

Letter from the CEO

BY FRANK SANCHEZ

In January of 2017 Finxact was created to solve for a legacy technology problem; the existing core banking systems were not equipped to carry the banking industry into the 4IR era. An era in which digital delivery and consumption of financial services is always on, hyper-digital, and decoupled from time zones or conventional atomic units of measure. Having had a career in banking technology that spans over 40 years and multiple generations of banking and payments technology, I know all too well the limitations of the legacy cores. These are the infrastructure problems that Finxact was born to address. I am exceedingly proud of my team, our partners, and our clients for the progress we have made thus far in addressing them. There is much that remains to be done, but in our brief 5 years of existence we have compelled an entire industry to reimagine core banking as the very source of innovation rather than an impediment to it. I hope you will enjoy reviewing here a few of the milestones we've crossed on our journey, from the 'big rocks' our talented engineers have lifted to meet massive scale requirements to the outstanding success our project teams have had in the trenches converting banks from legacy systems to the Finxact core. Over the last five years we've matured from a pre-production company working on a beautiful system design to an operating company with 13 clients in production. Our intense focus over the last quarter has been to reinforce system stability and scale and to industrialize operations at Finxact across architecture, application development, and DevOps in order to meet the requirements of our customers and prospects. I hope you will stay tuned. Things are just warming up. We'll have big news coming out very soon, including a tier one US bank signing and exciting reveals about the Finxact Payments Hub.



22

CLIENT
CONTRACTS
WON



13

CLIENTS IN
PRODUCTION



1.5M+

ACCOUNTS
ON FILE



3

PUBLIC CLOUDS
SUPPORTED



18.6M

AVERAGE
PRODUCTION
API CALLS
PER DAY



24

MARKETPLACE
PARTICIPANTS

Finxact™ is 5

It's our birthday and we're taking a look back at some of the notable milestones met on our journey, which has been a remarkable one, and is only just beginning.



NEW PRODUCT UPDATES

The last half of 2021 saw Finxact complete some much anticipated features around overdraft including Debit Balance Grace to provide customers an overdraft allowance period before charging fees, and a Negative Balance Buffer which can be re-evaluated and reset based on customer or account behavior and allows the customer to overdraw their account with no penalty. Clients can also take advantage of Cashback Rewards to payout immediately or at a periodic frequency and Transaction Round Up enhancements to round up specified transactions and automatically transfer to another account putting customer savings on auto-pilot.

– Amanda Mathis, SVP of Product

FROM THE COMPLIANCE TEAM

We are pleased to announce that Finxact completed its SOC 1 Type 2 and SOC 2 Type 2 audit in Q4 2021.

– Sadh Akella-Mishra, Chief Compliance and Security Officer

FROM THE SALES TEAM

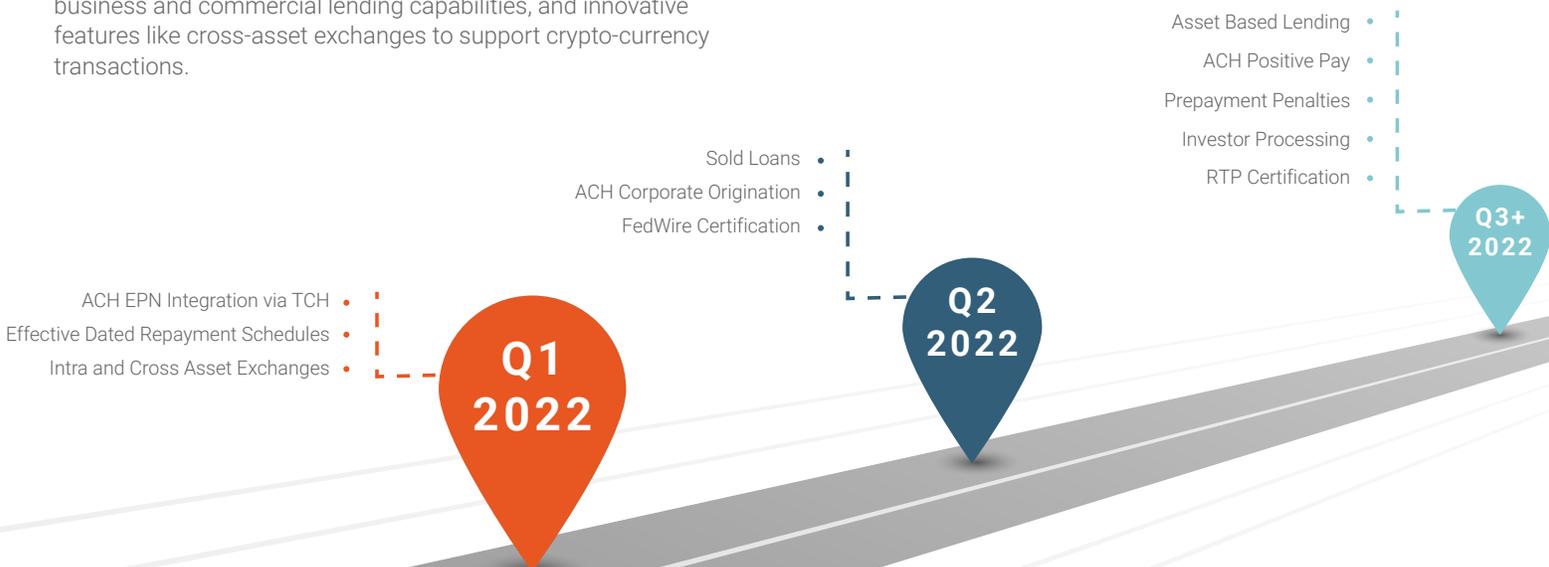
After helping banks and different models of Financial institutions become first movers in next generation, cloud native core banking - Finxact is now a proven, highly scalable platform poised to help De Novos, banks, and fintech’s really move the market. Q42021 momentum has accelerated multiple Finxact engagements and current implementations. We continue to expand our partner network, marketplace, and number of engagements in all segments.

