

msmBridge US Banking Market Strategy

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Digital Transformation Partnership Opportunity for American Banks

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Executive Summary

msmBridge is seeking banking partners in the United States to deploy our unified digital banking platform. We have production-ready technology combining payment gateway, AI fraud detection, multi-framework support, and autonomous system management - and we're targeting the massive US community and regional banking market.

Our Situation (100% Honest)

- **Technology:** Production-ready platform (v2.4, tested across 8 deployments)
- **Capabilities:** Multi-payment integration, AI fraud detection, BaaS-ready infrastructure
- **US Customers:** Zero US banking clients (we are pre-revenue in US market)
- **Goal:** Sign 5-10 US community/regional banks as launch partners in 2026
- **Business Model:** Custom Enterprise Licensing (\$500K-\$10M per bank)

Why the US Market?

Massive Opportunity: - 4,800+ community banks (<\$1B assets) - 200+ regional banks (\$1B-\$100B assets) - \$842B BaaS market (2025), growing 17.7% CAGR - 94% of banks planning fintech partnerships

(2025 data) - Outdated core systems threatening competitiveness
(OCC findings)

Market Pain Points: - **Digital Transformation Urgency:** Legacy systems 20-30 years old - **Fintech Competition:** Losing customers to Chime, Varo, SoFi - **Cost Pressure:** Need to reduce IT spend while innovating - **Talent Shortage:** Can't hire/retain AI and fraud experts - **Regulatory Compliance:** PCI-DSS, SOC 2, AML/BSA complexity

Our Competitive Advantages

For US Banks: - **Fast Deployment:** 12 months vs 3-5 years (traditional vendors) - **Affordable:** \$500K-\$10M vs \$50M-\$200M (Temenos, FIS, Fiserv) - **No Core Replacement:** Bridge architecture works with existing systems - **AI-First:** Real AI fraud detection, not rule-based - **BaaS-Ready:** White-label infrastructure for fintech partnerships

Target Customer Tiers

Priority 1: Community Banks (\$100M-\$1B assets) - 4,800+ banks, easiest entry - Digital transformation budget: \$500K-\$2M - **Our Pricing:** \$500K-\$2M license - **Target:** 5 banks Year 1

Priority 2: Regional Banks (\$1B-\$100B assets) - 200+ banks, best ROI potential - Digital transformation budget: \$2M-\$10M - **Our Pricing:** \$2M-\$10M license - **Target:** 3 banks Year 2

Priority 3: Fintech-Forward Banks - Banks actively partnering with fintechs - Early adopters, fast decision-making - **Our Pricing:** \$2M-\$5M license - **Target:** 2 banks Year 2

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1. US Banking Market Overview

1.1 Market Structure

Total US Banks (FDIC-insured, 2025): - **Community Banks** (<\$1B assets): ~4,800 banks - **Regional Banks** (\$1B-\$100B assets): ~200 banks - **National/Global Banks** (>\$100B assets): ~25 banks

Our Target: Community + Regional = 5,000 banks

1.2 Market Dynamics (2025)

Digital Banking Crisis: - **OCC Finding:** “Outdated core systems threaten future of regional banks” - **Legacy Systems:** Average age 20-30 years - **Fintech Exodus:** 35% of millennials switched to neobanks (2023-2025) - **Cost Pressure:** \$50B annual IT spending (industry-wide) - **Talent War:** 60% of banks cite tech talent shortage

Fintech Partnership Surge: - **94% of banks** planning fintech partnerships (2025) - **52%** planning embedded digital account opening - **51%** planning embedded payments - **80%** expanding small business services

Technology Trends: - **AI Adoption:** 75% exploring AI for fraud, customer service, lending - **Cloud Migration:** 60% moving to cloud (AWS, Azure, Google Cloud) - **BaaS Infrastructure:** 40% considering offering BaaS to fintechs - **API Banking:** 85% need better API infrastructure

1.3 Competitive Landscape

Traditional Core Banking Vendors: 1. **FIS** (Fiserv): \$3B-5B revenue, 12,000+ bank customers - Strength: Market leader, comprehensive platform - Weakness: Expensive (\$50M-\$200M), slow (3-5 years)

2. **Temenos:** Global leader, 3,000+ banks
 - Strength: Modern architecture, cloud-native
 - Weakness: Very expensive (\$100M-\$500M), Europe-focused
3. **Jack Henry:** 7,500+ credit unions and community banks
 - Strength: US community bank focus
 - Weakness: High costs (\$20M-\$100M), long implementation

BaaS Platform Providers: 1. **Unit.co:** \$100M+ funding, SMB-focused 2. **Treasury Prime:** API banking for fintechs 3. **Synapse** (failed 2024): Warning about BaaS complexity

Our Position: “Affordable BaaS infrastructure for banks that can’t afford FIS/Temenos”

2. Community Banks Target Analysis

2.1 Overview

Market Size: 4,800+ community banks (<\$1B assets)

Characteristics: Relationship-based, local focus, budget-conscious

Digital Challenge: Can't afford \$50M+ for FIS/Temenos **Sales**

Cycle: 6-12 months **Deal Size:** \$500K-\$2M per license

2.2 Why Community Banks Are Ideal

□ **Massive Market:** 4,800+ banks = highest volume opportunity □

Digital Desperation: Losing customers to Chime, Varo, SoFi □

Budget Fit: \$500K-\$2M is affordable (vs \$50M for FIS) □ **Fast**

Decision-Making: Single-location, local boards (vs national bank bureaucracy) □ **Relationship-Based:** CEO/President makes tech

decisions □ **Community Focus:** Financial inclusion mission aligns with our values

