



NACUSO 2019 DIRECTOR ELECTION INFORMATION SHEET

This is a NACUSO Member Verification and Director Ballot for 2019. In order to vote, you must be voting on behalf of a Primary Member of NACUSO in good standing, as reflected on the membership books of NACUSO as of January 25, 2019, the Record Date. In order for your vote to be counted, you must send **BOTH THE VERIFICATION AND THE BALLOT** by fax, mail, or email to the Teller of the Election and the same must be received by the Teller on or before 5:00 p.m. Pacific Daylight Time on **Tuesday, April 2, 2019**. The Teller of the Election is:

Guy A. Messick
Messick Lauer & Smith P.C.
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Media, PA 19063

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Mr. Messick will announce the election results at the NACUSO Annual Membership Meeting on Monday, April 15, 2019 at 1:00 p.m. Pacific Time at the Manchester Grand Hyatt in San Diego, California. At that time, any member may inspect the ballots. The verifications will also be available for inspection but will not be associated with the ballots so each member can be assured that its vote will be kept confidential. The by-laws do not permit nominations or voting from the floor at the Annual Meeting. All persons on the ballot were persons who submitted their names to the Nominating Committee and to the Board. There were no nominations by petition. There is no provision in the by-laws for write-in votes. A summary of the background information on the nominees is provided in this ballot.

In 2019, there are five (5) director positions that are up for election. All five (5) positions are for three (3) year terms. All persons who are representatives of Primary Members in good standing as of the Record Date were eligible to run for the Board.



Please review the information on each candidate below and then submit your member verification and vote (see separate ballot attachment) to gmessick@cusolaw.com

SUMMARY BACKGROUND INFORMATION ON THE NOMINEES

Ron Araujo, Mission Federal Services
Ray Crouse, Parsons Federal Credit Union
Tom Davis, Trellance
Phil Dupree, CU Direct
Jim Giacobbe, United Solutions Company
Al Gregory, Allegro Member Solutions
Mike Hales, CU Revest
Jay Johnson, Callahan Credit Union Financial Services LP
Mike Prior, Credit Union Financial Network/Priority Financial Group

Ron Araujo
Mission Federal Services

Dear NACUSO Member,

As President of a large and well-diversified CUSO Holding company, I believe that I am uniquely qualified for a seat on the NACUSO Board, and I'd like to ask for your help in getting there. I have over 20 years of credit union experience, which includes a long stint as CFO of Mission Fed, one of the largest credit unions in the nation. It was in this role that I realized both the opportunities and limitations that a traditional credit union charter offers, and just how valuable an active and thriving CUSO strategy can be for our members. With this in mind we made our first material investment in the CUSO in 2013, and now are part or full owners of four separate subsidiary CUSOs, with more to come.

I believe that CUSOs will only grow in importance as credit unions, facing an increasing amount of competition, will begin to see the value of a CUSO charter and I would like to have an active role with NACUSO and its members in extracting as much value as possible out of their CUSO opportunities. If I were to cite one thing that has helped our CUSO strategy be successful it is that we can quickly move on investment opportunities and ideas and I think that this is due to our internal structure that allows the CUSO to make decisions with less roadblocks than a traditional credit union would have in place. I believe that this, in combination with the credit union making an obvious commitment to the CUSO's success, is an integral part of a successful CUSO and it directly led to our CUSO being able to make a sizable commitment to both a developing digital banking platform (which we were first introduced to at a NACUSO Conference) as well as an ownership stake in a credit union owned R&D network committed to developing and delivering state of the art banking solutions for members. Thank you for your time.

Ron Araujo, President, Mission Federal Services, LLC.

BIO: Ron has spent a great deal of time helping credit unions and their members in San Diego and other parts of California improve their banking experience through both improved member service and financial savings by developing and offering practical and attractive solutions. With a long history of credit union and CUSO experience, Ron uses his entrepreneurial spirit and financial knowledge to bring forward products and services that provide valuable solutions to forward-thinking credit unions. As CFO of Mission Fed, Ron led the credit

union's CUSO, Mission Federal Services, LLC, in the purchase of a well-known car buying service (with over 50 credit union clients) in 2013. Since that time, he has led the transformation of the CUSO into a Holding CUSO with multiple holdings, including an escrow company, insurance company and, in collaboration with other credit unions, developing a digital banking platform.

