



Spring/Summer 2023

TruStage™ report

Evolving to better serve you



Bob Trunzo
President & CEO

It's an exciting time for our organization and for those we serve. This year marks 88 years in business for our organization and in May, a reintroduction of ourselves as TruStage™. Our evolution from more than a dozen brands in market to a single brand, TruStage, is meant to signal our goal of making experiences with our organization easier. It means we're sharpening our focus and commitment to provide credit unions with new capabilities that help your members confidently make financial decisions that work for them. While our name and logo will change, we'll continue to be the reliable partner you've come to trust.

Together, we've accomplished so much. Last year, we paid nearly \$2 billion in benefits to members and beneficiaries. And while the pandemic started to recede in 2022, we worked with you to pay \$37.3 million COVID claims.

We believe a financial future should be accessible to everyone – and digital is a big way we're doing this. By embedding our products into other platforms we're reaching people with what they need, where they are. And our alliance with LPL Financial gives financial professionals the technology infrastructure, data and insights they need to help serve members in more personalized ways.

We're also on a path to accelerate digital innovation and build new solutions exclusively for the digital experience. Recently, we partnered with Happy Money to build Payment Guard, a first of its kind digitally native insurance product for digital lenders. Now, lenders have a product

that not only differentiates them to attract borrowers, but also helps to build a more resilient loan portfolio by protecting against some of the leading causes of consumer default.

And as our country continues to become increasingly multicultural, we're offering DEI Services to help you create strategies and plans that cultivate a culture of inclusion and make lasting change. We also know that raising capital is incredibly difficult for women founders and founders of color. That's why we created The Discovery Fund. By investing in and empowering underrepresented founders, we're narrowing the equity gap and supporting solutions that promote affordability and accessibility to underserved communities.

We're proud of our organization's roots in the credit union movement. In 2022, we helped lead the way with a \$1 million contribution to launch a system-wide FinHealth Fund— a new industry-wide initiative to help credit unions improve the financial wellness of members, employees, and communities.

Together, we're helping shape the future of the credit union industry with our members and communities at the center of all we do. We're energized about becoming TruStage, but mindful of the rich legacy of our credit union roots. Building on the trust you have come to expect from us, we look forward – as TruStage – to bringing you more solutions, products and experiences that meet you where you are, so we can help you take your members where they want to go.

Support of system highlights

Putting people first

- Nearly **\$2 billion** benefits paid¹
- More than **37 million** consumers protected*
- **94%** of credit unions are our customers
- 29,237 Covid claims
\$151.95M COVID claims paid (2020-2022)

Supporting key system initiatives

- **\$1M** Financial well-being for all
- **\$3M** Credit union awareness
- **\$1M** Community Development Financial Institution (CDFI) capacity building & impact data project

Protecting credit unions' future

- **\$152M** Contributed over the last five years

Credit Union System as a Service

Ronny Chapman, Senior Vice President, Fintech Solutions

In the current financial services landscape, consolidation amongst credit unions is a reality and is showing no signs of slowing down. Today, even as the total number of members and assets continues to grow, there are just over 4,700 federally insured credit unions in the U.S.¹ That is a dramatic decline over the last five decades when the industry peaked at over 23,000 institutions.² Significant drivers include rising costs and increasingly demanding improvements relating to digital channels, personalization, security and efficiency.

Many credit unions are known as the lifeblood to their communities, serving with passion and drive to help promote financial health. The loss of small credit unions endangers the 'local community' model that credit unions are often known for, as well as the health and diversity of the financial services ecosystem overall. To remain a key resource to their community's financial needs, credit unions must seek alternative collaboration strategies that offer ways to scale and grow the reach, sustainability, and impact of not only each organization, but of the credit union system as a whole.

Working with large retailers and auto dealers, for instance, is an effective strategy for credit unions to help achieve scale and provide access to a new range of digitally-enabled products and services without having to merge; and most importantly, they can keep their brand. Moreover, the credit union benefits from improved customer loyalty, while also gaining a new source of revenue while retailers have the ability to build out local captive consumer finance options.

Application Programming Interfaces (APIs) are the great unifier for enabling credit unions and retailers to connect, share data and functionality, while ultimately creating a more streamlined and interconnected ecosystem aimed to help better serve consumers in their moments of financing need. An API can serve as the single end point that allows individual retailers and large auto dealers to access the 'credit union system' and vice versa.

As your credit union evaluates technology partners, it is important to consider providers who see value in serving institutions of all sizes – while many gravitate towards large asset credit unions, some recognize the importance and significance of supporting small market credit unions as a key part of the credit union system overall.

CMFG Ventures Launches the Fintech Forum Community Platform



The Fintech Forum was launched in December 2021 to build the credit union and fintech ecosystem and create a space that connects credit unions, fintechs, and industry experts to foster innovation and discuss trends shaping the future of financial services and technology solutions. Since The Forum's launch, we've grown the community to over 2,300 credit union leaders, fintech founders, and industry partners.

As part of the next phase, we have rolled out our community platform where members have 24/7 access to connect with their peers, access content, and learn about the latest events happening in the fintech space. This platform gives credit unions first-look access at relevant solutions, allows members to take part in premiere pilot programs, gives access to key industry players and influential leaders, and creates a space for peer learning and discussion with credit unions of all sizes. The community platform also includes fintech overviews, videos, organization resources, industry events, a chat channel specific to credit union roles, a content library with podcasts, whitepapers, articles and more.

Take an inside [look](#) at the community platform. Sign up to access the community platform [here](#).

¹ NCUA, Industry At A Glance, quarter ending December 31, 2022. ² Credit Union National Association, United States Credit Union Statistics, 1939-2021.

Unless otherwise indicated, all data is sourced from TruStage's Internal Reports, 2018-2022. *Individual consumer-level policies, certificates, or waivers.

TruStage™ is the marketing name for TruStage Financial Group, Inc. its subsidiaries and affiliates. Corporate headquarters are located in Madison, Wis.

CORP-5529029.2-0623-0425 © TruStage