



ANNIVERSARY

1967 - 2017



COCC

collaborative to the core

FIFTY & FORWARD

2017 ANNUAL REPORT

“Our vision, commitment, collaboration, and innovation will continue to move us forward for the next 50 years.”

Richard A. Leone | CEO



Message from Our CEO

Throughout this year, we have taken the time as a company to celebrate a very important milestone: 50 years in business. We have looked back fondly on so many of the memories that have brought us success, and we have extended our immense gratitude to all of those individuals who contributed to that success over the past five decades.

Today, with 50 years behind us, we are excited to look forward to what is on the horizon for COCC. My vision is simple and clear: to see continued growth and foster innovation.

Over the past several years, we have seen a consistent rate of 8-10% annual revenue growth. For COCC, this has become the sweet spot. Growing too fast would impact the quality of our service. And growing too slow would impede us from being able to innovate and develop new products and services. Through it all, we never lose sight of our roots: to provide the best service in the industry to community-based financial institutions.

Our ideal rate of growth allows us to face new challenges head-on. This means reinvesting in our business in order to provide the innovations in technology that our clients seek. Industry advancements like mobile payments, marketplace lending, digital money management, and more, coupled with changing consumer behaviors and mobile dependency, continue to provide both challenges and opportunities for us to innovate. Later in this report, our President Joseph Lockwood will expand on some of the products and services that are in development for 2018 and beyond.

As we grow, we also see new opportunities to reinvest in our employees. Year after year, COCC earns praise as an employer of choice in Connecticut. This is not by accident. We survey our employees regularly to gauge their satisfaction and learn where we can improve. In 2017, we have promoted 21 employees and hosted over 130 onsite training and development courses. We foster a culture of family and collaboration, with our employees participating in after-hours sports teams, monthly coffee hours with myself and other members of the executive team, work day trivia contests, and more. Our enhanced focus on employee wellness, including our onsite walking challenges, fitness reimbursement, and variety of wellness courses, help to keep our employees at their best both in and outside of the office. Our customer service scores have never been better, and I believe that it is thanks to our employees believing in our mission and embracing our core values at every level.

We look forward to continuing our steady growth—not just in terms of revenue, but in terms of product and service offerings, as well as client and employee satisfaction. Our vision, commitment, collaboration, and innovation will continue to move us forward for the next 50 years. I personally thank you for your business, support and being part of our COCC cooperative. I look forward to growing with you.

A handwritten signature in black ink that reads "Richard A. Leone".