– Ryan Victor, Chief Revenue Officer

The Finxact Roadmap

BY DEBORAH KOVACS, CHIEF PRODUCT OFFICER

The major themes for 2022 include a continued focus on diversifying payment rails options for clients, expanding small business and commercial lending capabilities, and innovative features like cross-asset exchanges to support crypto-currency transactions.



Q: Personetics is a highly successful customer engagement platform for banks the world over. Can you tell us briefly, what is distinguishing your solution among similar providers?

A: Personetics customer engagement platform is customer financial-data driven allowing FI's to offer a personalized experience for customers. Personetics' AI analyzes financial data in real-time to understand customer financial behavior in order to anticipate needs and act on their behalf. Banks use Personetics' agile tools to rapidly create their own personalization IP to serve the unique needs of their customers and differentiate themselves in a crowded market. With these advances, banks have transformed their digital banking into the center of the customers' financial lives while also delivering significant business impact.

Q: Banks generally fulfill customer needs with useful and necessary products for transacting, saving, and borrowing but it seems that Personetics is uniquely positioning banks to partner with their customers to help them manage their financial lives. That's a terrific value proposition. Can you describe a notable example of that dynamic with your clients?

A: Our client U.S. Bank who was recently ranked by Keynova Group as #1 overall in mobile banking, including #1 for mobile app. Keynova Group highlighted personalization as an important trend in its report, noting that "leading banks are personalizing the mobile experience with financial guidance that harnesses data into actionable insights to help their customers." Indeed, U.S. Bank has been leading in this area, with automated savings and budgeting tools driven by Personetics such as Pay Yourself First that help customers set and reach their goals, as well as serving up more than two billion personalized insights in the U.S. Bank Mobile App, which proactively give guidance and alerts to assist customers in their financial health.

Q: Self-driving finance - This is an interesting term that's gaining some currency (no pun intended). Can you tell us briefly what that means?

A: Just like self-driving cars, Self-Driving Finance is not an all-or-nothing proposition but rather a continuum of capabilities. It enables banks to provide retail, small business, and wealth management customers with varying degrees of guidance in managing their finances – ranging from real-time insights to personalized recommendations and automated money management.

"Self-Driving Finance" enables financial institutions to fulfill their social contract and customer expectations to proactively act on behalf of their customers to better monetize relationship value.

Here at Personetics, we believe that financial services should transform from transactional, reactive relationships into smart, proactive, and personalized ones to become a trusted financial advisor.

We enable the world's leading banks, financial institutions, and CC companies to leverage their biggest asset, their own customers' financial data, to drive significant business impact and market differentiation.

Finxact In the News

WALMART-BACKED FINTECH BUYS FINXACT CUSTOMER ONE FINANCE, INC.

One Finance has proven to be a rocket ship fintech innovating on the Finxact core.

[Learn More](#)

FINXACT MARKETPLACE WELCOMES PERSONETICS

Finxact announced that Personetics, the leading global provider of financial-data-driven personalization and customer engagement solutions for financial institutions, has joined its Marketplace of best-in-class banking solutions.

[Learn More](#)

FINXACT ANNOUNCES PRODUCT LAUNCHPAD

Finxact introduced Launchpad, a no-code, visual experience for product design, created to empower banker product teams and product designers to create and deploy products on the Finxact core.

[Learn More](#)

FINXACT PARTNERS WITH CRYPTO PLATFORM ANCHORAGE

Finxact has partnered with Anchorage to enable banks and financial services providers to offer customer access to new crypto products and services.

[Learn More](#)

FINXACT MARKETPLACE WELCOMES CODAT

Finxact announced that Codat, the leading provider of API-based connectivity to small business financial software, has joined its Marketplace of best-in-class banking solutions.

[Learn More](#)

FINXACT ADDS FORMER DELOITTE EXECUTIVE TO SENIOR LEADERSHIP TEAM

David Ortiz assumes responsibility for growing Finxact's partner ecosystem and ensuring the success of its delivery partners.