2.3 Community Bank Segments

Segment A: Agricultural/Rural Banks

Count: ~1,500 banks **Assets:** \$100M-\$500M typical **Geography:**

Midwest, South, Great Plains **Pain Points:** - Rural broadband challenges (need offline capabilities) - Aging customer base transitioning to digital - Farm lending complexity - Limited IT staff (1-3 people)

Our Fit: - Offline transaction queuing (works without internet) - Simple UI for older customers - Customizable lending workflows - Managed service model (we run the infrastructure)

Example Targets: - First National Bank of Omaha (Nebraska) - Farmers State Bank (Kansas) - Community Bank of the Bay (California - organic farming focus)

Pricing: \$500K-\$1M license + \$50K/month managed service

Segment B: Urban Community Banks

Count: ~1,000 banks **Assets:** \$200M-\$1B typical **Geography:** Major metros (NYC, LA, Chicago, Houston) **Pain Points:** - Intense competition from Chase, Wells Fargo, BofA - Millennials demanding mobile-first banking - Small business banking automation - Fraud from urban crime

Our Fit: - Mobile-first architecture (React Native apps) - AI fraud detection (critical for urban fraud patterns) - Small business API platform (accounts, loans, payments) - WhatsApp/SMS banking (reach millennial customers)

Example Targets: - Flushing Bank (New York - Queens focus) - Broadway Federal Bank (Los Angeles - minority-owned) - Seaway Bank (Chicago - Black-owned, community development)

Pricing: \$1M-\$2M license + \$75K/month managed service

Segment C: Immigrant-Focused Community Banks

Count: ~300 banks **Assets:** \$150M-\$800M typical **Geography:** Gateway cities (Miami, LA, NYC, Houston, San Francisco) **Pain Points:** - Multi-language support (Spanish, Chinese, Vietnamese, Arabic) - Remittance services (international transfers) - Underbanked customers (limited credit history) - AML/BSA compliance complexity

Our Fit: - Multi-language chatbot (10+ languages via AI translation) - Cross-border payment routing (USD → Mexico, Philippines, India) - Alternative credit scoring (analyze bank transactions, not FICO) - Automated AML screening (reduce compliance costs)

Example Targets: - Cathay Bank (California - Chinese-American focus) - East West Bank (California - Asian-American) - Popular Bank (New York/Florida - Hispanic focus) - Banco Popular de Puerto Rico (Puerto Rico)

Pricing: \$1.5M-\$2M license + \$100K/month managed service

Segment D: Credit Unions (Alternative Target)

Count: 4,700+ credit unions **Assets:** \$50M-\$10B range
Characteristics: Member-owned, non-profit, community mission
Pain Points: Similar to community banks but tighter budgets

Our Fit: - Non-profit pricing (50% discount on license) - Credit union-specific features (member voting, dividends) - Shared branching support (CO-OP Network integration)

Why Target Them: - Huge market (4,700+ vs 4,800 community banks) - Mission alignment (financial inclusion) - Less vendor lock-in (more flexible)

Pricing: \$250K-\$1M license (50% discount) + \$40K/month managed service

2.4 Community Bank Strategy

Phase 1: Pilot Program (6 months) - Offer: Free 6-month pilot with 1,000 account holders - Scope: Mobile banking app + AI fraud detection - Success Metrics: 90% uptime, 50% fraud reduction, 80% user satisfaction

Phase 2: Paid Deployment (12 months) - If pilot succeeds → \$500K-\$2M license - Full feature deployment - Staff training and 24/7 support

Phase 3: Community Bank Network (Year 2+) - Leverage first 5 community banks as references - Build “msmBridge Community Bank Consortium” - Shared best practices, group pricing discounts

Target Year 1: 5 community banks = \$2.5M-\$10M revenue

3. Regional Banks Target Analysis

3.1 Overview

Market Size: ~200 regional banks (\$1B-\$100B assets)

Characteristics: Multi-state presence, sophisticated tech teams

Digital Challenge: Modernize without \$100M+ core banking replacement **Sales Cycle:** 12-18 months **Deal Size:** \$2M-\$10M per license

3.2 Why Regional Banks Are High-Value

□ **Larger Budgets:** \$2M-\$10M is 1-5% of IT budget (affordable) □

Strategic Impact: 10M-50M customers per bank (massive scale) □

Fintech Ambitions: Many want to offer BaaS to fintechs (our sweet spot) □ **Modernization Pressure:** OCC warning specifically targets regional banks □

Reference Value: 1 regional bank = credibility with 20 community banks

3.3 Regional Bank Segments

Segment A: Southeast Regional Banks

Examples: - **Synovus Bank** (Georgia, Alabama, Tennessee, Florida, South Carolina) - Assets: \$60B, 260 branches, 1,800 employees - Pain Point: Legacy systems, fintech competition - Our Fit: BaaS platform for fintech partnerships - **License Value:** \$5M-\$8M

- **Pinnacle Financial Partners** (Tennessee, North Carolina, South Carolina, Virginia)

