



Why Buy a Blueprint?

Blueprints accelerate a bank's ability to derive value from technology partnerships. Hard cost savings alone generate an attractive return on investment; the additional reduction in soft costs, compressed time frames, and strategic upside maximize the return. Blueprints accomplish this by:

1. Shortening the time to find an appropriate partner and take a partnership live
2. Reducing the upfront costs associated with diligence and implementation
3. Negotiating preferred pricing based on the scale and reach of the Alloy Labs Alliance
4. Accelerating learning through shared best practices and network effects

What do you get from a Blueprint?

Each Blueprint is the culmination of many collective work hours conducted by Alloy Labs Alliance members who have chosen to work together to address specific opportunities or problems in a peer Workgroup. Each Workgroup is conducted in three distinct phases; Discovery, Solution Selection, and Implementation.

This work is facilitated, coordinated and supplemented by the FinTech Forge team, and further supplemented by our risk management partners at Crowe, LLP, and other subject matter experts as needed. A Blueprint incorporates all of this work to give Blueprint buyers as close as possible to a turnkey solution that has been vetted and tested by peer members, including significant cost savings over conducting the process alone. As one member put it, "it's like buying in at month 9 of a 12-month project that you already know works".



Results of the Discovery Phase

The Discovery phase is a critical element that defines and refines the opportunity the Workgroup is pursuing or the problem it is trying to solve, who the targeted customer or end-users are, and the success criteria for any potential solution.

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User/Customer

Who will benefit from the new solution? (E.g., Consumers, Businesses or Internal Back Office - add additional detail if appropriate)

The goal for digital account opening is to enable all customer types - consumers and SMBs - the opportunity to open any type of account: deposits (transactional, non-transactional, and limited accounts), loans, and other accounts (i.e. IRAs, IRAs). Accordingly, the digital account opening process should not only enable existing customers to act on an account, but allow new customers to register with the bank. Therefore the digital account opening process looks like this:

Acct Type	Deposit Accounts		Loan Accounts		Other Accounts	
Customer	New	Existing	New	Existing	New	Existing
Consumers						
SMBs						

Though the goal is to enable all customer types to digitally open all account types, the differences in data requirements, approval processes, and internal systems make it unlikely to solve all scenarios at once. Therefore, the proposed scope for this workgroup is new and existing Consumers and SMBs opening all types of Deposit Accounts.

Though Loans are not a required component for a solution, if an evolutionary Deposit and Account opening solution also supports Loans, it will be weighted positively during evaluation. Other Accounts require additional varying customer data capture, workflows, and approvals. A Deposit Account opening solution with adequate workflow book may support Other Accounts. As with Loans, this is not a required requirement for this Workgroup.

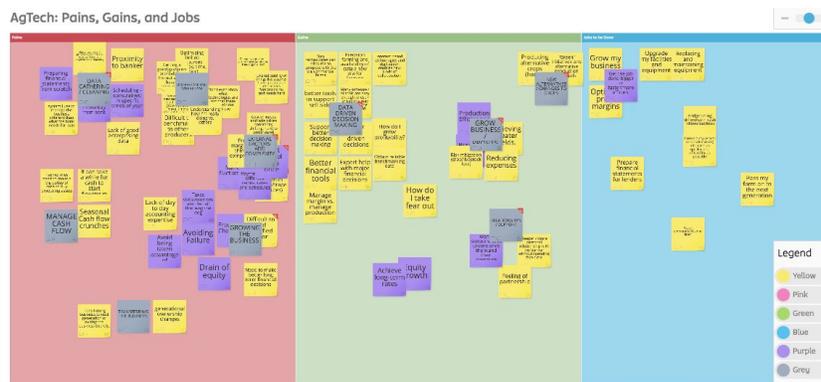
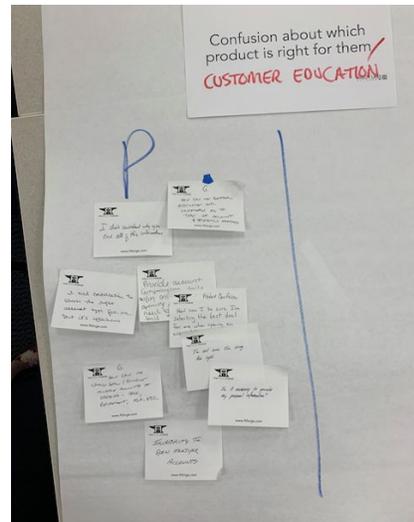
It is critical that the solution has minimal impact on bank's back-office teams.

