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Bradford-Scott *Data Corporation*

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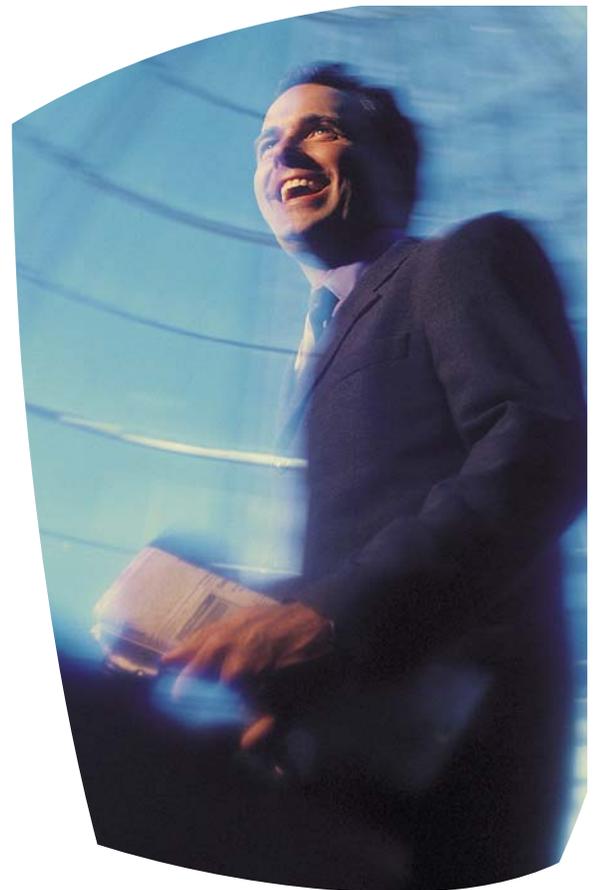
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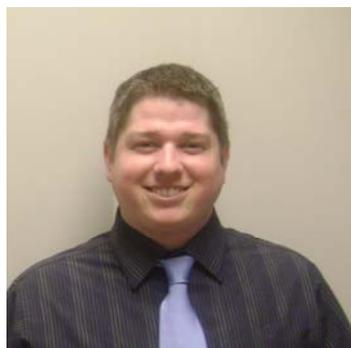
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Helping you achieve your financial goals

Bradford-Scott Data Corporation is proud to be a distributor of Sharetec Credit Union software. Sharetec has been and continues to be one of the top selling Credit Union software packages in the United States.



2007 Bradford-Scott Employee of the Year...

Patrick McHugh was the winner of the 2007 Employee of the Year Award and here is why: Patrick came to Bradford-Scott in 2005 as a Conversion Analyst. From the moment that he walked in the door, he hit the ground running at a fast pace. He always wears a smile, is always professional, and gets the job done – no matter what it is. He has been an integral part of streamlining our conversion process and training other employees. He works efficiently and productively and has a contagious positive attitude. His willingness to help others exceeds all expectations and his dedication to superb conversions is outstanding.

Be a Part of a Sharetec User E-mail Discussion Group!

PowerUsers@bradfordscott.com



By signing up to be included in this e-mail distribution list, you can take part in a discussion with other Sharetec users. Many of our customers have asked for the capability of talking to other users for idea sharing, networking, credit union industry talk, and for many other reasons. This discussion group will provide you with that avenue.

To become part of the BSDC e-mail discussion group:

- 1) The Credit Union Manager must sign a Terms of Service contract and the Master E-mail Service Agreement ascertaining your credit union will not use the discussion group in a negative manner.
- 2) Identify the e-mail addresses for each credit union employee to be included and have those employees initial the acknowledgement in #1.
- 3) Each address that is included in the acknowledgement will receive discussion e-mails from all other users in the group. In addition, each address will be able to send e-mail to PowerUsers@bradfordscott.com with ideas or questions.
- 4) Best part...this is a free service to all users of the Sharetec System.

This discussion group will be monitored for negative content but not for incorrect information. If you have a question about the content of an e-mail, please place a hardware or software support call.

To sign up for PowerUsers@bradfordscott.com, please contact Bonnie Doolittle at **bdoolittle@bradfordscott.com**.

