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ACCELERATE
2022 VIRTUAL EVENT

**The market.
The solution. Our future.**

PART 1

#SmallBusinessObsessed



STEVE ROBERT

CEO & Co-Founder,
Autobooks

Autobooks and our mission

State of small business banking

Our future together

Founders

Steve Robert (CEO)

PREVIOUSLY FOUNDER/CTO

Aaron Schmid (COO)

PREVIOUSLY FOUNDER/CPO

Previously founded Billhighway (2002)

- Payment platform for membership-based organizations to collect dues & fees
- Pioneered Payment Facilitation (aka payfac)
- Filed business method patent(s) for proprietary general ledger + straight-through-processing w/bank account (e.g. automated reconciliation)
- Grew the business to support millions of customers, processing billions in transactions!

Assembled a Purpose-Built Team to Help Financial Institutions

Based in Detroit

Founded 2016

100+ Employees

World Class Partners

Alkami  Bottomline

CSI  FIS

jack henry™

 NCR  Q2

Impressive Growth

~1,300
Financial Institutions

~125k
Small Businesses

~\$50B
Transactions

Responding to Market Needs

2019



Vendor Risk
Management

Technology
Integrations

System of
Record (GL)

2020



Channel
Partnerships

Large
Regional Banks

Invoicing
& Payments

2021



Embedded
Fintech

Open
Banking

Real Time
Payments

2022



+10k
SMB/Mo

Contactless
Payments

Data Insights
& Marketing
Automation

State of Small Business Banking

**The Great
Realization**

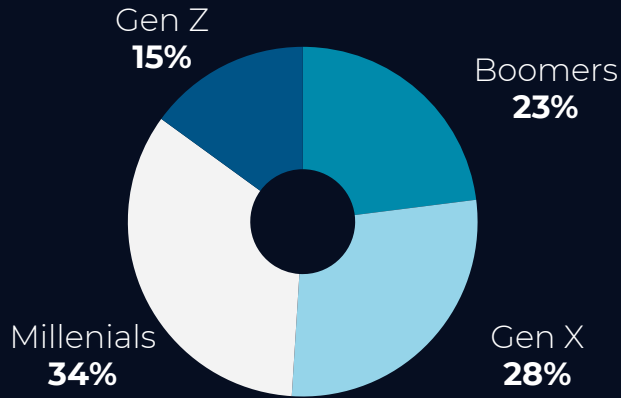
**How small
businesses
get paid is
changing**

**Rise of
3rd party
competitors**

**How FIs can
increase
primacy**

Americans in greater numbers are opting for the flexibility, autonomy, control, and balance that working independently can provide.

2022 Independent Worker Demographics



Male: **49%** Female: **50%**

Meet the Independents

The more independent workforce grows and expands, the more closely it resembles the American workforce at large. As Boomers age out of the traditional workforce, and in some cases, retire altogether, many continue their careers as independents.

At the same time, Millennials and Gen Z are growing sharply as a percentage of total independents and are widely interested in self-employment and entrepreneurship.

Source: MBO Partners

32.5
million

SMBs

81% have no paid employees

According to the SBA

64.6
million

**Independent
Workers**

According to MBO Partners

Redefining the needs of small business banking.



SMBs are turning away from accepting cash and check in person, to accepting in-app and online payments via card