Solution Hypothesis

Short description of what the completed solution might look like, without too much detail.

The solution needs to be simplified, shortened, and somewhat flexible. Specifically, it is modified to reduce the number of steps to closely match what is needed at the point in the process rather than asking for all the information that may eventually be required, (ie, asking for cheeryxams minimum info first before completing all account steps such as account type).

Efficient 2



- All background materials used to frame the opportunity or problem from both the customer/end user perspective and the bank perspective, including gains to be achieved and pains to be removed/avoided
- Customer insights generated by the Workgroup members
- Any research referenced or conducted
- The functional specification created as the final result of the Discovery phase. This is a clear description of the job(s) we need a new solution to do for the end users.



Results from the Solution Selection Phase

The Solution Selection phase answers the questions of how the opportunity/problem should best be addressed and what external vendor partner is best positioned for successful implementation.



Risk and Compliance Assessment Report

September 2018 Version 1.0

2 Risk and Compliance Analysis

2.1 Risk and Compliance Assessment Areas

Based upon Crowe's understanding of the anticipated implementation of the Citigroup Global Solution as defined in Section 1.1 of this report, the findings and requests were reviewed to determine applicability and impact. Further information regarding the work of impact and associated level of review is located in Section 2.2 and Section 4.

Assessment Area	Description
AML Program	The Company's written AML program to address the required plan of SOA/AML compliance.
Transaction Monitoring	The Company's policies, procedures, and processes for identifying, researching, and reporting potential suspicious activity and notifying their partner external of such activity.
Sanctions Compliance	The Company's controls, processes, and systems utilized to identify and prohibit potential sanctioned parties or entities.
Compliance Management System	The Company's policies, procedures, and resources to identify, assess, and respond to consumer complaints.
Complaint Management	The Company's program and processes to identify, resolve, and respond to consumer complaints.
Forms and Disclosures	The Company's policies, procedures and controls are utilized to evaluate forms, disclosures and promotional materials for non-compliance of applicable laws and regulations.
System Governance	The Company's information security governance program to include written programs, without rules and responsibilities, and ongoing processes to challenge and assess the effectiveness of the Program.
Personnel Security	The Company's policies and procedures to ensure accurate screening and security training for all employees.
Physical and Environmental Security Program	The physical and environmental security of locations where data is stored and the level of attention regarding that data (e.g. SOC reports).
Logical Security	The fundamental logical security controls to determine access to systems and data.
Logging and Monitoring	The processes to identify, log, and respond to attempted attacks.
Business Continuity Management	Business readiness and incident response plans and processes and the extent to which such a plan have been tested and implemented.
Secure Development	The policies, procedures, and controls to ensure covering the mobile application and prevent vulnerabilities during the build phase.
Configuration and Change Management	The policies, procedures, and technical controls to prevent users from making changes to sensitive configurations without proper change management controls.

2.3 Risk and Compliance Control Maturity Rating Dashboard

	Control Maturity Assessment	Highlighted Not Applicable	At Risk	Deficient	Managed	Optimized
AML Program	Not Applicable	●				
Transaction Monitoring	Not Applicable	●				
Sanctions Compliance	Not Applicable	●				
Compliance Management System	Low		●			
Complaint Management	Low		●			
Forms and Disclosures	Low		●			
System Governance	Deficient			●		
Personnel Security	Deficient			●		
Physical and Environmental Security Program	Optimized					●
Logical Security	Managed				●	
Logging and Monitoring	At Risk		●			
Business Continuity Management	Optimized					●
Secure Development	Deficient			●		

- Specific technical specifications of exactly how to complete the jobs needed to be done, as defined in the Discovery phase
- Complete list of vendors considered and prioritized for consideration
- Recorded demos and Q&A sessions with top contenders
- Criteria for prioritization and selection of finalists
- Prioritization of risk factors based on input from the Workgroup
- Detailed Risk InfoSec and Compliance (RISC) assessment from Crowe, LLP on the selected vendor partner covering the prioritized risk, compliance and InfoSec factors plus any supporting commentary, risk management strategy observations and remediation recommendations, including:
 - AML Program, including Transaction Monitoring and Sanctions Compliance
 - Compliance Management Systems
 - Complaint Management
 - Forms and Disclosures
 - System Governance
 - Security Programs, including Personnel, Physical and Environmental, Logical Security Controls, and Logging and Monitoring
 - Secure Development
 - Configuration and Change Management
 - Threat and Vulnerability Management