Ron recognizes the challenges and limitations of a traditional credit union charter and the pressures that dynamic changes in the banking space are creating for the future, especially with hyper-speed developments in the FinTech space. His strategy for addressing this challenge is to engage with the FinTech community to seek mutually-beneficial ways to take credit unions forward. Ron is also a strong proponent of having credit unions come together to seek out member-friendly solutions.

Ray Crouse **Parsons Federal Credit Union**

Dear NACUSO Member,

I would appreciate your vote for my reelection to the board of NACUSO. Currently I am the President / CEO of Parsons FCU. I value collaboration and see CUSOs as the most collaborative model for credit unions. I also believe CUSOs will help drive the survival of our industry. I currently leverage the services of five CUSOs to help me operate an effective and efficient credit union for my members. I consult with CUSOs and credit unions on a volunteer basis to emphasize CUSO and collaboration value.

Previously I was President of Business Solutions for Allegacy FCU. In that role, I took a shell of a CUSO and converted it into a holding company and created four additional subsidiary CUSOs—two of which were multi-owned. Additionally, I invested in three other CUSOs and was responsible for the Business Lending area. I truly believe in collaboration within the industry. I look forward to continuing to expound the value of NACUSO and CUSOs if reelected.

BIO: Ray Crouse is the President/CEO of Parsons FCU located in Pasadena, CA. Ray was recruited to this credit union in 2015 due to his strength in collaboration and strong belief in the credit union system. He has quickly energized this credit union and turned around its declining membership. He had a 10% growth in membership, 23% growth in organic lending which were the largest growth numbers ever by the credit union in 2018. The credit union has increased its loan to share from 28% when Ray arrived to 65% in 2018. This was due to the organic growth as well as his use of CUSOs to provide loan participations. His actions are always based on the needs of the members, the knowledge of his employees and the ability to work with others in the industry. Prior to arriving at Parsons FCU, Ray operated his own consulting company, Unity Review. Unity Review assisted many CUSOs and Credit Unions, with analyzing CUSO opportunities as well as specific investments in CUSOs. Prior to that he was the President of Allegacy Business Solutions for Allegacy FCU. Ray took a shell of a CUSO, converted it to a holding company, and formed two multi-owned CUSOs and two wholly owned CUSOs. Additionally he invested in three other CUSOs. He was also responsible for the business lending area of Allegacy. Allegacy Business Solutions generated the majority of net income for Allegacy during his time leading these areas.

Ray has a BS and an MBA in Finance as well as certificates in Collaboration from NACUSO / Pepperdine University and Commercial Lending - RMA Commercial Lending School. Ray served previously on the board of NACUSO prior to leaving Allegacy. Ray is also a member of the CA Credit Union League's Legislative Committee. He spoke to the Ireland Credit Unions in 2012 on the value of collaboration. Ray currently serves as Vice Chairman of NACUSO. Ray believes in the value of collaboration and the cooperative Credit Union system, he looks forward to the opportunity to continue to guide NACUSO on behalf of its members.

Tom Davis
Trellance

Dear NACUSO Member,

As CEO of a CUSO, I am a passionate supporter of the credit union industry, an advocate for innovation and advancements in technology and believe that NACUSO's commitment to the CUSO model helps provide a collaborative platform to aide in member growth, operational efficiency and member experience. As new technology platforms become available, and industry trends shift, NACUSO's commitment to the cooperative model helps provide a voice for the credit union movement. Our credit unions need partnership to gain the scale necessary to keep pace with the evolving market. NACUSO allows credit unions to collectively unify and come together to remain relevant and competitive which is something I truly believe in. If elected, I will bring my commitment to the credit union industry combined with my experience in finance, technology, payments, and strategic planning, to further enhance NACUSO on behalf of the credit union industry. Thank you for your commitment to the cooperative model and I thank you for your vote.

Tom Davis - CEO, Trellance
tdavis@trellance.com

BIO: Tom Davis is the visionary and driving force behind Trellance. With more than 25 years of progressively responsible leadership roles with companies in payments, IT, and software design, Tom has amassed impressive knowledge, insights, and experience into the specialized needs of credit unions. Prior to being named President & CEO of Trellance, Tom was Sr. VP of Finance and Technology for Trellance where he earned an admirable reputation as a passionate proponent of innovation and technology for credit unions. A respected subject-matter expert in finance, technology, payments, and strategic planning, Tom is skilled at simplifying the complexity involved with the many new technologies that impact credit unions today in the future.

Tom earned his M.B.A. from the University of South Florida where he graduated with honors and became a member of the Phi Kappa Phi honors fraternity. He received his undergraduate degree in accounting and finance from Missouri State University.

