

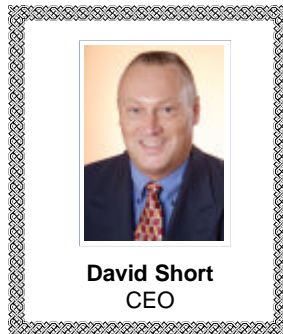
Using Core Systems for a Competitive Advantage

Regardless of technology, credit unions need to grow in order to stay competitive. Given that, we feel the single biggest problem for small to medium sized credit unions is their lack of marketing skills. Therefore, technologies that help them overcome this weakness will have the greatest competitive impact. As for specific features, our experience has shown that members primarily want more on-line services and more sophisticated loan products, while credit unions managers want more information about their membership, greater flexibility in accessing their member data, and the ability to better utilize the information they already have.

The biggest single obstacle credit unions face in implementing these tools is cost. The capital cost of acquiring new technology has been shrinking for many years but the operational cost of maintaining them is increasing almost inversely proportionately. A lot of new technology is Internet based and the cost of defending systems from outside 'attack' is as extraordinary as it is critical. These more sophisticated technologies usually require younger, better educated (and therefore more expensive) staff.

Our 'ConnX' family of real-time access products were designed to address credit unions' need to grow loans and deposits in the most direct way. We now have BranchConnX (shared branching), MemberConnX (home banking) and ATMConnX (ATM processing) deployed and available to all our customers. With these products, members can access their accounts from their home or mortar branches nationwide.

We have invested a substantial amount of as possible which means that our clients can around the country demonstrating eVERTIX™, don't return technical support calls, pass the technical advice. Our goal has always been to possible through proper training and an easy to day from 120 customers which are fielded by response is immediate and extremely effective, improving our products, rather than being solely dedicated to handling customer support.



resources into making eVERTIX™ as fault-free really focus on member service. As we travel we still hear 'horror stories' about vendors that buck to another vendor, or simply give bad keep the technical support burden as low as use product. On average, we receive 5 calls a our 5-person technical staff. This means our thus allowing our technical staff to work on

There are many new developments at eVergent Solutions including the development of an on-line version of eVERTIX™ that is designed to operate from our own data center. eVERTIX™ was fundamentally designed from the ground-up to operate as either an in-house or as an on-line system, but we recognize that the centralized data processing environment has required us to incorporate certain new features. We already have a state-of-the-art data center that is fully SAS-70 certified ready and we are beginning a pilot program for several users around mid-September 2005. We are very excited about this new offering and believe that we will have many new customers onboard in the years ahead as we expand our client base in the US and overseas.



David Short is CEO of eVergent Solutions. He has over 8 years experience in the credit union industry and over 25 years experience in Information Technology. He first entered the credit union industry as Director of Information Technology for a major software vendor. He was responsible for software design and development, Help Desk support, and software quality assurance. He joined eVergent Solutions in August 2000 with a specific goal to guide the company in matters of technology and business relationships. Under his leadership eVergent Solutions is experiencing steady and consistent growth as they add staff to support new products and service offerings. During the last two years the company has gained over 160 customers throughout 24 states.