- Data Protection
- Network Security
- Additional due diligence on the selected vendor partner, including:
 - Company Background
 - Company History
 - Strategy
 - Recognition
 - Executive Biographies
 - Financial Condition & Investors
 - Long Term Potential
 - Selection Thesis
 - Product Overview
 - Product Roadmap
 - Technology
 - Competitive Threats
 - Items to Monitor
 - Where Alloy Labs Adds Value
- Group pricing from the selected vendor partner at a significant negotiated discount that is only available to Blueprint buyers and only possible because our standardized due diligence and risk and compliance assessment is completed one time for all users
- Annual collection of RISC Analysis (subscription basis)
- Further financial benefits to Blueprint buyers are realized through our special pricing with Crowe and other partners that is split by Workgroup members, providing valuable required vendor management activities for a fraction of the cost if a bank were to pursue it alone
- Pre-negotiated contract with the vendor partner vetted by Workgroup member(s) and/or outside counsel that is expected to need minimal additions or customization for each specific bank

Implementation Best Practices

The Implementation phase of the Workgroup process tests the selected vendor partner by Workgroup members for technical feasibility, business viability, and user desirability. This final phase covering the “last mile” of actual implementation is what takes a Blueprint far beyond vendor due diligence toward a turn-key solution.

- Technical integration with core banking providers and other critical technologies
 - Documentation for specific systems in use by Workgroup members
 - Directional guidance to improve the ease and speed for integration with other systems in use by other members



- Documentation of all of the inputs and key drivers to enable banks to calculate ROI
- Documentation of implementation best practices beyond technical integration to help maximize ROI for users
 - Structure and critical elements of pilots and phased implementation
 - Internal communication strategies and templates
 - Customer communication strategies and templates

Frequently Asked Questions (FAQs)

1. ***What is the cost of a Blueprint?***

The cost will vary depending on the complexity of the solution and the work and expense required by the peer Workgroup to create the Blueprint; but in all cases the cost is designed to be a significant savings over completing the process alone. The cost is also designed to be at a premium to the cost of participating in all phases of the Workgroup since Workgroup members contributed significant time and effort to create the Blueprint.

2. ***Do I still have to buy a Blueprint if I am a member of the Workgroup that developed it?***

If you were a part of all three phases of the Workgroup, you receive a copy of the Blueprint as a benefit for helping to develop and document it. Further, if you were a *Lead Bank* in the Workgroup, you contributed relatively more effort to the process and were the first to implement the solution, so you will also share in the revenue generated by sales of the Blueprint to other Alliance members. If you only participated in one or two phases of the Workgroup, you will receive a discount on the purchase price of the Blueprint commensurate with your Workgroup fees paid.

3. ***Why can't members have access to the work done by the Workgroup without buying a Blueprint?***

One of the key decisions by the founding members of the Alliance was to keep the cost of membership low to encourage greater participation and to charge separately for the Workgroups and Blueprints so banks were only paying for activities that provide them value.

There is tremendous value in a Blueprint, all made possible by the economies of scale and scope created by the Workgroup process. Workgroup members contribute considerable time and effort in the process, along with hard costs for things like vendor due diligence, legal review and testing. Workgroups are able to leverage negotiated discounts with our third party partners, and selected vendor partners agree to go through shared assessment and testing. These benefits would not be possible if members were



able to access the work product without contributing.

4. ***Are Blueprints available to banks that are not members of the Alloy Labs Alliance?***

Blueprints may be made available to non-member banks at premium price. This decision is driven by the members of the Workgroup that created the Blueprint. In some cases, the value of having more banks participate inherently adds value for all participants. This includes applications like fraud, data security and payment networks.

5. ***What if I have a different core banking provider or technology than what was tested by the Workgroup?***

While the intent of a Blueprint is to get as close as possible to a turn-key solution, every bank has a unique situation and technology stack. The Blueprint is based on real-world implementation and will include documentation of all of the important aspects of technical integration for its Workgroup members. Each Blueprint also lays out the technical process and requirements to help improve the speed and process of integration with any other technology providers.