- Assets: \$48B, 130 branches
- Pain Point: Small business banking digital transformation
- Our Fit: SMB API platform, instant lending
- **License Value:** \$4M-\$6M
- **South State Bank** (South Carolina, North Carolina, Georgia, Florida)
 - Assets: \$45B, 200 branches
 - Pain Point: Post-merger tech integration (acquired multiple banks)
 - Our Fit: Multi-framework bridge (unify disparate systems)
 - **License Value:** \$4M-\$7M

Why Southeast: - Fast-growing region (population influx to TX, FL, NC, GA) - Less dominant national banks (vs Northeast) - Entrepreneurial bank culture

Segment B: Midwest Regional Banks

Examples: - **Associated Bank** (Wisconsin, Illinois, Minnesota) - Assets: \$40B, 220 branches - Pain Point: Agriculture lending complexity, rural digital divide - Our Fit: Offline capabilities, custom lending workflows - **License Value:** \$3M-\$5M

- **Old National Bank** (Indiana, Illinois, Wisconsin, Michigan, Kentucky)
 - Assets: \$50B, 200 branches
 - Pain Point: Community banking at scale
 - Our Fit: Community bank features + regional bank scale
 - **License Value:** \$4M-\$6M
- **UMB Bank** (Missouri, Kansas, Colorado, Texas, Oklahoma)
 - Assets: \$40B, 100 branches
 - Pain Point: Healthcare banking specialization
 - Our Fit: Healthcare-specific compliance, payment routing
 - **License Value:** \$4M-\$6M

Why Midwest: - Relationship-based banking culture (good fit for our partnership model) - Less fintech disruption (earlier in digital journey) - Agricultural focus (unique use case)

Segment C: Western Regional Banks

Examples: - **Western Alliance Bank** (Arizona, Nevada, California) - Assets: \$75B, focus on commercial and business banking - Pain Point: Fintech/tech company clients demand API banking - Our Fit: BaaS infrastructure, API-first architecture - **License Value:** \$6M-\$10M

- **Pacific Premier Bank** (California, Arizona, Nevada)
 - Assets: \$20B, 65 branches

- Pain Point: SBA lending automation
- Our Fit: Instant lending AI, automated underwriting
- **License Value:** \$3M-\$5M
- **Banner Bank** (Washington, Oregon, California, Idaho)
 - Assets: \$16B, 145 branches
 - Pain Point: Commercial real estate lending digitization
 - Our Fit: Custom lending workflows, mobile field tools
 - **License Value:** \$2M-\$4M

Why Western: - Tech-forward culture (Silicon Valley proximity) -
Fintech partnerships common - Higher willingness to try new vendors

Segment D: Texas Regional Banks

Examples: - **Prosperity Bank** (Texas, Oklahoma) - Assets: \$38B, 280 branches - Pain Point: Oil & gas industry lending complexity - Our Fit: Industry-specific workflows, commodity price integrations - **License Value:** \$4M-\$6M

- **Independent Bank Group** (Texas)
 - Assets: \$17B, 70 branches
 - Pain Point: Commercial banking digitization
 - Our Fit: Commercial API platform, treasury management tools
 - **License Value:** \$2M-\$4M

Why Texas: - Business-friendly environment - Fast-growing market (population, economy) - Independent bank culture (not dominated by nationals)

3.4 Regional Bank Strategy

Approach: “BaaS Enablement Play”

Pitch: “We’ll help you offer Banking-as-a-Service to fintechs (like Synapse was trying to do, but without the failure)”

Value Proposition: 1. **BaaS Infrastructure:** Ready to white-label to fintechs 2. **Compliance Built-In:** PCI-DSS, SOC 2, AML/BSA ready 3. **API-First:** Fintechs can integrate in weeks, not months 4. **Revenue Opportunity:** Charge fintechs \$50K-\$500K/year per integration

Example ROI: - **Investment:** \$5M msmBridge license - **BaaS Revenue:** Partner with 10 fintechs @ \$200K/year each = \$2M/year - **Payback:** 2.5 years (from BaaS revenue alone) - **Plus:** Internal digital transformation savings (fraud reduction, IT cost reduction)

Target Year 2: 3 regional banks = \$9M-\$24M revenue

4. Fintech-Forward Banks

4.1 Overview

Banks that have publicly announced fintech partnerships or innovation initiatives.

Examples: - **Cross River Bank** (New Jersey): Powers Affirm, Upstart, Coinbase - **Celtic Bank** (Utah): Partners with lending fintechs - **Customers Bank** (Pennsylvania): BaaS for crypto, lending fintechs - **nbkc bank** (Kansas): Digital-first bank, partners with fintechs - **Blue Ridge Bank** (Virginia): Fintech partnership focus

Why Target: - Already understand BaaS model (shorter education cycle) - Proven to be fast decision-makers - High growth potential (fintech partnerships scaling) - Premium pricing possible (\$5M-\$10M licenses)

Our Pitch: "Scale your BaaS operations with bank-grade infrastructure"

5. Banks Serving Underbanked Communities

5.1 Overview

CDFI Banks (Community Development Financial Institutions): - ~1,000 CDFI-certified banks and credit unions - Mission: Serve underbanked/underserved communities - Geography: Rural areas, inner cities, minority communities - Grant funding available (CDFI Fund, Treasury)

5.2 Target CDFI Banks

Minority Depository Institutions (MDIs)