Richard A. Leone | CEO

President's Vision for the Future

Joseph D. Lockwood, President and Chief Operating Officer

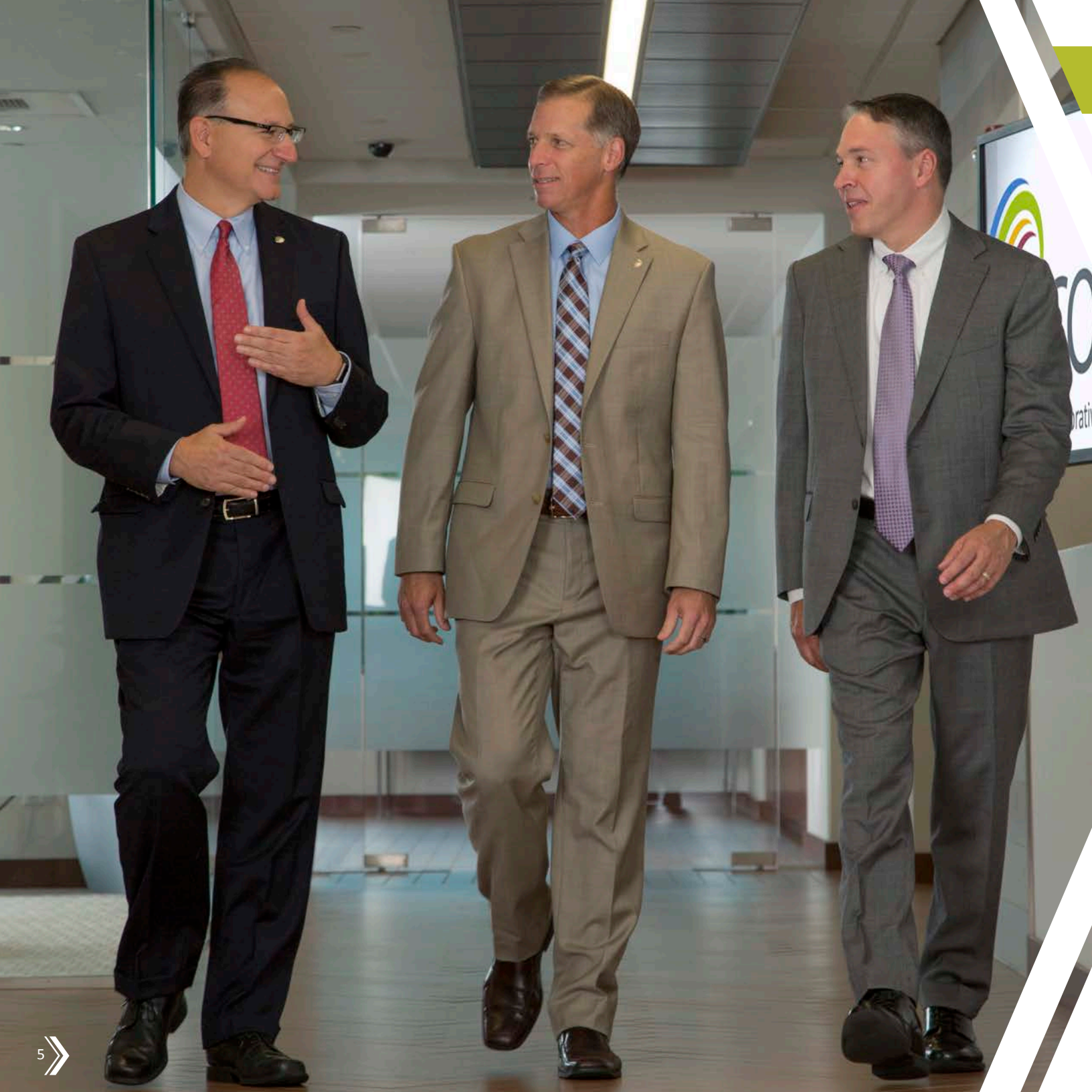
COCC shines when we innovate. The changing financial technology landscape offers challenges that are unique to the community banks and credit unions we serve. As we round the corner toward 2018, we have these changes in focus, and our vision for the coming years revolves around adapting and expanding in order to help our client institutions thrive. Here are just a few of the future developments for 2018 and beyond:

- **INSIGHT development:** Our core product, *INSIGHT*, is constantly under enhancement and growth. In 2018 we will introduce over twenty enhancements tied directly to our customer voting process.
- **Marketing & CRM:** Our *INSIGHT* CRM product continues to grow, enabling our clients to develop those customer/member relationships that are key to their business success.
- **iOpen and eOpen:** Our new account opening wizards have been integrated with our core, fully streamlined, and will help our clients provide a state of the art, highly efficient new customer acquisition platform.
- **Marketing analytics:** Powered by Segmint in partnership with Computershare, this new offering empowers clients to gain more wallet share from current customers using advanced demographics and analytics.
- **Digital money management:** Aggregated accounts, transactions, budgets, trends, and more will be built right into the iBanking platform to enable customers/members to manage all of their finances right from their bank or credit union account.
- **Business intelligence:** We now offer a wide array of reports and dashboards to allow clients to leverage their data for better sales and strategic business measures.

It's easy to see a trend tying these offerings together. With consumers now possessing endless choices in how they access their accounts, multi-channel usage has become prolific. The future of banking revolves around being able to connect to banking data from hundreds of sources and using that data to streamline processes, create marketing campaigns, generate revenue, and shape customer relationships.

No matter what changes arise in the industry, our clients will continue to ask us for new products and services that will allow them to better serve their customers. We look forward to meeting these challenges and continuing to grow and innovate in the future.