Welcoming New Managers to our Credit Union Network

- John Norman at Atlas Credit Union
- Patty Thomas at K&E Federal Credit Union
- Leigh Anderson at Georgia Power Northeast Credit Union
- Jerry Haley at USA One National Credit Union



Welcoming New Credit Unions to the BSDC Network

- Haynes Community Federal Credit Union – Jim Papacek, Manager
- Deer River Co-op Credit Union – John O'Brien, Manager
- Great Lakes First Federal Credit Union – Wayne Johnson, Manager

Back-up Tape Storage Recommendations

The life of a tape is strongly influenced by temperature and relative humidity. Storing magnetic tapes in a clean, controlled environment extends the life of the media.

Temperature

High temperatures, high humidity, and the presence of dust and corrosive elements in the air all affect the physical capability and deterioration of the tape. Extreme low temperatures should also be avoided. Guidelines for the safekeeping of a magnetic tape vary, but in general, it is recommended to store tapes at 68-73 degrees F and at 20-50% relative humidity. Cooler temperatures will prolong tape-life even more.

Storage

1) Store tapes in clean plastic containers that provide protection from dust, pollutants, and excessive moisture. Sealed plastic bags, cardboard containers and sleeves are not recommended for storage. Stored tapes should not be in proximity to magnetic fields generated from motors, elevators, headphones, speakers, microphones, magnetic cabinet latches, magnetized tools, and TV monitors.

2) Except for labels, paper should not be stored inside a tape storage container. Use labels that leave no residue on the tape after removal.

3) Shelving, drawers, and racks used for storage of magnetic media should be metal. Wooden shelving may expose a tape over time to contaminate gases and if a fire should occur, the tapes will be more susceptible to damage than if stored on metal. The tapes should be placed vertically in their storage cases and shelves should not be placed too close to heat sources, water pipes, and sprinkler heads.



Credit Unions who use Sharetec Software



There are over 330 Credit Unions using the Sharetec Software in the United States! Thank You for being a part of this successful product!

Meadowland Credit Union

50 Years in Sheboygan County, Wisconsin

SHEBOYGAN FALLS, Wis. (12/13/07)--Meadowland CU of Sheboygan Falls is celebrating its 50th anniversary. While the 1,851-member credit union offers products competitive with larger financial institutions, it maintains a history of personal service, reports the Sheboygan Press (Dec. 9).

Allan Kraus, Meadowland president/CEO, who has been with the credit union for two years, also is committed to personal service. He individually meets with members who have questions. Kraus has 20 years' experience working in financial institutions. It's rare to find a place where members can "sit down and talk to the president," he told the newspaper.

The credit union also has a branch at Sheboygan Falls High School, which serves faculty and students. Meadowland's high school branch also promotes financial education.

Meadowland CU was created in 1957 to serve employees of Bemis Manufacturing Co. It expanded its charter about 10 years ago to include anyone living or working in Sheboygan County. The charter has brought in 400 new members within the past decade, said the article.



Congratulations to Our Long Term Customers

Bradford-Scott Data Corporation has been selling the Sharetec Credit Union Data Processing System since 1994. There are over 330 customers using the Sharetec product and BSDC supports 156 of those systems. At the end of the year 2007, we have 108 customers who have been on the system 5 years or longer, that is 69% and is unheard of in the financial data processing industry. Thanks to all of our customers for partnering with us to make the Sharetec product the best that it can be.

A special thanks to those customers below who have been with us 10 years or longer:

- Generations Federal Credit Union – 13 years
- Badger Credit Union – 13 years
- Elcome Federal Credit Union – 13 years
- Specialty Federal Credit Union – 12 years
- Danville Bell Credit Union – 12 years
- Menasha Employees Credit Union – 12 years
- Natco Credit Union – 11 years
- Health Care Federal Credit Union – 11 years
- United Methodist Ministries Credit Union – 11 years
- Elgin Mental Health Center Credit Union – 11 years
- Heights Auto Workers Credit Union – 11 years
- Heritage Corridor Credit Union – 10 years
- Martin County Co-op Credit Union – 10 years
- Evansville Federal Credit Union – 10 years
- First Credit Union – 10 years
- Catholic & Community Credit Union – 10 years
- Synergy Partners Credit Union – 10 years
- SLC Credit Union – 10 years
- Chicago Fireman's Association Credit Union – 10 years

Tip-of-the-Week!