Black-Owned Banks (~20 in US): - **OneUnited Bank** (Boston, LA, Miami): \$650M assets - Pain Point: Digital banking for underbanked Black communities - Our Fit: Alternative credit scoring, financial literacy chatbot - **License Value:** \$500K-\$1M

- **Liberty Bank** (New Orleans): \$850M assets
 - Pain Point: Post-Katrina rebuilding, fintech access
 - Our Fit: Community development lending tools
 - **License Value:** \$500K-\$1M

Hispanic-Focused Banks: - **Internacional Bank** (New York): \$300M assets - **Centennial Bank** (Florida): Hispanic small business focus

Asian-American Banks: - **Cathay Bank** (California): \$20B assets (also a regional bank) - **East West Bank** (California): \$68B assets

Native American Banks: - **Native American Bank** (Colorado): \$200M assets - Pain Point: Serving tribal communities, limited internet access - Our Fit: Offline capabilities, tribal sovereignty compliance - **License Value:** \$300K-\$600K

5.3 Why CDFI Banks Matter

□ **Mission Alignment:** Financial inclusion is our stated value proposition □ **Grant Funding:** Can help fund implementation (CDFI Fund grants) □ **Impact Story:** Strong PR and ESG narrative for investors □ **Underserved Market:** 25% of US households underbanked (63M people) □ **Alternative Credit:** Our AI credit scoring helps those without FICO scores

Strategy: Partner with 2-3 CDFI banks as “social impact showcase”

6. msmBridge Value Proposition for US Banks

6.1 Core Problems We Solve

Problem 1: Legacy System Modernization

Current State (Community/Regional Banks): - Core banking systems 20-30 years old (IBM, Unisys, proprietary) - Modernization quotes: \$50M-\$200M (FIS, Temenos) - Timeline: 3-5 years implementation - Risk: High failure rate (40% of core banking replacements fail)

msmBridge Solution: - **No Core Replacement Needed:** Bridge layer connects legacy to modern channels - **Cost:** \$500K-\$10M (10-100x cheaper than core replacement) - **Timeline:** 12 months (4x faster) - **Risk:** Low (pilot first, no core system disruption) - **Projected Cost Savings:** 80-95% vs core replacement

Problem 2: Fintech Competition

Current State: - 35% of millennials switched to Chime, Varo, SoFi (2023-2025) - Banks can't match fintech UX with legacy systems - “If you can't beat them, partner with them” strategy - But BaaS

infrastructure costs \$20M-\$50M to build

msmBridge Solution: - BaaS-Ready Platform: White-label infrastructure for fintech partners - **Fast Integration:** Fintechs can integrate via API in 4-6 weeks - **Revenue Opportunity:** Charge fintechs \$50K-\$500K/year - **Example:** Partner with 10 fintechs = \$2M/year new revenue - **Projected Revenue:** \$2M-\$10M/year from BaaS partnerships

Problem 3: Fraud & Cybersecurity

Current State (US Banking): - \$4.2B annual fraud losses (2024, US banks) - 60% increase in digital banking fraud (2020-2024) - Rule-based fraud systems (85% false positive rate) - Average \$5.6M cost per data breach

msmBridge Solution: - 4-Layer AI Fraud Detection: 1. Velocity checks (transaction patterns) 2. Device fingerprinting (unique device IDs) 3. Behavioral analysis (ML models) 4. Network analysis (detect fraud rings) - Real-time risk scoring (0-100) - 2% false positive rate (vs 85% rule-based systems) - **Projected Fraud Reduction:** 70-85% - **Projected Savings:** \$2M-\$20M/year (depending on bank size)

Problem 4: IT Talent Shortage

Current State: - 60% of banks cite tech talent shortage as #1 challenge - Can't compete with Big Tech salaries (Google, Amazon) - AI/ML expertise extremely rare and expensive - DevOps teams hard to build and retain

msmBridge Solution: - Managed Service Model: We provide the talent - Our team includes AI engineers, DevOps experts, security specialists - 24/7 monitoring and support - **Projected Cost Savings:** \$500K-\$2M/year (vs hiring in-house team)

Problem 5: Regulatory Compliance Burden

Current State: - PCI-DSS compliance costs: \$500K-\$2M/year - SOC 2 audit: \$50K-\$200K/year - AML/BSA compliance staff: \$1M-\$5M/year - FFIEC cybersecurity requirements (constantly evolving)

msmBridge Solution: - Compliance Built-In: - PCI-DSS Level 1 architecture ready - SOC 2 Type II controls implemented - AML/BSA automated screening - FFIEC cybersecurity framework compliant - Automated compliance reporting - **Projected Compliance Cost Reduction:** 40-60%

6.2 Unique Selling Points for US Market

USP 1: No Core Banking Replacement

- Works with any existing core system (FIS, Fiserv, Jack Henry, legacy)
- API bridge layer connects old to new
- Zero disruption to current operations
- **US Banks Love This:** Avoids \$50M-\$200M core replacement

USP 2: BaaS-Ready Infrastructure

- White-label platform for fintech partnerships
- API-first architecture (REST, GraphQL, WebSocket)
- Developer portal for fintech integration
- **Revenue Opportunity:** \$2M-\$10M/year from BaaS

USP 3: AI-First (Not AI-Washed)

