



Extraco Banks Relies on Cypress Software Systems' Mark IV Platform to Achieve Business Goals

CHALLENGE

Extraco Banks is all about service. As the largest independent bank in Central Texas, Extraco (pronounced "extra-co") focuses on providing commercial and consumer customers with a superior customer experience.

Family-owned and managed since 1902, Extraco is primarily a commercial/consumer loan bank, servicing many loyal and long-term customers through its 13 branches. Today, Extraco has more than \$860 million in assets and a legal lending limit of almost \$11 million.

So, when it became obvious that the company's decision automation software did not meet this need, Extraco decided it was time for a change. For years, Extraco struggled with a system that was difficult to use and unsatisfactory in performance. As a result, Extraco chose to go without any system at all until it could find the right solution for its loan officers and customers.

In 1999, Extraco decided to completely disable its existing loan automation software and start looking for a replacement solution. David Sterling, vice president and personal banker for Extraco, was charged with thoroughly researching all the available

companies and products on the market to ensure that Extraco selected the right product. Sterling spent nearly a year researching and testing 10 systems, and he concluded that the best product was the Mark IV platform from Cypress Software Systems LP.

Although concerned that Cypress was a relative newcomer to the decision automation field, Sterling recognized the exceptional qualities and features of the product and knew that Cypress would quickly grow its customer base. "Mark IV spoke for itself," said Sterling.

SOLUTION

Sterling turned to Cypress Software Systems LP and the Mark IV loan-decision software, in late 2002.

Mark IV is a Windows-based tool that provides lenders with a user-friendly application data entry point, quick retrieval of credit reports, reconciliation of debt information, and deployment of the bank's loan policies. Cypress provides these tools with the goal of speeding a quality loan decision back to the applicant and assisting the financial institution in maximizing loan performance.

"Cypress' Mark IV was easy to use and easy to learn, and that's critical to us," said Sterling. "With all of its

features, we felt Mark IV would position us to make quick and accurate decisions.

"With 13 financial centers across Central Texas, we wanted to take a slow and deliberate approach to such substantial process changes," said Sterling.

Cypress, based in North Richland Hills, Texas, installed the system and trained the bank's staff.

CUSTOMER PROFILE

Name: Extraco Banks

Location: Waco, Texas

Founded: 1902

Branches: 13

Assets: \$860 million

Employees: 535

About: Starting out as a cotton compress and warehousing business in Waco in 1902, Extraco has evolved into the largest privately owned financial institution in Central Texas. The company participates in 247 volunteer community leadership roles, conducting business in 13 Central Texas communities and offering trust, insurance, brokerage, mortgage, technology, and a wide variety of traditional consumer and commercial banking services. Over the last decade Extraco has developed a complete one-stop financial center vision with a superior experience for their customers.

"The Cypress team made the whole process a terrific experience. Everything was smooth and easy," Sterling said. "It was easy to learn and user friendly, even for our less experienced computer users."

Extraco added accompanying modules for Mark IV, further enhancing the underwriting process. Those modules included the NADA Auto Valuation module, for automated access to vehicle book values; the Doc Prep Export Interface, for passing key setup data downstream to the bank's Laser Pro document preparation system; and a Scoring Solutions' Scorecard, for helping predict the risk of possible default.

RESULTS

"The training and implementation went exceptionally well, and Cypress jumped in and solved any problems or issues that we had. Service is obviously a priority for Cypress," said Sterling. "We are very pleased with the results, especially the streamlined processes and the number of happy loan officers.

"Mark IV has had substantial impact in our dealer business," continued Sterling. "Dealers are happy with the responsiveness and service that we can now provide. By creating a fast and concise picture of the applicant profile, loan decisions can be made quickly. That translates to better service for the dealers and, in turn, better relationships."

ABOUT MARK IV

Mark IV is a "behind-the-firewall" Windows-based consumer application processing solution that provides lenders with a user-friendly application data entry point, quick retrieval of credit reports, reconciliation of debt information, and deployment of the bank's loan policies. Cypress provides these tools with the goal of speeding a quality loan decision back to the applicant and assisting the financial institution in maximizing loan performance.

Extraco is able to advance confidently toward its goal of growing the commercial lending business, fueled by efficiency and success on the consumer lending side. But, that's not the end. Sterling also expects to see even greater efficiencies as he launches more features of Mark IV.

"We have never looked back. We are confident, and we're looking forward to expanding our use of Mark IV to help us differentiate our bank even further. This Cypress innovation definitely gives us an extra edge.



ABOUT CYPRESS

Headquartered in North Richland Hills, TX, Cypress Software Systems, LP is a leading developer of automated credit application decision support technologies. The company serves community and regional banks, finance companies and credit unions with loan application decision and tracking tools on par with those used by larger national lending institutions. The Company's flagship product, Mark IV, is used by clients nationwide to quickly and consistently process consumer loan applications. Cypress Mark IV offers a flexible, risk-based processing approach that includes tracking applications from point of entry to point of decision.

CYPRESS SOFTWARE SYSTEMS



9001 Airport Freeway, Suite 800
North Richland Hills, Texas 76180

800.394.5777

info@go-cypress.com

www.go-cypress.com