

## **CULedger and IBM Announce Collaboration to Deliver Blockchain Services for Financial Cooperatives and Credit Unions Worldwide**

**Monday, March 11, 2019 12:01:00 PM (GMT)**

CULedger, a credit union service organization (CUSO), today announced a collaboration with IBM (NYSE: IBM) to pioneer new blockchain-based services to help credit unions provide a better experience for members.

CULedger will work with IBM to use permissioned blockchain technologies to create an immutable audit trail that can be used to create new business models and transform existing business processes for credit unions. The companies also intend to help drive greater financial inclusion by extending reach to a broader range of new members.

The credit union industry serves more than 260 million members worldwide with over \$1.7 trillion of circulating assets and is historically known for superior customer service. The adoption of blockchain technology will help build continued momentum among all demographics, as well as small and medium enterprises that currently lack access to financial services.

By creating a permissioned blockchain network where services can be shared among all credit unions, CULedger will improve services such as identification authentication, regulatory compliance around know-your-customer (KYC), lending and payments, while making it easier and more efficient for consumers to conduct any interactions that require authentication.

“A cooperative model that helps improve the member experience while benefitting all credit unions is the ideal approach to ensuring the next wave of financial innovation for the credit union industry,” said John Ainsworth, CEO and President, CULedger. “We are creating a network through which all members can join and access new services and enabling credit unions to become even more competitive while addressing new market dynamics where members are demanding even more for their financial services provider.”

Credit union members worldwide will also have access to a CULedger issued digital credential, called MyCUID that adheres to the privacy-by-design requirements of self-sovereign identity supported by the Sovrin Foundation. MyCUID will help credit unions support shared financial services which allows members to conduct transactions among any credit union on the network.

Blockchain's potential value to the enterprise is expected to grow to more than \$360 billion by 2026, then surge to more than \$3.1 trillion by 2030, according to a recent Gartner report<sup>1</sup>. As the financial services industry continues to evolve, blockchain technology is being used to help address consumer demands for safer, faster and more efficient transactions.

“Credit unions will be able to cooperate and receive shared value from quickly exchanging sensitive data in a permissioned, individually controlled and transparent way. This decentralized approach using blockchain helps put the customer in control of their own identity,” said Marie Wieck, General Manager, IBM Blockchain. “The work underway between CULedger and IBM will also lay the foundation for new kinds of services and collaboration among credit unions as we work together to scale and extend the network.”

As the leader in Enterprise Blockchain, IBM brings deep expertise in the financial services industry and experience in building blockchain networks among large ecosystems of members. IBM Blockchain supports real business needs while addressing the requirements for accountability, privacy, scalability and high security in the network.

Initial services on CULedger's blockchain network will be available to credit unions worldwide beginning later in 2019.

### **About CULedger**

Denver-based [CULedger](#) is a credit union-owned CUSO that focuses on delivering innovative applications to credit unions through its cross-border global distributed ledger platform. In working through a national consortium made up of credit unions and trusted industry investors, CULedger has pioneered new

developments related to global self-sovereign digital identity that will further enhance the trust credit unions have with their members. CULedger provides advantages to credit unions and their members by reducing risks associated with cybersecurity and fraud, improving member experience, streamlining internal processes and reducing administrative and operational costs. To learn more about CULedger, visit [CULedger.com](https://culledger.com) or follow us on Twitter at [@CULedger](https://twitter.com/CULedger).

## About IBM

IBM is recognized as the [leading enterprise blockchain provider](#). The company's research, technical and business experts have broken barriers in transaction processing speeds, developed the most advanced cryptography to secure transactions, and are contributing millions of lines of open source code to advance blockchain for businesses. IBM is the leader in open-source blockchain solutions built for the enterprise. Since 2016, IBM has worked with hundreds of clients across financial services, supply chain, government, retail, digital rights management and healthcare to implement blockchain applications, and operates a number of networks running live and in production. The cloud-based IBM Blockchain Platform delivers the end-to-end capabilities that clients need to quickly activate and successfully develop, operate, govern and secure their own business networks. IBM is an early member of Hyperledger, an open source collaborative effort created to advance cross-industry blockchain technologies. For more information about IBM Blockchain, visit <https://www.ibm.com/blockchain/> or follow us on Twitter at [@ibmblockchain](https://twitter.com/ibmblockchain).

1. Gartner – "The Reality of Blockchain," October 2018 <https://www.gartner.com/smarterwithgartner/the-reality-of-blockchain/>

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