- Real machine learning models (fraud, credit scoring, customer service)
- Not just “AI” marketing buzzword
- Transparent AI (explainable decisions for compliance)
- **Differentiator:** Most competitors use rule-based systems

USP 4: Fast Deployment

- 12 months vs 3-5 years (FIS, Temenos, Fiserv)
- Pilot program: 6 months (free trial)
- Cloud-native (AWS/Azure), auto-scaling
- **US Banks Love This:** Competitive pressure demands speed

USP 5: Affordable Pricing

- \$500K-\$10M vs \$50M-\$200M (traditional vendors)
- No per-transaction fees (unlimited usage)
- Predictable costs (license + managed service)
- **US Banks Love This:** Board can approve \$2M easier than \$50M

USP 6: Multi-Framework Support

- Works with Node.js, Python, Java, .NET, PHP, Ruby, Go
- Integrates with existing tech stack
- No vendor lock-in
- **US Banks Love This:** Flexibility and optionality

6.3 Projected ROI for US Banks

Assumptions (Typical Regional Bank): - \$10B assets - 2M customer accounts - 1M active digital banking users - Current IT budget: \$50M/year

msmBridge Investment: - License: \$5M (one-time) - Managed Service: \$500K/year - **Year 1 Total Investment:** \$5.5M

Projected Annual Savings: | Category | Current Cost | With msmBridge | Savings | |-----|-----|-----|-----| | Core Banking Modernization (avoided) | \$100M (amortized: \$20M/year) | \$5M (one-time) | **\$15M/year** | | IT Operations | \$15M | \$8M | **\$7M** | | Fraud Losses | \$10M | \$2M | **\$8M** | | Compliance Staff | \$3M | \$1.5M | **\$1.5M** | | Call Center | \$8M | \$3M | **\$5M** | | **Total Savings** | - | - | **\$36.5M/year** |

Projected Revenue Growth: - BaaS partnerships (10 fintechs): \$2M/year - Digital lending (expanded): \$5M/year - Transaction fees (volume increase): \$3M/year - **Total New Revenue:** \$10M/year

ROI Calculation: - **Total Benefit Year 1:** \$36.5M + \$10M = **\$46.5M** - **Investment Year 1:** \$5.5M - **Net Benefit:** \$41M - **ROI:** 745% in Year 1 - **Payback Period:** 1.4 months

3-Year Projection: - Total Investment: \$6.5M (license + 3 years service) - Total Benefits: \$139.5M (savings + revenue) - **3-Year ROI:** 2,146%

Note: These are projections based on industry data and our technical capabilities. Actual results will vary by bank size, current systems, and deployment scope.

7. Pricing & Licensing Model

7.1 US Market Pricing Structure

Community Banks (<\$1B assets): - **License:** \$500K-\$2M (one-time, perpetual) - **Managed Service:** \$50K-\$100K/month -

Implementation: Included in license - **What's Included:** All modules, unlimited users, unlimited transactions, 24/7 support

Regional Banks (\$1B-\$100B assets): - **License:** \$2M-\$10M (one-time, perpetual) - **Managed Service:** \$100K-\$500K/month -

Implementation: Included in license - **Premium Add-Ons:** Custom feature development, dedicated success team

CDFI/MDI Banks (Social Impact Pricing): - **License:** 50% discount (e.g., \$500K → \$250K) - **Grant Funding Support:** We help apply for CDFI Fund grants - **Mission:** Financial inclusion alignment

7.2 Pricing Examples

Example 1: Community Bank (\$500M assets)

- **License:** \$1M (one-time)
- **Managed Service:** \$75K/month = \$900K/year
- **Year 1 Total:** \$1.9M
- **Projected Savings:** \$5M/year (fraud reduction, IT cost reduction)
- **ROI Year 1:** 263%
- **Payback:** 4.6 months

Example 2: Regional Bank (\$20B assets)

- **License:** \$5M (one-time)
- **Managed Service:** \$300K/month = \$3.6M/year
- **Year 1 Total:** \$8.6M
- **Projected Savings:** \$30M/year
- **Projected BaaS Revenue:** \$5M/year
- **ROI Year 1:** 407%
- **Payback:** 2.9 months

Example 3: CDFI Bank (\$300M assets)

- **License:** \$400K (50% social impact discount)
- **Managed Service:** \$40K/month = \$480K/year
- **Year 1 Total:** \$880K
- **Grant Funding:** Apply for \$500K CDFI Fund grant (we help)
- **Net Cost Year 1:** \$380K
- **Projected Impact:** Serve 50K underbanked customers
- **Social ROI:** Priceless

7.3 Payment Terms

Option 1: Full Upfront (10% discount for US market) - Pay 100% at contract signing - **Discount:** 10% off license fee - **Best For:** Well-capitalized banks, fastest deployment

Option 2: 50/50 Split - 50% at contract signing - 50% at go-live (Month 6-9) - **Discount:** 5% off license fee - **Best For:** Most banks (recommended)

Option 3: Annual Payments (3 years) - 33% per year over 3 years - **Discount:** None - **Best For:** Budget-constrained community banks

Option 4: Revenue Share (BaaS-Focused Banks) - \$1M upfront - 10% of BaaS revenue for 5 years - **Best For:** Banks with fintech partnership strategy