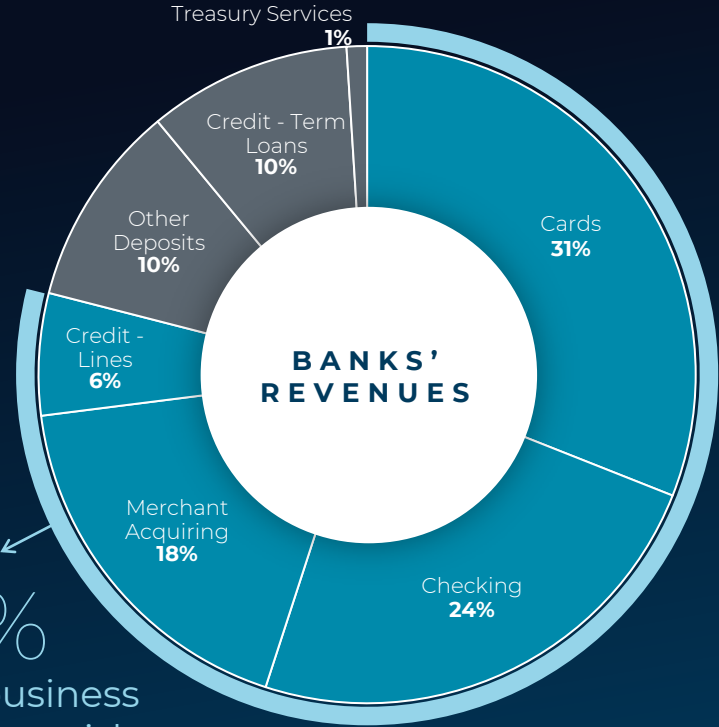
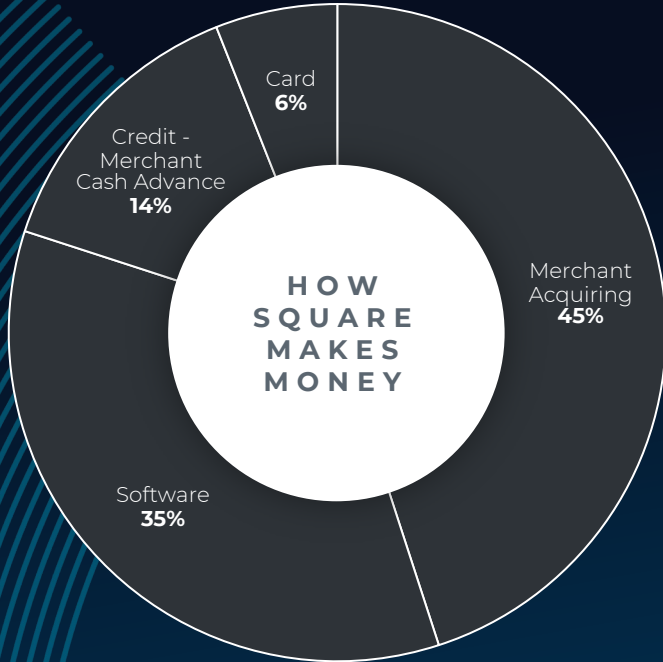


73% of small businesses (SMBs) said new forms of digital payments **are fundamental to their growth**



59% plan to shift to using **only digital payments within the next two years**, or are already cashless

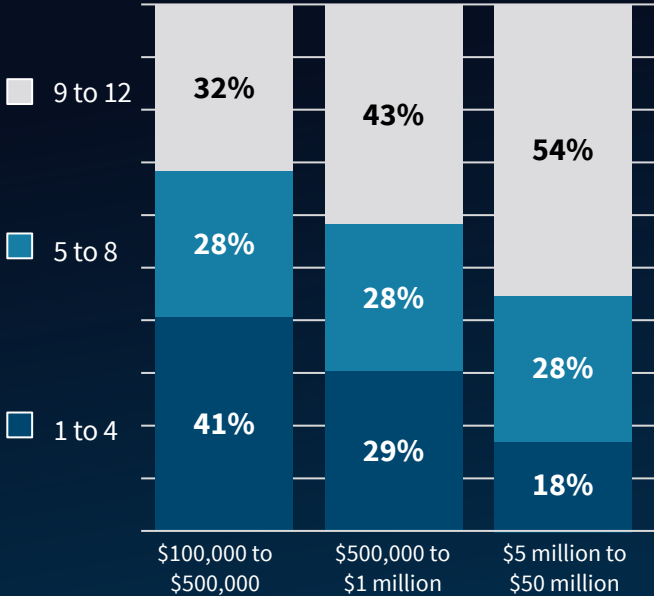
Third-party app providers are targeting banks' revenues



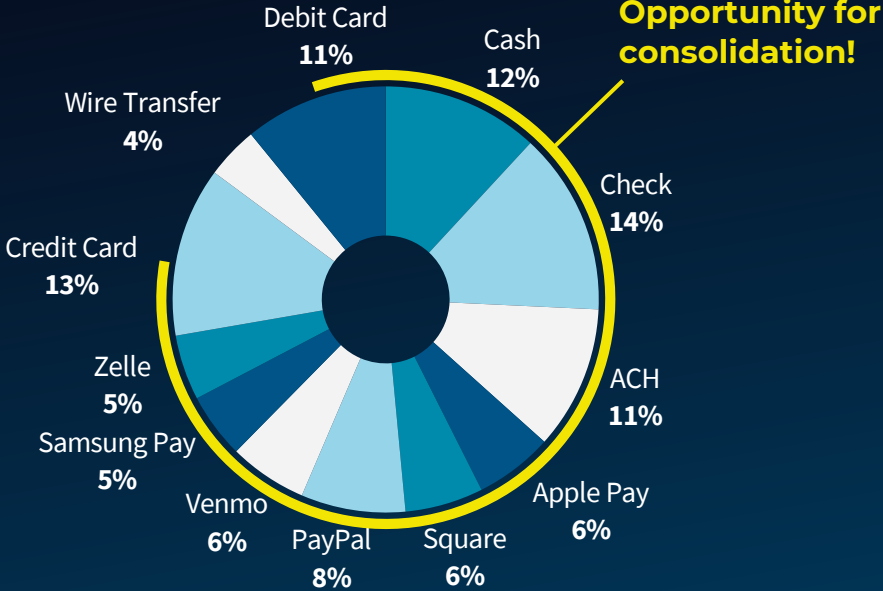
 **NEARLY** **80%** of small business revenue is at risk

Payment Proliferation Causes SMBs Major Headaches

Number of Payment Types Accepted



Percentage of Payments Received by Payment Type



OUR FUTURE **TOGETHER**

Helping SMBs... Bundle essential back-office services.