Great for tellers, loan officers, or any Sharetec user, these helpful tips include hints, procedures, best practices, and miscellaneous items. To sign-up to get this weekly e-mail, please e-mail Bonnie Doolittle at bdoolittle@bradfordscott.com with your name and e-mail address.

Listed here are some of the tips previously e-mailed:

Statements

For a share only account to receive statements monthly, go to Member Properties / Office Info tab and mark the Reg E box. A statement will be generated for that member as long as the statement program is run to include Reg E transactions. This step will need to be completed prior to statement processing each month. If you do not want to complete this step each month, you can simply create a mail code for those members that have only Share Accounts but need a statement every month and then include this mail code in statement creation.



Payroll Distribution or Automatic Transfer Not Working?

If the problem is a double posting, you may have the repayment method set up incorrectly. To check the repayment method, go to Loan Properties and set the repayment method to "cash". This field must be set to "cash" regardless of the repayment method. To avoid this double posting issue altogether, remember to set up new loans with the repayment method to "cash" when you know you are going to have a payroll distribution or automatic transfer.

Financial Reports

If you are having a problem with either the Statement of Financial Condition or the Statement of Income reports showing general ledger balances in the wrong detail lines, it may be because the general ledger has an incorrect account group. The account group field controls where to print each general ledger balance on the Financial Statement and the Income Statement. In order for general ledger balances to show up in specific detail lines, the account

group must be between the appropriate account group range for that detail line. To change the account group for a specific general ledger account, go to the Accounting Workspace --> General Ledger --> Account Information and select the general ledger account, then right-click and select Properties – Account. Click Update and change the account group field.

Rebooting Your Server Do you think your system is running "sluggish"?

BSDC recommends rebooting your server once every 30 days. Rebooting your server will end "run away" processes that may be taking up system resources that slow down your daily processes.

Transfers

If you mark the Transfer Full box, the transfer will only take the full transfer amount from the account. If this box is unmarked, it will take all available funds even if a full transfer cannot be performed. This field should be marked in conjunction with the Full/Partial field.

The Full/Partial field decides if the transfer should apply full or partial amounts to the designated account. If Full is marked, then the program will only apply a full transfer amount. If the Partial is marked, it will apply all available funds if a full transfer cannot be performed.

In all cases, the Transfer Program will run every day until the full transfer has been met and the due date in the transfer record advances.

Fee Processing

If you would like to charge a fee to a member that is not at the time of the transaction, we offer a Fee Processing Program that can be

completely customized to fit your needs. This program can be run on a daily basis or once a month. Please place a Software Support call for more information.

Credit Card Charge-off's

Procedure for entering credit card charge-offs into Sharetec:

1. Enter member information as a "new loan without application" (trancode -NLWA). If the charge-off is to report to the Credit Bureau, use the credit card charge-off trancode, which is usually "VC". When disbursing the loan, pick the GENERAL LEDGER option and select the SUSPENSE GL number. This transaction will debit the GL in the Loan Type File and credit the Suspense GL.
2. Next, charge off the loan in member transactions using the credit card charge-off trancode, usually "VCO". This will credit the GL in the Loan Type File and debit the Suspense GL.

To make charge-off credit card payments, use the trancode for charge off payments, usually "VCOP". This transaction will credit the Allowance for Loan Loss GL and debit teller cash or teller checks, whichever applies.



Scheduler Part 1

Many routine tasks can be automated using the Scheduler in Sharetec. If your job is to run the following end of day reports, consider scheduling them to run each evening: Teller Override

Report Bank Secrecy Act Report Daily Financials Maintenance History Reports (cont. page 5)

Scheduler Part 1 Continued

Scheduling these jobs will ensure that they are executed each day and that the reports are complete and ready on your printer each morning when you arrive. If you need instructions on how to set up reports in the Scheduler, please call and ask Sara Mattax and they will be faxed to you.

Scheduler Part 2

Many routine tasks can be automated using the Scheduler in Sharetec. If your job is to run the following reports during the day, consider scheduling them to run automatically:

Loan Collection Letters
Loan Delinquency Reports
Certificate Renewal Notices

Transfer Pre-Preprocessing Posting
Negative Share Assignment (7.0 only)
Address Exchange

Scheduling these jobs will ensure that they are executed each day and that the reports are complete and on your printer when you need them. If you need instructions on how to set up reports in the Scheduler, please call and ask



Sara Mattax and it will be faxed to you.

p - Phone Number
m - SD Micr Number
a - ATM Number
c - Credit Card Number
l - Last, First
i - Personal ID

Quick Text

GUI offers a feature called Quick Text. Quick Text are commands used so that repetitive data can be entered with a few keystrokes. Quick Text is credit union defined and set up is easy. To set up Quick Text, go to Tools/Quick Text (or Ctrl - Q). Any sentence or message can be set up to be inserted in a field in GUI that will accommodate the message length. Also, use the commands below to add the date and/or time to the text. In addition, use a command that will position the cursor within the automatic text to be entered.