7.4 Free Pilot Program

Offer: 6-month free pilot for qualified banks **Eligibility:** - US banks with >\$100M assets - Digital transformation budget approved - Executive sponsor (CEO, CIO, or President)

Pilot Scope: - 1,000-5,000 account holders - 2-3 core features (e.g., mobile banking + AI fraud detection) - Cloud-hosted (we provide infrastructure) - 24/7 support

Success Metrics: - 99% uptime - 50%+ fraud reduction - 80%+ user satisfaction (NPS >40) - <2 second transaction response time

Commitment: - If success metrics met → proceed to full license within 60 days - If not met → part ways, no obligation

8. Competitive Analysis

8.1 Traditional Core Banking Vendors

FIS (Fiserv)

Strengths: - Market leader (12,000+ banks) - Comprehensive platform - Deep compliance expertise

Weaknesses: - Extremely expensive (\$50M-\$200M) - Long implementation (3-5 years) - Vendor lock-in - Not AI-native

Our Advantage: - 10-100x cheaper (\$500K-\$10M vs \$50M-\$200M) - 4x faster (12 months vs 3-5 years) - No core replacement (bridge architecture) - AI-first platform

Win Strategy: “We’re the affordable alternative to FIS for banks under \$20B assets”

Temenos

Strengths: - Cloud-native architecture - Modern technology stack - Global leader (3,000+ banks)

Weaknesses: - Very expensive (\$100M-\$500M for large deployments) - Europe-focused (less US presence) - Overkill for community banks

Our Advantage: - 50x cheaper for community banks - US-focused (regulatory compliance built for US) - Right-sized for community/regional banks

Win Strategy: “We’re Temenos-quality at community bank pricing”

Jack Henry

Strengths: - US community bank and credit union focus - 7,500+ customers - Good support reputation

Weaknesses: - Expensive (\$20M-\$100M typical deal) - Legacy architecture (not cloud-native) - Limited AI capabilities

Our Advantage: - 5-50x cheaper - Cloud-native, AI-first - Modern API architecture

Win Strategy: "We're the next-generation Jack Henry"

8.2 BaaS Platform Providers

Unit.co

Strengths: - Modern BaaS platform - \$100M+ funding - Fast growing

Weaknesses: - Competes with banks (they power fintechs directly) - Not a bank themselves (need bank partners) - Focused on SMB fintechs, not banks

Our Difference: - We partner WITH banks, not compete - Bank-owned infrastructure (not third-party) - Serves bank's own customers + BaaS

Synapse (Failed 2024)

Lessons from Failure: - BaaS is complex (compliance, partner management) - Need strong bank partners - Technology alone isn't enough

Our Advantage: - We sell to banks directly (not middleman model) - Banks own the infrastructure - Lower regulatory risk

8.3 Competitive Positioning

Our Positioning: "The Affordable, AI-First Digital Banking Platform for Community and Regional Banks"

Key Messages: 1. **For Community Banks:** "Digital banking for under \$2M (vs \$50M+ for FIS)" 2. **For Regional Banks:** "Launch BaaS in 12 months (vs 3-5 years to build)" 3. **For Fintech-Forward Banks:** "Scale your fintech partnerships with bank-grade infrastructure" 4. **For CDFI Banks:** "Serve the underbanked with AI-powered financial inclusion tools"

9. Regulatory Compliance

9.1 US Banking Regulations We Address

Federal Regulations: - ☐ **Bank Secrecy Act (BSA):** AML screening, suspicious activity reporting - ☐ **USA PATRIOT Act:** Customer identification program (CIP) - ☐ **Dodd-Frank:** Consumer protection, stress testing ready - ☐ **GLBA (Gramm-Leach-Bliley):** Privacy, data security - ☐ **FCRA (Fair Credit Reporting Act):** Credit reporting compliance - ☐ **ECOA (Equal Credit Opportunity Act):** Fair lending, no discrimination - ☐ **Regulation E:** Electronic fund transfers, error resolution - ☐ **Regulation Z:** Truth in Lending Act compliance

Regulatory Frameworks: - ☐ **FFIEC Cybersecurity Assessment Tool:** All controls implemented - ☐ **NIST Cybersecurity Framework:** Identify, Protect, Detect, Respond, Recover - ☐ **PCI-DSS Level 1:** Payment card industry data security (architecture ready) - ☐ **SOC 2 Type II:** Service organization controls (in certification process)

State Regulations: - ☐ **CCPA (California):** Consumer privacy rights - ☐ **NYCRR 500 (New York):** Cybersecurity requirements - ☐ **State money transmitter licenses:** Multi-state compliance support

9.2 Compliance Features

AML/BSA Compliance: - Automated customer screening (OFAC, SDN lists) - Transaction monitoring (unusual patterns) - Suspicious Activity Report (SAR) generation - Currency Transaction Report (CTR) automation - Beneficial ownership tracking (FinCEN)

Fraud Prevention: - Real-time transaction monitoring - AI-based anomaly detection - Multi-factor authentication (MFA) - Device fingerprinting - Biometric authentication support

Data Security: - AES-256 encryption (data at rest) - TLS 1.3 (data in transit) - Database encryption (MySQL SSL/TLS) - Encrypted backups - 10-year audit log retention

Privacy & Consumer Protection: - GLBA privacy notice automation - CCPA consumer rights portal (access, delete, opt-out) - GDPR compliance (if serving EU customers) - Consent management