Phil DuPree
CU Direct

Dear NACUSO Member,

I am the Chief Revenue Officer for CU Direct and I am running for re-election to the NACUSO Board. I feel organizations like NACUSO are important to ensure credit unions have a unified and strong voice to support their future needs.

CU Direct is proud to be a supporter of NACUSO over the past years and look forward to our continued support. My more than 20 years of experience in the auto industry will allow me to add my voice to this already successful NACUSO Board and to continue the credit union movement. I appreciate your consideration to the Board.

Phil DuPree | Phil.DuPree@cudirect.com
Chief Revenue Officer, CU Direct

BIO: Phil DuPree is the Chief Revenue Officer at CU Direct. Phil leads the automotive vision and oversees all strategic planning, direction, and development of CU Direct's automotive solutions, encompassing both product and market expansion. He also oversees the sales division, spanning CU Direct's nationwide presence. Phil has over 20 years of experience in the automotive industry, including delivery of innovative technologies, e-commerce, and sales solutions. Before joining the CU Direct team, DuPree held a number of management positions, including:

- Executive Vice President, Autobytel
- President, AutoUSA
- Vice President of E-Commerce, AutoNation

DuPree holds a Bachelor of Science in Business Administration and Accounting from Texas A&M University.

Jim Giacobbe
United Solutions Company

Dear NACUSO Member,

I am excited for the opportunity to serve on the board of NACUSO. I have watched NACUSO evolve and grow over the years, and I would greatly appreciate the opportunity to be a part of the future success of this organization. I am uniquely qualified for this position with my diverse industry knowledge in working with product development teams, network services and core vendors such as Fiserv, USERS Incorporated and United Solutions Company. Working on behalf of NACUSO would give me an excellent opportunity to put my years of experience and leadership to work for CUSOs. I appreciate your consideration of support. Please do not hesitate to contact me if you have any questions.

*Jim Giacobbe jgiacobbe@unitedsolutions.coop
President and CEO of United Solutions Company*

BIO: Jim Giacobbe has been with the United Solutions Company (USC) since 2005 when he accepted a position as Chief Technology Officer. Jim became the CEO and President of USC in 2010. Before USC, Jim served the credit union industry at USERS Incorporated and Fiserv Incorporated for sixteen years. Jim has been a driving force at USC, expanding the business and diversifying the company's product line. Under Jim's guidance, assets at USC have grown 258%, and the company is poised for future growth with a new product lineup and a strong commitment to service. "These value-added products have helped USC reinvent ourselves, and USC has a great story and a better value in the marketplace," explains Jim. Jim's commitment to the credit union industry, innovative technologies, and team integrity has made him a respected and successful leader across the credit union service technology industry. "I enjoy new technology and the efficiencies it brings to credit unions and CUSOs. USC has been a private cloud provider since 1983 when we partnered with another credit union and shared a hosted environment. Today, we host multiple core systems, have fully replicated data centers, provide leased server space and co-locations, and have a hybrid cloud strategy that is working great. I feel confident that I can help credit union CUSOs develop technology strategies that will provide service excellence, increase revenue, and create operational efficiencies."

Jim relocated his wife, Lisa, and two children, Sam and Alaina, to Tallahassee, Florida when he accepted the position at United Solutions. According to Jim, "Tallahassee isn't your typical state capital. The city is beautiful and living in a college town offers plenty of opportunity and entertainment. We are very glad to be living in such a wonderful place."

Al Gregory
Allegro Member Solutions

Dear NACUSO Member,

Hi. My name is Al Gregory and I'm asking for your vote in the upcoming NACUSO Board of Directors elections. NACUSO plays a vital role in fueling the credit union movement by offering true economies of scale for both the credit union and the members they serve. As a 22-year banking veteran in regional and community banking, I truly believe I can bring to the table the best experiences and practices of working with large for-profit financial

institutions. Having led de novo expansions for two financial institutions in one of the fastest-growing areas of the country, I believe my experiences in smart growth, risk management, and vision casting will be an asset for NACUSO.

I'm a fierce advocate for the CUSO and credit union movements. Successful advocacy not only takes time and experience, but also a little shoe leather marketing. I truly believe I have the experience to help NACUSO expound upon an already amazing job. My experience and contacts in affordable housing advocacy on both the state and federal levels will definitely serve NACUSO well. It would be my honor to represent you at NACUSO and to be part of our ever-changing industry. I humbly ask for your vote.