All Quick Text commands are assigned a code. For example, if the code "LM" is assigned to "Left Message", type LM and then hit the Insert key in a field in GUI and the words "Left Message" will appear. To use the additional features with the Quick Text, type the percent sign, backslash, followed by the capital letter to obtain the command desired. For example, to add the date to the "LM" example above, type "Left Message on %/D". Now, when LM and the Insert key is typed, the words "Left Message on January 6, 2008" will appear. %/D will be replaced with the system date.

Quick Text options currently available in GUI include (see examples in screenshot below):

%\C - to position the cursor within the text where data needs to be filled in
%\D - to include the system date in the text
%\T - to include the system time in the text

Formula for Calculating a Simple Dividend

(balance used for dividend) * (interest rate) / 365 * (number of days since last dividend)

Example: $\$2,654.70 * .028 / 365 * 30 = \6.10

The "balance used for dividend" will generally be the Average Daily Balance calculated by the Sharetec system and stored in Share Properties (or Deposit File Maintenance) in the Dividend Rollback fields.

Intrusion Testing

According to the Gartner Group, insiders are involved in 70 percent of security incidents that result in financial loss. In Deloitte's 2006 Global Security Survey, 49 percent of responding companies reported they experienced an internal security breach in the past year. And Aberdeen Group reported that 80 percent of companies surveyed were aware of the potential threat of data loss posed by insiders, yet only 43 percent implemented security measures to prevent unauthorized outbound data transmissions. BSDC is now offering Intrusion Testing on your network, for more information, contact your Sales Representative today.

Save the Date...

Bradford-Scott Data Corporation

2008 Annual Users Conference

Where: Omni Severin Hotel
Indianapolis, IN

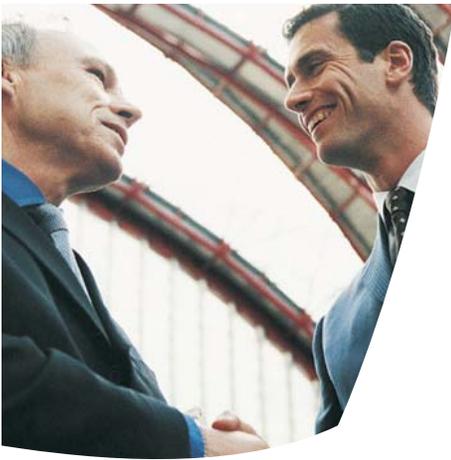
When: September 8th-10th, 2008

Please fax or email 3 conference topic ideas to
Carrie Heck at 260-625-6248 or
check@bradfordscott.com

Quick Keys

In GUI, when searching for a member, use the following "quick" keys to select how to search by. Type in the character and then hit the space bar, the system will automatically select the appropriate search box.

- Member Number
s - Social Security Number



RELEASE 8.0 IS HERE

Bradford-Scott is pleased to announce our latest version of the Sharetec software. Release 8.0 has been delivered to us and plans are underway to get your respective systems upgraded. When Bradford-Scott has determined the Release 8.0 upgrade schedule, your credit union will be notified. Stay Tuned! This latest release of the Sharetec software has many new exciting features and enhancements as follows:

New Modules:

Member Application - A “one-stop shop” when servicing a prospective member or an existing member.

Document Manager – Users can manage all member documents and create new documents as necessary for a member, all within the same work area.

Automated Certificate Conversions – Offer introductory rates that will convert to standard certificates at renewal.

IRA Owner Module – Members can have multiple retirement account types, including the newly offered HSA Share Draft Account, with detail, history and totals for each IRA type displayed.

IRA Required Minimum Distribution Module - Reports individuals turning 70-1/2, calculation of required minimum distributions, and reporting of shortages.

Interest Only Payment Loans - Line of credit loans with interest-only loan payments, where the credit union selects a bill date and a payment due date of their choice (uses new payment recalculation method “6”).