CFO's Vision for the Future

David K. Christie, Executive Vice President and Chief Financial Officer

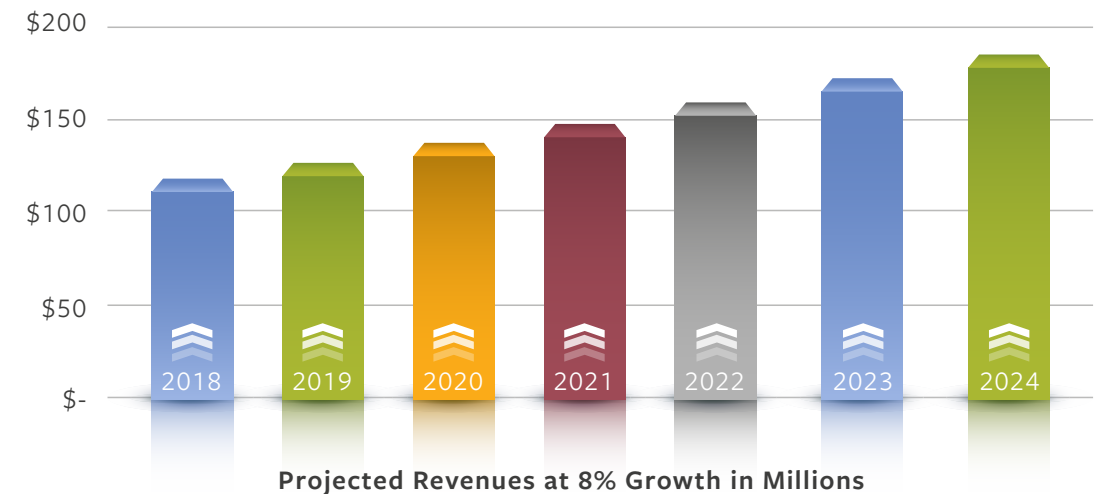
Not many companies have had such an uninterrupted history of success as COCC. And now, 50 years into our tenure, we can unequivocally say that our model works. To some extent, our future will follow the mantra of “keep doing what we’re doing,” but we also need to continue to adapt to the changing landscape in which we do business.

As I look toward the future for this company, our vision revolves around three objectives: grow the company, always put the client first, and continue to evolve and enhance our great work culture. COCC’s disciplined approach to steady, healthy growth has led to the historic success we have enjoyed in recent years, so it’s important to maintain that focus.

Managing expenses has and always will be important and challenging for COCC, as is the case for every company. But we have made it a priority and have managed our expenses well. Sharing responsibility for cost management across our organization is how we will continue to find success in keeping our expenses in line.

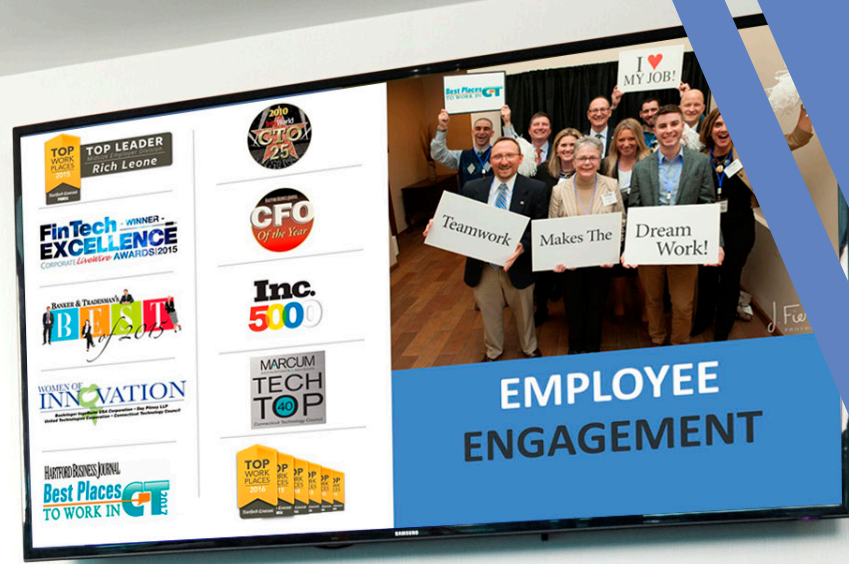
One of the keys to our success has been to stick to our core competencies and do what we do best. But it’s also important to always seek to add expertise. Launching new products and services will always be an important part of how we operate; it is how we remain competitive and help our clients do the same. What is critical in that process is to think through our product road map strategically to ensure that we are always doing the right thing for both COCC and its clients. Partnering with new core clients and introducing new products and services both play key roles in COCC’s success, and we will need to continue finding the right balance going forward.