When you start your business, what will your first priorities be?



Provided by: **Financial Institution**

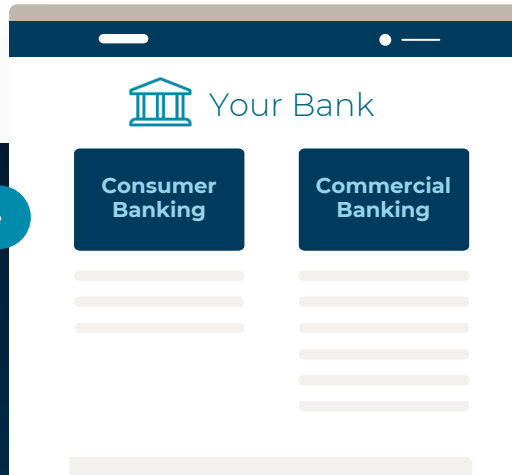
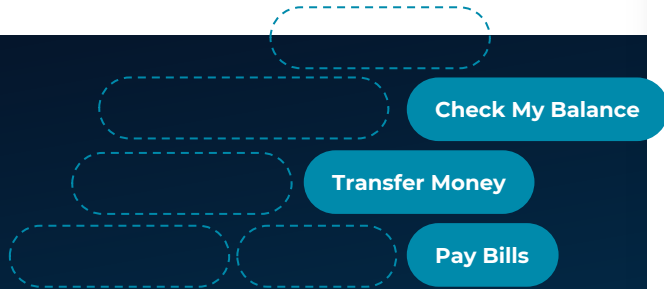
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When a small business visits the bank, **what do they have to offer for digital payments?**



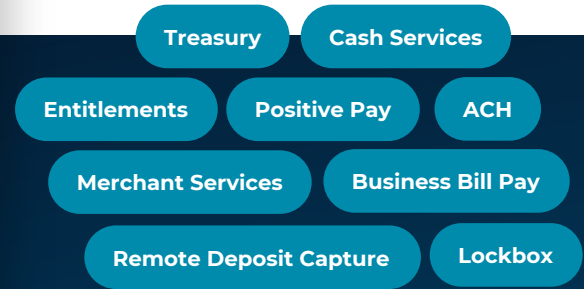
Consumer banking

is too basic & lacks payment acceptance tools



Commercial banking

is too complex & the payment acceptance tools are not the right fit



Let's Rethink Account Bundling!

1

A **merchant account** is to a Business...

What direct deposit is to a Consumer.

2

Sending invoices & accepting payments will be as **ubiquitous** as bill pay & remote deposit capture in < 5 years!

3

Neo / Challenger Banks are fumbling..

Now is the time to **'reclaim'** relationships based upon safety, security, trust & proximity.

4

Together, we can ensure banking relationships remain **relevant** to the next generation of digital customers.

5

Play to our **Strengths!**

Third-party app providers offer limited services, w/poor customer service.

6

Become your customers' **"super app"**

Reimagined Business Banking

Small Business Customer Insight

Desire Digital to be the primary medium in which they manage their business

Willing to Pay for online services if there is clear value. The majority (including micro businesses) are doing so today with third party-apps

Frustrated by having to use multiple apps to manage their business, each with its own login and fee

Trust their Financial Institution the most, but find capabilities within retail and traditional business banking do not meet their needs

Financial Institution Opportunity

Become a Digital Destination for businesses to grow (get paid) and manage their back office