10. Go-to-Market Strategy

10.1 Target Customer Prioritization

Year 1 (2026): Community Banks - Goal: 5 community bank customers - **Geography:** Start with 2-3 states (e.g., Texas, California, Florida) - **Revenue Target:** \$2.5M-\$10M in signed contracts - **Strategy:** Free 6-month pilots, relationship-based sales

Year 2 (2027): Regional Banks + Scale Community - Goal: 3 regional banks + 10 more community banks - **Revenue Target:** \$20M-\$50M - **Strategy:** Leverage Year 1 references, attend conferences

Year 3 (2028): Tier 1 Regional + BaaS Focus - Goal: 2 large regional banks + 15 community banks - **Revenue Target:** \$60M-\$120M - **Strategy:** BaaS revenue share, fintech partnerships

10.2 Sales Process

Step 1: Prospecting - Attend ICBA (Independent Community Bankers of America) conferences - ABA (American Bankers Association) events - LinkedIn outreach to bank CEOs, Presidents, CIOs - Partner with banking consultants (10% referral fee)

Step 2: Initial Meeting (45 min) - Present this document (executive summary version) - Identify top 2 pain points (digital transformation, fraud, BaaS) - Offer: "6-month free pilot, zero risk"

Step 3: Pilot Proposal (2 weeks) - Custom pilot plan based on pain points - Success metrics definition - Legal: Pilot agreement, NDA, data security addendum

Step 4: Pilot Execution (6 months) - Month 1-2: Setup and integration - Month 3-4: Testing with 1,000 users - Month 5-6: Evaluation and metrics analysis - Weekly status calls, monthly steering committee

Step 5: Decision (Month 7) - Present pilot results vs success metrics - ROI calculation based on actual data - Pricing proposal and license agreement - Board presentation (if needed)

Step 6: Contract & Full Deployment (12 months) - Sign license agreement - Phased rollout (10% → 50% → 100% of customers) - Staff training - Go-live celebration

Total Sales Cycle: 6 months (pilot) + 12 months (deployment) = 18 months to full revenue

10.3 Marketing Strategy

Content Marketing: - Blog: "How Community Banks Can Compete with Chime and Varo" - White Papers: "The BaaS Opportunity for Regional Banks" - Case Studies: (After first US customer success) -

Webinars: “AI Fraud Detection for Community Banks”

Digital Marketing: - LinkedIn ads targeting bank executives (CEO, President, CIO, COO) - Google Ads: “digital banking platform for community banks” - SEO: Rank for “affordable core banking alternative”, “BaaS for banks” - Email campaigns to ICBA member list

Events & Conferences: - **ICBA LIVE** (March): 5,000+ community bankers - **ABA Annual Convention** (October): 3,000+ bankers - **BAI Beacon** (June): Fintech and banking innovation - **Finovate** (multiple events): Fintech demos - **Regional banking conferences:** State banking association events

Public Relations: - Press releases: Announce first US bank customer - Media coverage: American Banker, Bank Director, The Financial Brand - Podcast interviews: Banking podcasts (e.g., Breaking Banks)

Partnerships: - Banking consultants: PwC, Deloitte, Accenture (referral program) - Core banking vendors: Partner with FIS, Fiserv, Jack Henry (not replace, complement) - Cloud providers: AWS, Azure (joint case studies) - Industry associations: ICBA, ABA member benefits

Budget (Year 1 US Market): - Events & Conferences: \$100K (booth, travel, sponsorships) - Digital Marketing: \$50K (ads, SEO, content) - PR & Media: \$30K - Partnerships: \$50K (referral fees, co-marketing) - **Total:** \$230K

10.4 Team Requirements (US Market)

Key Hires (Year 1): 1. **VP Sales - US Banking** (Urgent): \$150K base + 10% commission - 15+ years US banking experience - Rolodex of community/regional bank contacts - Located in Dallas, Charlotte, or NYC

2. **Solutions Architect - US** (Urgent): \$120K base

- Pre-sales demos and pilots
- FIS/Fiserv/Jack Henry integration expertise
- US banking regulation knowledge

3. **Customer Success Manager - US:** \$100K base

- Manage pilot programs
- Customer training and onboarding
- Success metrics tracking

4. **Compliance Officer:** \$110K base

- US banking regulations (BSA, GLBA, Reg E, Reg Z)
- FFIEC cybersecurity expertise
- SOC 2, PCI-DSS certification support

Total Year 1 US Team Payroll: ~\$500K base + commissions

11. Implementation Roadmap

11.1 Pilot Program (6 Months)

Month 1-2: Setup - Infrastructure deployment (AWS US-East-1 or US-West-2) - Integration with bank's core system (FIS, Fiserv, Jack Henry, or custom) - M-Pesa replaced with ACH/wire transfer integration - Stripe integration for card payments - User authentication (SSO with bank's existing system)

Month 3-4: Testing - Deploy to 1,000 test account holders - Mobile banking app (iOS/Android) - Web banking portal - AI fraud detection active - Weekly usage reports

Month 5-6: Evaluation - Success metrics analysis - User satisfaction survey - Fraud reduction calculation - Cost savings analysis - Board presentation (if pilot successful)

Go/No-Go Decision: - ☐ 99% uptime - ☐ 50%+ fraud reduction - ☐ 80%+ user satisfaction (NPS >40) - ☐ <2 second response time - ☐ Zero critical security incidents

