



# MODUSBOX

Powering Digital Transformation for the Financial Industry

## Digital Transformation Services

- Provide innovative technical solutions to deliver business processes
- Leverage architecture and design best practices
- Establish an integration practice based on APIs and reusable assets
- Build an IT operating model to deliver at the speed of business

## PortX: Integration Software

- No-Code Integration Solutions
- Financial Management
- Business to Business Management
- Service and Application Management

## Mojaloop & Banking Solutions

- Real-time Payment Hub deployment
- Driving Financial Inclusion Initiatives
- Payment Platform Architecture & Strategy
- Mojaloop Customization & Deployment
- Connecting Financial Providers
- Open Banking Solutions

## GET IN TOUCH

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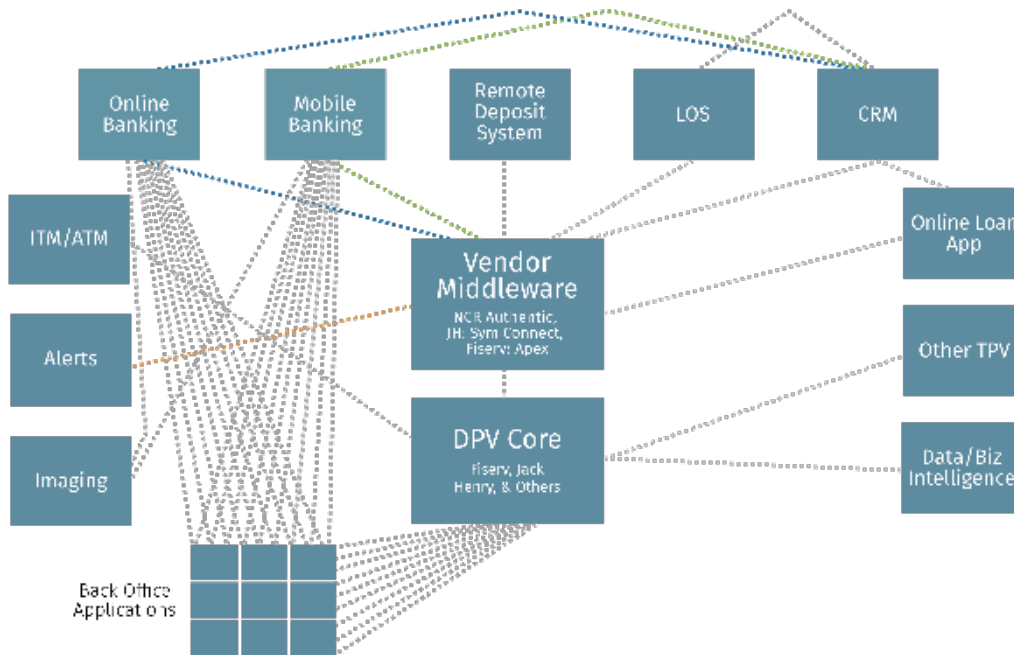
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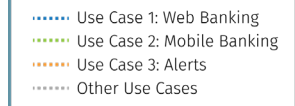
# Today's Financial Institution

LEGACY APPROACH

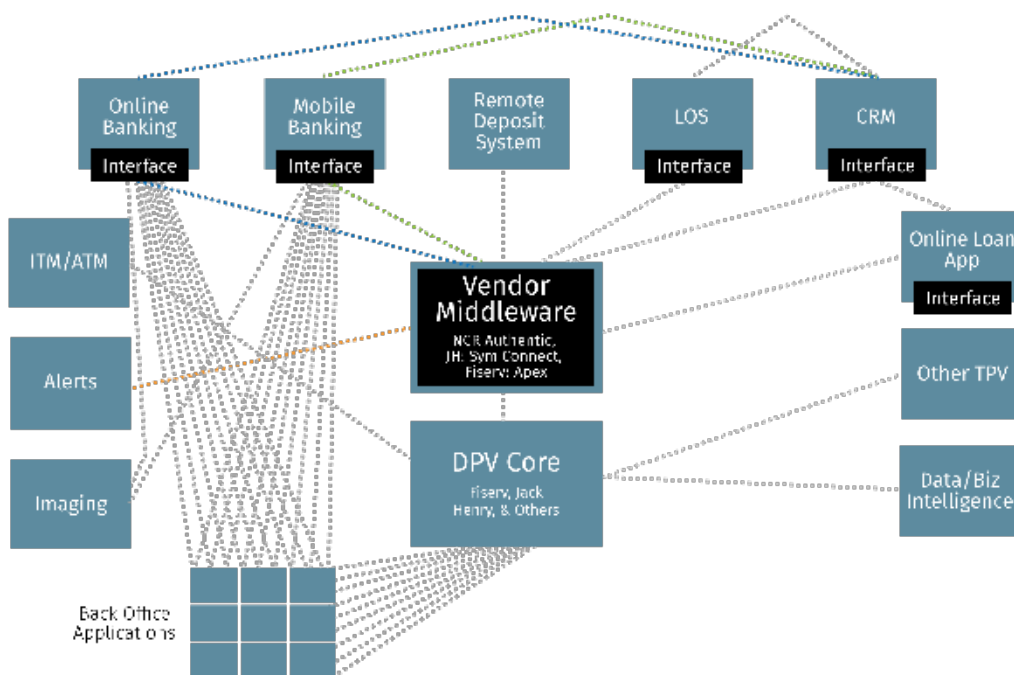
## Simple Integrations Result in Point-to-Point Mess