[Learn More](#)

Marketplace Q&A with Personetics (cont.)

Q: Personetics is a global leader in data-driven customer engagement. Can you share with our readers a few differences you have seen between how banks abroad are embracing your technology and how US banks are now doing so? If there are notable differences or adoption rates, what do you believe to be the drivers for those differences?

A: Personetics has worked with some of the largest global banks to deliver transaction level analytics to improve the customer experience. Our self-learning AI models learn from customer financial behavior to provide a personalized experience.

We have noticed, that in some instances, international banks have been the market leaders in AI-driven strategies, with Personetics being at the forefront of such initiatives. These efforts have enabled us to quickly validate our capabilities at scale, enabling us to bring such benefits to our US based clients faster.

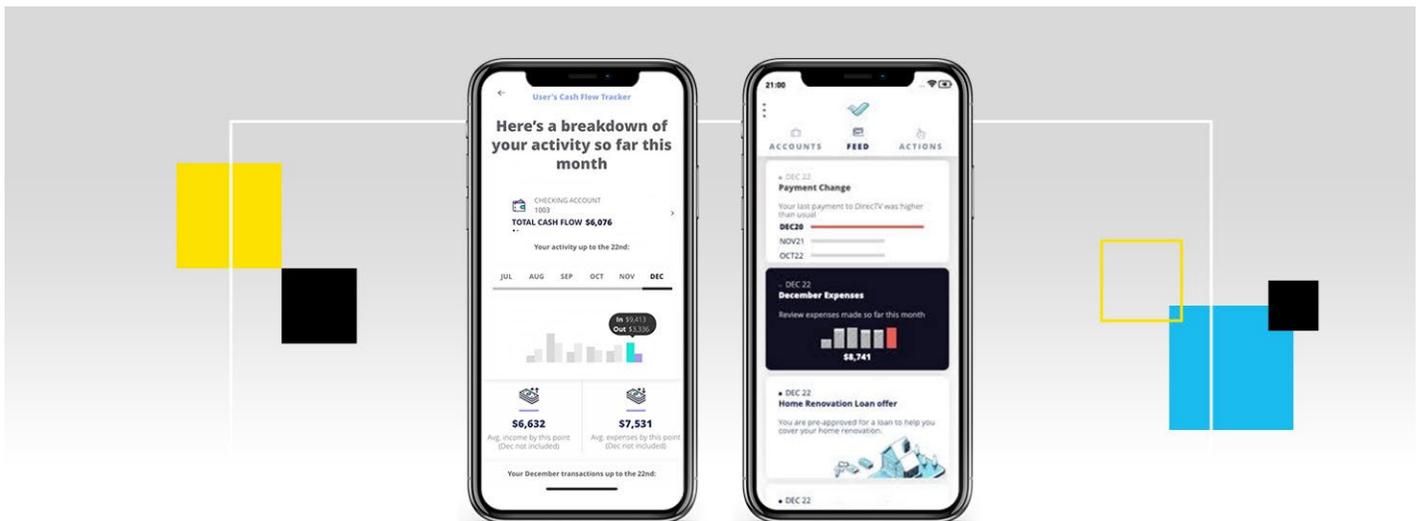
For example, early European adoption of open-banking strategies have allowed for financial wellness insights that help customers better manage all of their financial relationship are now just being realized in the U.S. Second, the momentum behind climate impact initiatives, or “green/carbon tracking” insights, are emerging rapidly with several of our international clients today, are now becoming a topic of importance with our US-based customers too.

Q: Banking is undergoing a transformative period, where customer data is invaluable, provided it can be turned into actionable insights or a next best proposition. Can you tell us how Personetics leverages AI to accomplish this?

A: Personetics leverages AI to analyze customer data to provide predictive and personalized insights and financial advice to banking customers. Our AI and ML models learn from individual customer interactions and user feedback over time to better select and prioritize the presented actionable insights for each customer and our Enrich business solution provides automated mapping by normalizing multiple data sources with AI models providing transaction descriptions, including merchant name, logo, location, subscriptions and more.

Q: A next-gen core, as a term of art, implies very real distinctions in architecture of core banking systems. Among them are cloud-native, extensible data models, and data-centric design that makes all of the core transaction data highly available via modern APIs. Can you tell us how these modern systems are helping companies like Personetics further Self-driving finance?

A: The new SaaS core-banking systems allow for greater efficiency, accuracy, quicker time-to-market and scalability.



Innovation at the Core of Banking

Finxact is innovating the first enterprise class cloud-native Core-as-a-Service platform with a 100 percent accessible open banking API. Finxact's modern architecture enables banks to rapidly deliver new experiences by creating products on demand and integrating new services as needed. The Finxact team has been at the forefront of banking software for 35+ years, and together with its best of breed partners is disrupting core banking so financial institutions can truly transform on their terms.