



Summary of Experience

Alloya's business model is founded on cooperation. Alloya aggregates payment volumes, investments, and technical expertise. By doing so, it creates scale purchasing power for payments and investments that no individual member can match. For example, Alloya processes over 370 million share drafts, 145 million ACH transaction, and 450,000 wires each year. At those levels, Alloya commands excellent pricing and/or access that is shared to benefit all members. Alloya also aggregates technical expertise by hiring highly trained individuals and sharing their abilities across the membership. For example, Alloya employs about a dozen Charter Financial Analysts (CFAs). The CFA is highly recognized designation for investment and risk professionals and many members would find it difficult to hire one professional at this level. Alloya also employs about the same number of Accredited ACH Professionals (AAPs). In similar fashion, Alloya invests in these capabilities and shares this expertise with all members.

Alloya delivers value through three product lines. Via its Technology Services Alloya offers convenient, secure web-based access to one-stop settlement accounts, check processing, cash ordering, wires, etc. Through its Liquidity Services, Alloya is the primary provider of operational liquidity to its members offering \$8.5 billion in lines of credit. Last, Alloya offers investment services via its balance sheet and through its wholly owned broker-dealer, Balance Sheet Solutions, including certificates, overnight accounts, marketable securities purchases and sales, investment accounting, and investment advisory services.

By focusing on its three Strategic Goals of hiring the right People, asking them to deliver great Service and then solid financial results will follow, Alloya has become the largest corporate credit union serving 1,550 credit unions nationally, which represents about one out of four credit unions. In six years, Alloya has more than doubled its membership, increased Perpetual Capital from \$70 million to \$225 million and Retained Earnings from zero to \$80 million. Alloya believes that the value it creates for its members generates a return on their invested perpetual capital of about 30% per year, meaning that by the end of this year, members will have doubled the value of their original investment.