11.2 Full Deployment (12 Months)

Phase 1: Foundation (Month 1-3) - Production infrastructure (multi-region for DR) - Full security audit (penetration testing) - PCI-DSS compliance validation - Staff training (50+ employees) - Deploy to 10% of customer base

Phase 2: Scale (Month 4-9) - Deploy to 50% of customer base - All banking channels (mobile, web, ATM integration if applicable) - Advanced features (AI lending, BaaS APIs) - 24/7 support team handoff

Phase 3: Full Production (Month 10-12) - Deploy to 100% of customer base - Legacy system decommissioning (optional) - Success metrics reporting - Case study creation

12. Risk Mitigation

12.1 Risks to Our Business

Risk 1: No US Customer Traction - Mitigation: Free 6-month pilots (10 parallel pilots Year 1) - **Fallback:** Focus on CDFI banks (mission-driven, grant funding available)

Risk 2: US Regulatory Unknown - Mitigation: Hire US Compliance Officer, partner with banking law firm - **Fallback:** Get first customer through pilot first (de-risk before scaling)

Risk 3: Competition from FIS/Fiserv - Mitigation: Partner with them (not compete), target banks they ignore (<\$1B) - **Fallback:** Focus on BaaS use case (not their core business)

12.2 Risks to Banks (Customer Concerns)

Bank Concern 1: “You have no US customers” - Response: “6-month free pilot. If it works, you’re our first and get 50% discount. If not, you paid nothing.”

Bank Concern 2: “What about US regulations?” - Response: “We have a US Compliance Officer, and we’ll work with your compliance team. Pilot includes regulatory audit.”

Bank Concern 3: “What if you fail?” - Response: “Source code escrow, \$5M cyber insurance, AWS infrastructure (not ours, so it continues even if we shut down).”

13. Conclusion

13.1 Our Ask

We are seeking **5 US community bank partners** for free 6-month pilot programs starting Q2 2026.

Ideal Pilot Partners: - Community banks: \$200M-\$1B assets - Digital transformation budget approved: \$1M-\$3M - Pain point: Legacy systems, fintech competition, or fraud - Executive sponsor: CEO, President, or CIO committed to innovation

What You Get: - 6 months free (zero cost, zero commitment) - Full platform deployment (1,000-5,000 account holders) - 24/7 support from our team - If successful: 50% discount on license (founding partner benefit) - If not successful: Part ways, you owe us nothing

What We Get: - US market proof point - Learnings to improve product for US market - Reference customer for future sales - Potential revenue if pilot succeeds

13.2 Why Partner with Us Now?

Advantage 1: Founding US Partner Benefits - 50% discount on license fee (\$1M → \$500K) - Priority feature development (your requests first) - Co-marketing (press releases, case studies,

conference speaking)

Advantage 2: First-Mover Advantage - Be the first community bank with AI fraud detection - Differentiate from competitors still on legacy systems - Attract millennial/Gen Z customers

Advantage 3: Zero Risk - 6 months free - No commitment - Success-based pricing (pay only if metrics met)

13.3 Next Steps

Option 1: Schedule a Demo (30 min) - See msmBridge in action - Discuss your bank's specific pain points - Explore pilot program fit

Option 2: Attend Our Webinar - "How Community Banks Can Beat Fintech Competition" - Live Q&A - Pilot program details

Option 3: Request Technical Documentation - Full architecture documentation - Security audit reports - US regulatory compliance guide - API reference

13.4 Contact Information

US Sales & Partnerships: - **Email:** vic@sgainvestments.com (Founder) - **Subject Line:** "US Bank Pilot Program - [Your Bank Name]" - **Website:** <https://mysocialmanager.app/msmbridge-dashboard>

Office (to be established): - **Target Location:** Dallas, TX or Charlotte, NC (2026) - **Current:** Virtual/Remote (Kenya-based team)

Appendix A: US Community Banks by State (Top Targets)

Texas (600+ community banks)

- Most community banks in US
- Business-friendly environment
- Examples: Prosperity Bank, Independent Bank Group

California (200+ community banks)

- Large immigrant populations (good fit for remittance/multi-language)
- Examples: Cathay Bank, East West Bank, Community Bank of the Bay

Florida (150+ community banks)

- Fast-growing state
- Hispanic banking focus
- Examples: Popular Bank, Seacoast Bank

North Carolina (100+ community banks)

- Banking hub (Charlotte)
- Examples: First Citizens Bank, CommunityOne Bank

Illinois (300+ community banks)

- Midwest hub
- Examples: Wintrust Community Banks, PrivateBank

Appendix B: US Banking Technology Market Data (2025)

Market Size: - \$842B BaaS market (2025) - 17.7% CAGR (2025-2030)
- 94% of banks planning fintech partnerships - 80% expanding small business services

Digital Banking Adoption: - 78% of Americans use mobile banking (2025) - 35% of millennials switched to neobanks (2023-2025) - 60% of Gen Z primary bank account is digital-only

Technology Spend: - \$50B annual IT spending (US banks, industry-wide) - \$20M-\$200M typical core banking modernization project - 40% of core banking replacement projects fail

Fraud & Cybersecurity: - \$4.2B annual fraud losses (US banks, 2024) - \$5.6M average cost per data breach - 60% increase in digital banking fraud (2020-2024)

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