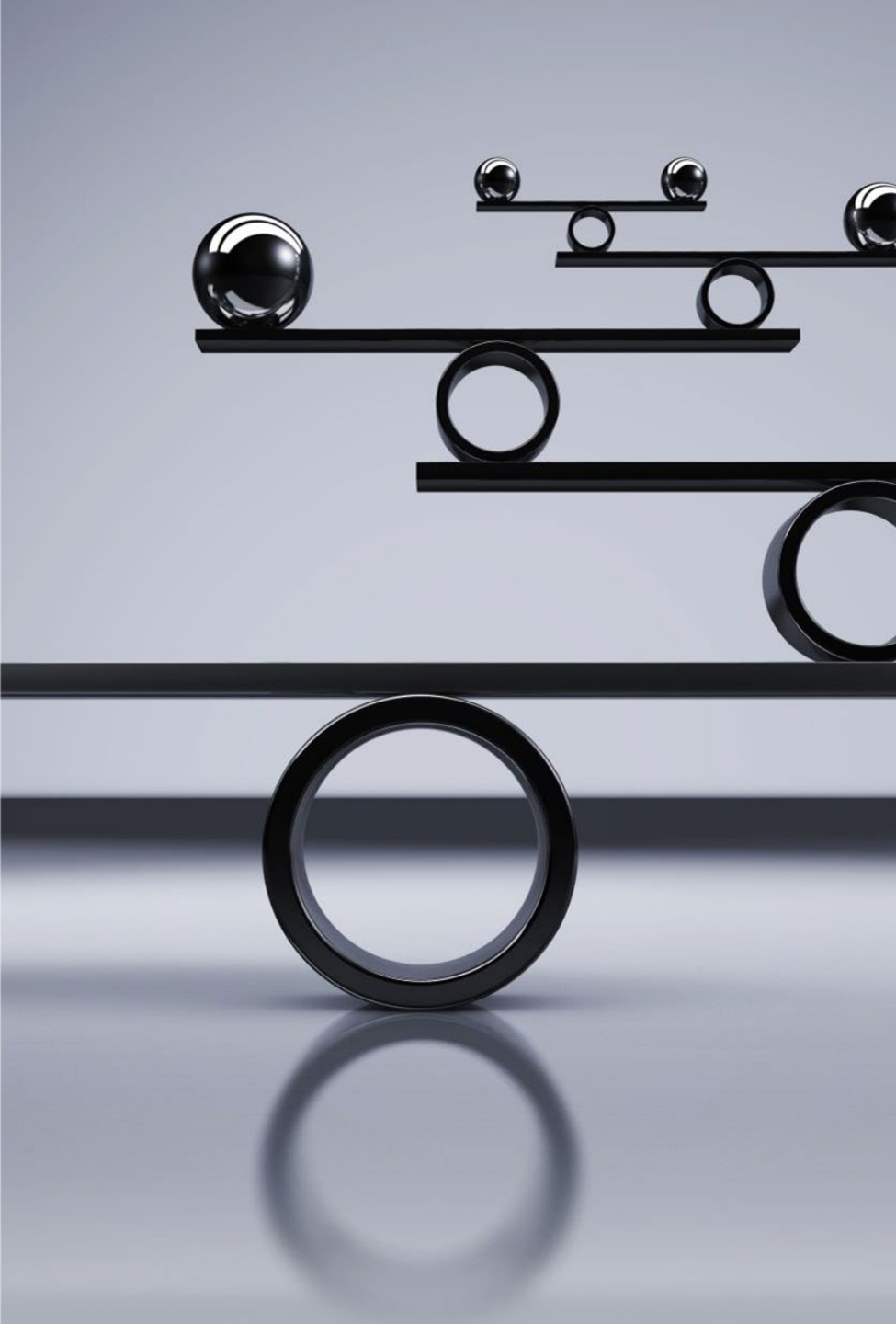
Four Ways to Join

Level 1 Board Member
Larger share of ownership, discounted services

Level 2 Investor
No voting rights, discounted services

Level 3 Associate
Purchases CUSO services

Level 4 Referral Partner
Refers Business/Commercial Loans, Participations



Driving Member Value

1. Competitive Value and Pricing
2. Speed and Convenience
3. Informed and Accessible Advice
4. Increased Value of Membership

Collaborations are Not Easy

A collaboration is a marathon, not a sprint.

A collaboration is a relationship, not a transaction.

Collaboration takes patience.

Collaborations must overcome cultural and emotional biases.

Collaborations are easier after the first successful one.



Always a Work in Progress

It's Easy to Get Started

1. Request an NDA
2. Review Business Plan
3. Executive Summary Presentation
4. Order CUSO Agreement



Thank you

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