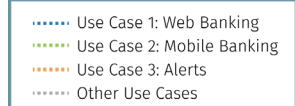
- ✗ Vendor Lock-in
- ✗ Painful Integration & Partner Onboarding
- ✗ Impossible to innovate
- ✗ Long project delivery cycles
- ✗ No reuse (build the same integrations repeatedly)
- ✗ Very difficult to replace systems and apps



## Vendor "Middleware" is just Platform Creep



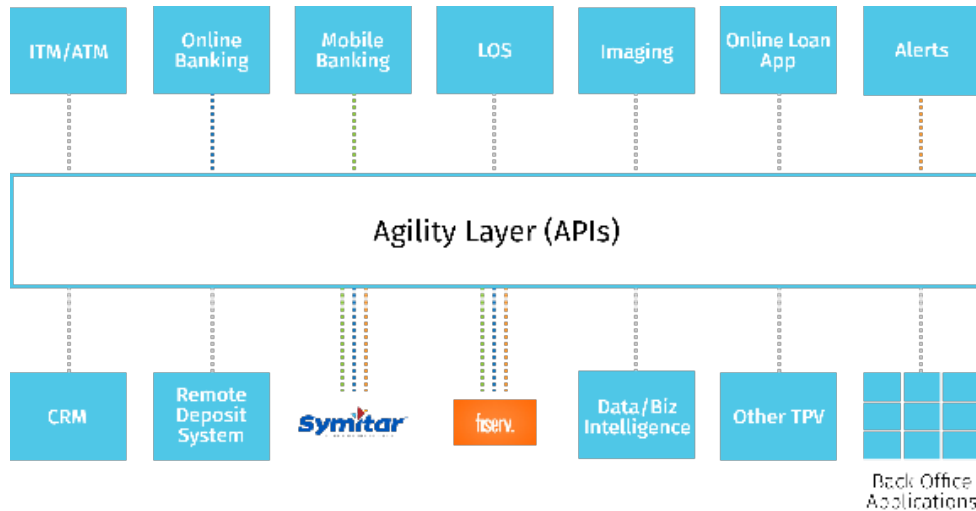
- ✗ Keeps you in the point-to-point mess
- ✗ Not real integration platforms
- ✗ Just interfaces to the application
- ✗ Management limited to the vendor product
- ✗ Maintenance nightmare



# Step into the Future

FLEXIBLE AND SCALABLE

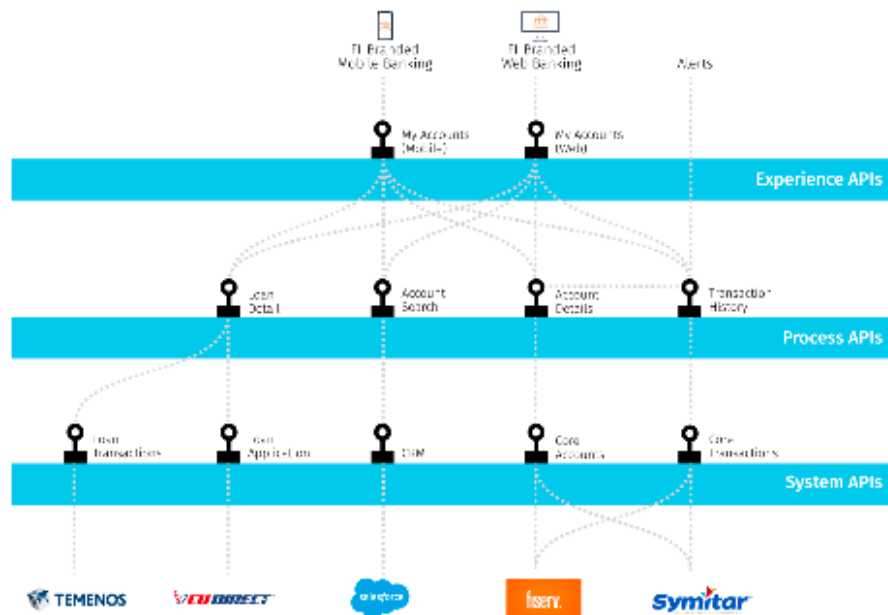
## Solution: Use an API Agility Layer Instead of Point-to-Point