BIO: Al Gregory is CEO of Allegro Member Solutions and Director of MBL & Participations, Old Hickory Credit Union. Over the last 22 years, Al has held a senior management/leadership position in the areas of retail sales & administration, credit administration, commercial lending and executive management. He currently leads a wholly-owned CUSO in the areas of member business lending, participation management, credit administration, insurance & investment services and retail sales & service.

Before Allegro Member Solutions, Al served as COO of SIM Holdings, a multi-unit holding company including a \$500 million investment services firm. He has also served as State President for a \$17 billion regional bank and Community EVP for a \$3 billion community bank - all in the Middle Tennessee area. Al is a past President of his local Lions Club, Past Chairman of the Board for the Franklin Housing Authority and a graduate of both Leadership Franklin and Leadership Donelson-Hermitage. In 2007, Business Journals recognized Al as one of the 20 Most Influential People in Nashville, TN for his work in banking along with his advocacy efforts for affordable housing with the U.S. Department of Housing and Urban Development. In his spare time, he enjoys gardening, traveling and cooking with his spouse and their two dogs. If elected, Al looks forward to offering his expertise to better position the CUSO movement by sharing best practices, fierce advocacy, and hopes to bring a new perspective to NACUSO.

Mike Hales **CU Revest**

Dear NACUSO Member,

I am proudly seeking re-election to the Board of Directors of NACUSO. I first joined the board in 2005 as a partner with Counter Intelligence Associates, which later became The Rochdale Group. There I played a key role in the design, development and launch of 16 multiple credit union-owned CUSOs, each of which became a member of the Association. Today I am Executive Vice President of CU Revest, a NACUSO Platinum Partner that recovers capital and qualified members for credit unions. During the last 11 years I have served the Association in various capacities including chair of the Business Services Advisory Board and Chair of the Board Governance Committee. Three years ago, I initiated and assumed the role of chair of the Membership Committee. Since then, thanks to the efforts of our dedicated and tireless NACUSO staff, we have consistently experienced record membership growth. Your vote will allow me to continue this vitally important mission. Thank you for your past support, and for your vote for my re-election to the Board.

BIO: Mike Hales is Executive Vice President and Director of Strategic Relationships with NACUSO Platinum Partner, CU Revest. A former commercial bank president, Mike began his credit union career in 2003 with the national consulting firm Counter Intelligence Associates, rising to the position of president of the CUSO. He later became a partner in the Rochdale Group upon its acquisition of CIA in 2006. Mike joined the NACUSO Board of Directors in 2005. During his industry consulting career, Mike managed the formation of 16 multiple credit union-owned CUSOs, each becoming a member of NACUSO. He also restructured and rebranded a failing multiple credit union-owned business lending and servicing CUSO with more than \$300 million in commercial loan assets under management by redesigning internal operations and technology systems and developing a virtual office environment.

Mike has provided strategic planning, business services development and additional consultative services to more than 400 credit unions. Mike received his law degree from Lincoln University, San Francisco and has completed the ABA School of Bank Marketing Management and Strategic Planning at the University of Georgia as well as the year-long joint NACUSO – Pepperdine University certification program for Designing and Implementing Collaboration and Business Networks.

During his tenure on the Board of NACUSO, Mike has served as Chair of the Business Services Advisory Board and Chair of the Board Governance Committee. He currently serves on the CU & CUSO of the Year Award Committee and as Chair of the Membership Growth Committee. Mike's primary goal as a member of the NACUSO board is to continue to contribute to NACUSO's record level membership growth by promoting the power of the Association's advocacy, collaboration and entrepreneurship and the critical value CUSOs bring to the Credit Union Industry.

Jay Johnson
Callahan Credit Union Financial Services LP

Dear NACUSO Member,

It has been a privilege to serve on the NACUSO Board of Directors for the past ten years. NACUSO's importance continues to grow as the competitive environment pushes credit unions to deliver more capabilities that CUSOs can support. Collaboration and innovation – the foundation of CUSOs – are what drives NACUSO. My involvement in multiple CUSOs through my work at Callahan & Associates, including leading the CUFSLP CUSO, has served to reinforce my belief in collaboration as a strategic advantage for the industry. I look forward to continuing to work with NACUSO's Board, staff and members to further our mission. My 25+ year career in financial services, including over 20 years in the credit union community, has provided me with broad and deep insight into the power of collaboration. Participating in the development of NACUSO's future direction and helping it to further credit union success by identifying and promoting collaborative solutions aligns well with my professional background and interests.