We set high watermarks for ourselves each year. COCC’s pattern of strong financial health, zero debt, and high client ratings are all possible thanks to our extremely successful model. In 2018 and beyond, I look forward to continuing to see COCC, as well as our clients, remain successful and steadily growing. And I really feel that there is nothing standing in our way.



“COCC is on the leading edge of technology. As new products and services roll out over the years, COCC is able to keep us competitive with the large banks.”

K. Michael Robbins
Chairman & CEO | Cornerstone Bank



470
TOTAL EMPLOYEES

AVERAGE YEARS OF SERVICE **9**

EMPLOYEES

53
EMPLOYEES PROMOTED

58
NEW HIRES

45%
OF NEW HIRES HAVE BANKING EXPERIENCE

OVER
160
CLASSES OFFERED

4,847
TOTAL CLASS HOURS

EMPLOYEE TRAINING

35% INTERNS HIRED FULL-TIME

76
INTERNS SINCE 2014

INTERNS



2016 CLIENT TRAINING

52

CLIENT INSTITUTIONS

41
CLASSES

150
ATTENDEES

2016 CLIENT MEETINGS

20
CLIENT MEETINGS

10
CLIENT EVENTS
HELD AT
COCC

1,242

CLIENT ATTENDEES
ANNUALLY

2017 ANNUAL CLIENT CONFERENCE

52
PARTNER
EXHIBITORS

550
TOTAL
ATTENDEES

21

PROSPECT
ATTENDEES





Talent Development & Service Excellence

2017 marks the seventh year of COCC's internal employee training and development program. Since the program's humble beginnings, the course offerings have grown substantially both in number and in quality of content. Onsite courses include custom COCC department LearnAbouts, communications and business topics, team building workshops, customized technical training, and financial wellness workshops. COCC also provides employees with a robust offering of eLearning tools from several industry-leading vendors. Managers, supervisors, and team leads from throughout the company can benefit from the growing Management Leadership & Development program (MLD), which includes roundtables, lunch and learns, and individual development sessions.

All of COCC's training is driven by feedback from employees. An annual survey helps to inform what the training catalog will include for the following year. Employees have been essential in building this totally customized training program, which receives high reviews year after year.

Within the last two years, COCC has also introduced the new Service Excellence program. Designed in two phases customized for both customer-facing and internal-facing teams, all COCC employees have benefited from this core training that covers COCC's service-oriented corporate culture, core values, and client experience. This interactive program has been built by COCC for COCC and is presented by Executives, Officers, and Managers from throughout the company. In 2018 we will launch Phase III of this program, which will encompass all employees at COCC and continue to foster collaboration, communication and exceptional service to our clients.

All of COCC's onsite training takes place in the company's state of the art training facility, which includes spacious training rooms and flexible technology.

Internship Program

In 2017, COCC continued to expand its internship program. College students from a variety of schools and majors are invited to apply for summer internships in departments across the company. These robust opportunities don't just mean getting coffee and making copies—these are true hands-on internships. Interns have helped with major projects and have benefited from the chance to spend their summer working for a top-rated company.

New in 2017, interns were invited to participate in a variety of team building activities including a bowling night and an end-of-summer group project. The project tasked the interns with demonstrating what they learned during their internship experience while providing insight into how we might improve the program for future interns. They were also encouraged to have fun and get creative, which each group excelled at. For 2018, COCC will take some of the ideas inspired by the group project and intern feedback and continue to expand on this program to ensure that students get the most out of their time interning at COCC.

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CELEBRATING

50

YEARS



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