- ✓ Legacy modernization enables you to replace cores or other components painlessly. This example shows two cores for a company doing a core migration. Include both cores, slowly migrate users and test incrementally until done, then de-commission legacy core.
- ✓ This is a risk free way to add and remove applications.

..... Use Case 1: Web Banking  
..... Use Case 2: Mobile Banking  
..... Use Case 3: Alerts  
..... Other Use Cases

## How the Agility Layer Works: The API Led Approach



- ✓ API-led allows you to reuse your integration components to deliver faster. Projects that took six - eighteen months can now be done in a few days. Each API is a reusable building block.
- ✓ SYSTEM APIs: Expose your data so that it is secure, governed, and easy to access.
- ✓ PROCESS APIs: Consolidate some of the system API fields into business logic that can be reused.
- ✓ EXPERIENCE APIs: Format and present your process APIs for target experiences and devices.

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# When the Banking Core Falls Short: Realizing the Future for Community Banks and Credit Unions

Today, customers demand more from banks beyond someone that knows their name at their local branch. Innovative services have become pivotal to a bank's success, but most CFIs lack the resources to keep pace. Larger banks, as well as new entrants to the space like Apple, Facebook, and Amazon, are offering unique services and products unlike anything the financial services industry has seen before.

For many CFIs, the one thing that is allowing them to keep up, their core banking vendor, may also be keeping them from developing a competitive advantage. Core banking services give

CFIs hope with the promise of digital services and products, but continually fall short. And by tying themselves to the core, CFIs lose the chance to innovate in a way that makes sense for their needs. The outlook is not all bleak, though. If CFIs are willing to change the way they view their products, see technology as an asset, and embrace a new organizational ecosystem leveraging Open Banking principles, they will have the tools needed to avoid vendor lock-in and gain the ability to meet today's consumer demands. Only by changing the technological ecosystem and adapting the organization to faster, more agile business practices can CFIs hope to stay competitive.

## CASE STUDY

### Sound Credit Union Realizes Remarkable Value from Digital Transformation Initiative

In March of 2017, Sound Credit Union began a digital transformation initiative, seeking a solution that would enable them to remain in control of their digital assets and data. They turned to ModusBox and their experienced financial services team to help change Sound's approach. Sound's team worked closely with ModusBox on implementing MuleSoft's ESB to build assets, tools, and knowledge.

First, the integration from SoundCU's core to the OFAC publicly available database was being discontinued, requiring the credit union to look for a third-party solution, typically costing tens of thousands per year. Enter ModusBox, who partnered with Sound to develop an integration to the OFAC database. The service, created through MuleSoft's ESB, was rapidly implemented by utilizing reusable components created by

both organizations, removing reliance on a third-party.

Next, Sound CU needed efficient card management services. After receiving a proposal from a card management service for nearly a million dollars over five years, Sound turned to their online banking provider to utilize a solution of their own.

By implementing basic functions & adding additional features through ModusBox, Sound eliminated the third-party solution, realized immediate savings and avoided approximately \$196,000 per year in costs.

"We can now quickly build solutions that create value for the organization. These savings can be reinvested into our membership with enhanced products & services."—Don Clark, President / CEO

#### PROFILE

Founded: 1940 in Tacoma, Washington

Employees: 280+

Members: 120,000

Assets: over \$1.5 billion

#### SOLUTIONS

Partnered with ModusBox to rapidly build and implement integration to OFAC using reusable components

Implemented features that eliminated expensive 3rd party reliance for card management services

Created integration to cash recyclers, removing need for middleware and associated fees

#### RESULTS

In just over a year, 3 projects resulted in a 5-year savings of nearly \$2.5 million