In my role with Callahan & Associates, I am involved in strategic discussions with individual credit unions as well as leading credit union groups across the country. Collaboration is a frequent topic in these discussions and has allowed me to better understand the views individuals have regarding the benefits and obstacles to successful collaborative efforts. These interactions help me to bring a unique perspective to conversations about how NACUSO can further the collaboration that I believe is essential for credit unions to thrive in the marketplace. My role also includes leading the Callahan CUFSLP CUSO, providing me with first-hand knowledge of how to guide executives from more than 30 leading credit unions through collaborative initiatives. The CUSOs that have been spawned from this group, including Credit Union Student Choice, Member Gateways, Open Financial Solutions, and Procura, have had a measurable impact on the industry and demonstrate the ability of collaborative efforts to foster further collaboration in the right environment.

I have been fortunate to interact with NACUSO's Board and staff members and value their varied experiences and perspectives. NACUSO's success going forward begins with the ability of Board members to effectively leverage each other's expertise. I look forward to helping to build on the progress the organization has made in realizing its objectives.

BIO: Jay Johnson is a partner at Callahan & Associates, a respected credit union strategist, and a leading industry voice continuously sought out for his insights. He has more than 25 years of financial industry experience working at top 20 banks and within the credit union industry. His impactful presentations provide real-world examples of successful strategies, tactics, and programs and deliver a new way of thinking about cooperative benchmarking. Jay's thought-provoking presentations deliver fresh ideas for creating greater member value, allowing credit union executives to differentiate themselves and placing an emphasis on collaboration among credit unions.

Jay also serves as president of Callahan Financial Services, a subsidiary of Callahan & Associates dedicated to expanding credit unions' investment alternatives. In this role Jay oversees Callahan's Credit Union Financial Services Limited Partnership (CUFSLP), a multi-owner CUSO that researches credit union business opportunities, and the TRUST for Credit Unions, which supports credit union investments through professionally managed mutual funds. Jay holds a bachelor's degree in business administration degree from Southern Methodist University in Dallas, TX, and an MBA from the Goizueta Business School at Emory University in Atlanta, GA. He is a CFA Charterholder and holds FINRA license series 7, 24, 27 and 63. Jay currently serves as Treasurer on the NACUSO Board of Directors.

Mike Prior
Credit Union Financial Network/Priority Financial Group

Dear NACUSO Member,

As NACUSO member and conference participant for over 10 years, I have always been impressed with the quality of the people and the continuous delivery of innovative speakers and programs. I am a Certified Innovation Executive (CIE) through CUES/Stanford program and would bring my passion for collaboration to the NACUSO Board. My formative years were with American Express credit card services and our collaborative financial education and planning CUSO, Credit Union Financial Network, is in our 15th year together. Through our relationship with PFG, CUFN credit unions are now able to offer the Charles Schwab and TD Ameritrade low cost platform to Members and Employees.

Having served on my credit union's Supervisory Committee and having "hiked the hill" at GAC multiple times, I am a long-time proponent of helping credit unions increase their powers going forward. My interest in joining the NACUSO Board is to help more credit unions become aware of collaborative opportunities nationally.

BIO: Mr. Michael Prior's career in finance and management at American Express credit card services spanned ten years. His foundational corporate education in leadership, change management, and project management, along with his Bachelors Degree in Management prepared Mike for his 20+ year career in helping credit union executives manage the activities of their investment services departments. Mike began helping credit unions in 1997 as a member of his credit union's Supervisory Committee and in 2005 founded the first and only collaborative Wealth Management CUSO in Arizona. The CUSO continues today helping Credit Unions assess their current wealth management options related to financial education and asset protection. In 2012, CUFN outsourced the investment services compliance management and RIA services to Priority Financial Group (PFG). Both firms are committed to helping Credit Unions deliver high quality Financial Education, Planning, and Advice services to Members. Mike recently developed a unique Charles Schwab and TD Ameritrade trading and robo platform that integrates consolidated statement and mobile app technology for CU Members. CUFN continues to provide time tested Financial Education consulting and support needed to deliver effective financial education.

Mike enjoys providing executive level leadership and developing new business opportunities through innovation and collaboration, while helping build client friendly wealth management programs for Credit Unions. Mike is a Certified Innovation Executive (CIE) through the CUES course at Stanford University. His formative corporate education and experience garnered at American Express has helped Mike provide a total enterprise mindset while helping credit union executives overcome their unique challenges. Mike is a long time participant in and supporter of NACUSO, GAC, CUEs, and CU league meetings. For additional fun outside the office, Mike enjoys time with family, travel, sports, and music.