Credit Reports - All three major credit-reporting agencies are available to download Credit Reports into Sharetec via the Internet.

OFAC Inquiries - Obtain OFAC score information (provided by E-Funds) on a current or prospective member.

Indirect Lending Module - Process dealer loans with tracking and calculation of dealer commission amounts (tiered or fixed), holdback, and chargeback fees.

Check Kiting Module - Review accounts that may be suspect of check kiting based on deposit counts, rapid depletion of deposited funds, and matching deposits and withdrawals.

Credit Life/Disability Formulas - Maintain fields in the CU record to modify the credit life premium formulas and adjustment factor (balloons included) for more timely processing of state regulatory changes.

Check Digit Programs - Program calculations have been enhanced to allow for use of different weights and constant values.

Security - New Features and Enhancements:

Strong Passwords - Require a “strong” password, which could require a specific number of characters, upper or lower case letters, or inclusion of special characters, which provides for enhanced login security.

Field Level Security - Limit view/access of specified fields displayed in the Member, Relations, Deposit, Loan, General Ledger, and GL Check tables according to the users menu group.

Right-Click Security - Limit access to specific right-click options within any menu item for additional security.

Employee Member Security - Block, limit, or allow access to member and account information along with a flag indicating whether a user is allowed to access his or her own accounts.

General Ledger Access Security – Require an override when performing journal entries if the member does not have access to the selected GL account number.

Member ID - When performing Member Transactions, the ID’s for the primary member and other relations are displayed in the action (menu) area.

User Maintenance – Changes performed in Users Properties are now tracked and displayed on the maintenance report and can be viewed in Audit Properties.

General Ledger Account Maintenance – Changes performed in Account Properties are now tracked and displayed on the maintenance report and can be viewed in Audit Properties.

Override Report - All overrides encountered throughout the system will now be included on the override report.

Voice PIN - All references to the voice pin number now display as asterisks and the user can assign temporary pin numbers that will force the member to change the next time they use audio response.

Did You Know...

The NCUA is now requiring Credit Unions to list the date their data was last tested?

Additional Information can be found at www.ncua.gov/data/5300/march2007/changes.pdf

Bradford-Scott Data can help your credit union meet this requirement by offering 3 levels of Disaster Recovery Testing:

- Level 1– Testing performed on Encrypted Backup Media sent to BSDC
- Level 2– Testing performed on Backup Media that is transmitted to BSDC
- Level 3– Testing performed at a Credit Union designated location

For more information please contact your Account Manager



Ultimate Checking

There was a time...

When members would flock to your doors because your credit union offered free checking. But like the typewriter, its draw has come and gone. Sure, there is an occasional member looking for free checking, but it no longer addresses the demands of most people.

When free checking was first introduced, it represented a truly effective marketing tool. But now, with every other bank and credit union offering this product, it has become a commodity that offers little or no competitive differentiation and serves questionable value in developing profitable relationships with account holders.

“How can you attract members?”

Or maybe a better question is “How can you attract the members your credit union needs and wants, the ones who will use most profitable services?” The answer is a new solution called Ultimate Checking. What is it? Simply put, it provides a high rate of return for the members that use specific services.

Unlike typical free checking accounts, Ultimate Checking is a free checking account with no minimum balance that earns a high dividend rate if the member meets specific technology-based requirements each month. As an additional incentive, Ultimate Checking account holders are also reimbursed for all charges if they use other financial institutions’ ATM. The Ultimate checking program is flexible and can be tailored to fit your Rewards and Requirements. Because Ultimate Checking is based on the use of required services, account holders are motivated to use technology-based, low cost services that strengthen your bottom line. Commonly required services for ultimate checking can be seen in the box located to the right.

eStatement enrollment
Debit card usage minimums
Direct Deposit and ACH activity
Audio Response usage
Bill pay minimums
Home Banking login requirements

Bottom Line Benefits

It Sets You Apart. Ultimate Checking from Bradford-Scott is a unique product that will differentiate you from your competitors and double your profits compared to a standard share draft account, helping you keep those valuable members.

Ultimate Checking Increases Online Banking. Ultimate Checking more than triples the number of online users, meaning less in-branch transactions, and cross-selling opportunities at little or no cost.