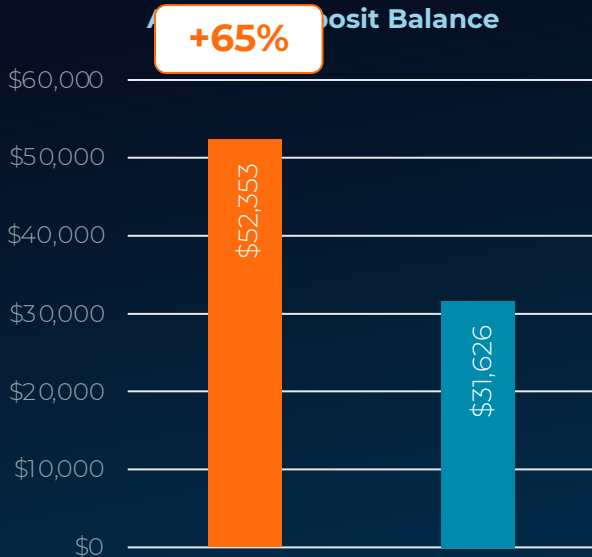
Monetize the service by becoming a one-stop shop, focused on small business needs at each stage of their life-cycle via *product-led-growth*

Simplify and consolidate their daily workflow within digital banking, increasing primacy by becoming their system of record

Grow Relationships and increase engagement by contextually surfacing new opportunities for treasury, payroll, lending, insurance, and more...

What outcomes are banks realizing?

INCREASED Deposit Balance



INCREASED Engagement & Product Depth

PRODUCT	AB	SMB Avg	% Change
Online Banking	99.3%	82.6%	20%
Mobile	22.6%	12.3%	82%
Debit Card	89.0%	57.5%	55%
Merchant Services	5.2%	2.4%	117%
ACH Credit	8.2%	1.1%	645%
Bill Pay	90.0%	30.2%	198%
Payroll	2.8%	.4%	600%
Branch Deposit	29.9	32.5%	-8%
eStatements	77.1%	56.4%	37%
Relationship Depth	6.4 (existing SMB) 8.2 (new to bank)	3.9	64% 110%

By helping small businesses get paid (through existing digital banking channels) a financial institution can:



**DIVERSIFY
REVENUE
STREAMS**



**EXPAND
RELATIONSHIP
DEPTH**



**INCREASE
PRIMACY**

The Next Frontier is Contactless Payments!

Empower businesses to accept contactless payments with Tap to Pay on iPhone - enabled within Mobile Banking!

- ✓ Dollars are deposited directly into your FI

Proprietary & Confidential



No additional hardware is needed to accept contactless payments through Tap to Pay on iPhone, so businesses can accept payments from wherever they do business.

Getting Started is Easy!

- ✓ Simple, turn-key integration
- ✓ Join the waitlist & be among the first to offer:

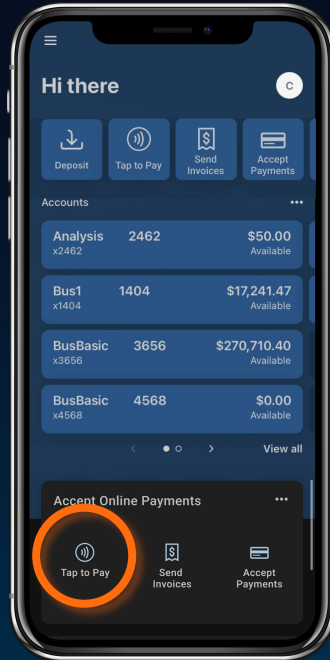


- ✓ ETA Q2, 2023

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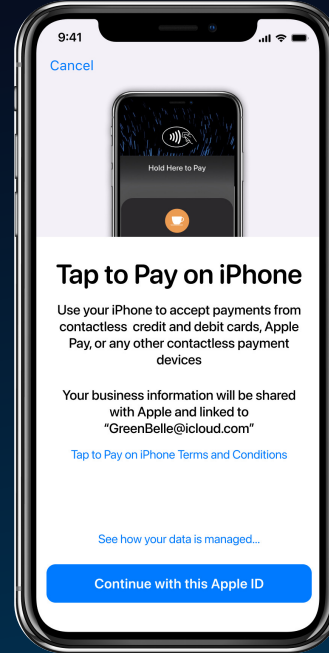
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Log into Mobile Banking



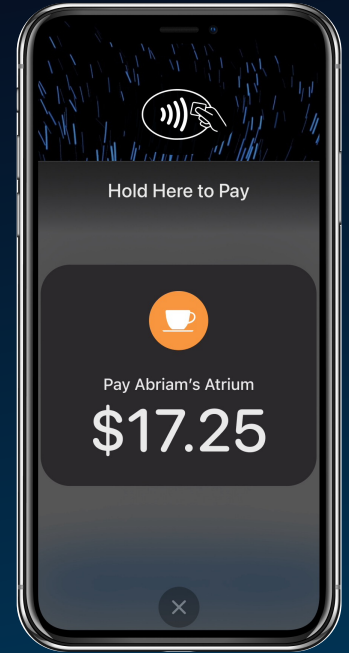
2

Activate Tap to Pay
(Accept terms of service & initialize device)



3

Accept Payment
(contactless payments)



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