Increase Direct Deposit. Direct Deposit and other ACH transactions increase dramatically

Increase Debit Card transactions. The average free checking member only uses their debit card 6 to 8 times a month as opposed to 12 times for a Ultimate Checking member. More than 80% of Ultimate Checking customers are more active debit card users, which boost your interchange and fee income.

Increases Average Daily Balances. Ultimate Checking customers move their deposit from financial institutions. And, those balances are historically much higher. The typical free checking balance runs from \$800 to \$1,000 and corresponding Ultimate Checking balances average \$8,000 to \$13,000.

Track Data. Our software provides profitability analysis so management can monitor the success of the program monthly.

Increases Overdraft Revenue. Without exception, every financial institution that has introduced Ultimate Checking has seen a significant increase in overdraft revenue.

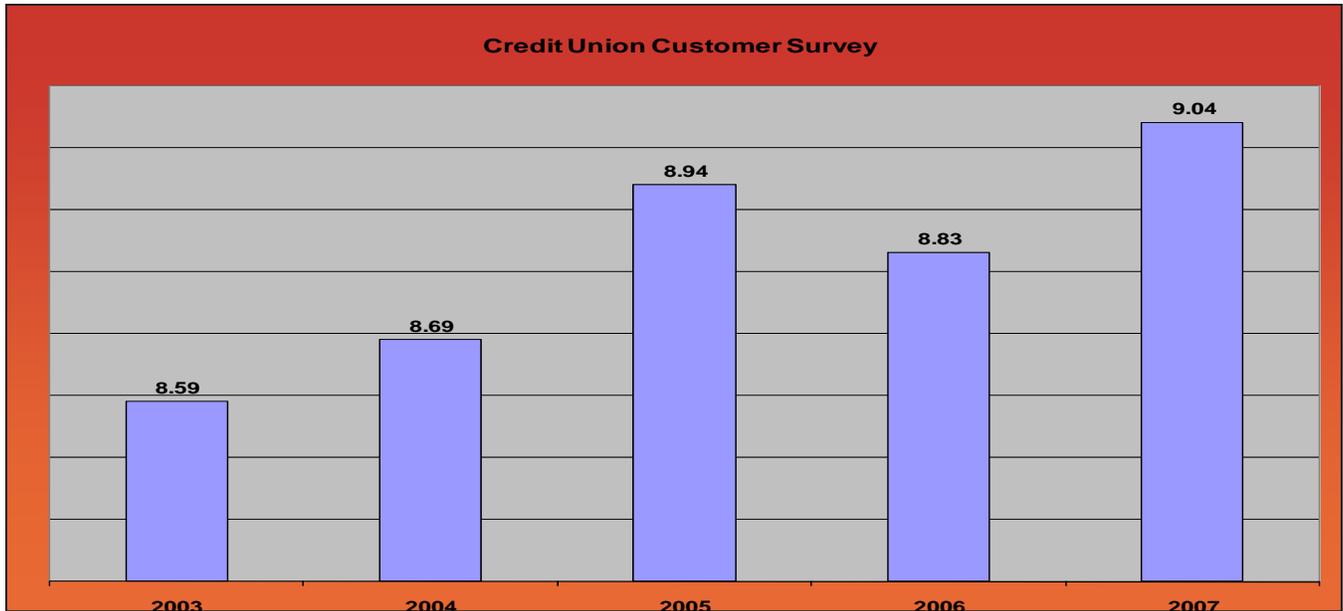
Increase Customer Retention. Most financial institutions spend 80% of their marketing dollars to acquire new customers. The life expectancy of a typical free checking customers is 4.3 to 5.4 years. With Ultimate Checking the life expectancy is 8.3 to 9.2 years.

Improves Customers Profile. Ultimate Checking customers keep higher balances, generate greater fee income, and use more electronic services than the average checking account Client.



Survey Says...

Last fall, Bradford-Scott surveyed all customers in the areas of Software Service, Hardware Service, Receptionist, and Sales. Customers were asked to rate each area in terms of courtesy/friendliness, ability to diagnose and resolve issues, ability to explain and prevent issues, follow-up, timeliness, reliability, and satisfaction. We are happy to report that the survey scores tabulated to an average of 9.04 on a 1-10 scale for 2007. Each and every response was reviewed by the BSDC Management Team. Thank you for your response and for your faith in BSDC. Below is a history of the average survey scores.



Bradford-Scott Data Corporation

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