

Your Actionable Roadmap to Practical AI Value

Iowa Banker 2026 Annual Convention



Agenda

Here's what we'll cover today

- 01 Welcome & Introductions
- 02 Data & AI's Role in Banking
- 03 Leveraging Data into Action: High - Value Use Cases
- 04 Clear Roadmap to Drive Growth & Innovation
- 05 Regulations for AI
- 06 Key takeaways & discussion

Hello!

Current Role: Director of Data Science at Arkatechure and a partner at the firm.

Experience: Over 30 years developing and implementing data science solutions at scale.

Expertise: Deep background in harnessing data to drive informed action, specializing in risk management, quantitative methods, and driving change management in data science.

Impact: Direct efforts have resulted in tens of millions of dollars in loss avoidance and multiples more of increased revenues. Currently advising community FIs on growing revenue and margins.

Client History: Advised and implemented solutions primarily at financial services companies, ranging from top - ten banks to community financial institutions (such as Machias Savings Bank, United Community Bank, and Stock Yards Bank) and boutique finance companies, while also consulting across all industries.

Product Involvement: Collaborated on developing Arkalytics, a data and analytics ecosystem designed for financial institutions and the predictive suite of models: Segmentation, Attrition, Next Best Product, Next Best Customer, and Next Best Action.

Education: Graduate of the College of the Holy Cross; completed graduate studies in Mathematics at Wesleyan University.



Pat Lapomarda
Director of Data Science

A Bit About arkatechture

Arkatechture is a data and analytics company dedicated to empowering community banks with a better understanding of their customers & organization through data.

We are a team of data lovers and technical experts who use our skills to help FI's of all sizes harness, utilize, and optimize their data.



arkalytics

Arkalytics is a cloud - native analytics and reporting solution tailored for Banks and Credit Unions. It integrates your data sources into a fully managed single source of truth (Data Lakehouse) to unlock a suite of dashboards and connectivity options. We build your data foundation so you can build a better customer experience.



Governance



Workbenches



Dashboards



Analytics

Build Trust in Your Data
Analytics Practice

Leverage Self-Service
Analytics Capabilities

Executive, Operational, &
Financial Dashboards

AI & Predictive
Analytics

MBA & NCBA Endorsed Partner, AM SBA & S&P Global Partnerships

5 Banks • 5 Analytics in 17 States
Banks

SaaS & other solutions for \$100m - \$10b+ banks

"We're very excited about this relationship with Arkatechure because we're providing our members a valuable resource as they navigate the digital journey – which is critical in today's business environment. Our focus is on educating banks about the importance of data analytics and offering them support through Arkatechure's expertise."



Tanya Duncan
EVP Revenue & Strategy

Lauren Perry
President



"Ultimately, the partnership with Arkatechure enhances our member banks' competitiveness, as it provides them with more knowledge to make better decisions."

U.S. Bank Customer Asset Ranges

Arkalytics - \$500m - \$9.8b

Custom Analytics: - \$2.5 - \$9.2b

SNL Banker Support: \$375m - \$8b

Staff Augmentation - \$367b

Associate Memberships



INDIANA
BANKERS
ASSOCIATION

GBA

GEORGIA
BANKERS
ASSOCIATION



IOWA BANKERS
ASSOCIATION



S&P Global

Building a Community of Data

- Driven Banks & Organizations



Jamie Dimon

JPMorgan Chase CEO

"Each year, I try to update you on some of the most important issues facing our company. First and foremost may well be the critical impact of artificial intelligence (AI).



"What we do is the same thing that a community bank does other than global investment banking. If you walk into a small community bank, they know your business account, and they know your consumer account."

JPMorgan Chase has been actively investing in and leveraging AI for years, with over 2,000 AI and machine learning experts and data scientists now employed by the bank. They have implemented over 400 use cases for predictive AI and machine learning in areas such as marketing, fraud and risk management. The bank is also actively exploring the potential of generative AI (GenAI) to enhance software engineering, customer service and operations, and overall employee productivity.

The AI Reality Check: It's Not the Model, It's the Data

80%

Failed to
Production

Over 80% of enterprise AI projects fail to reach production value.

RAND Corporation, [*The Root Causes of Failure for Artificial Intelligence Projects*](#) (2024)

60%

Projects
Abandoned

60% of AI projects will be abandoned through 2026 due to lack of AI-ready data.

Gartner, [*Lack of AI-Ready Data Puts AI Projects at Risk*](#) (February 2025)

95%

Zero Financial
Return

95% of generative AI pilots delivered zero measurable financial return.

MIT Project NANDA (2025), via [*Fortune*](#)

AI tools don't fail because the models are broken —they fail because they don't use decision - grade data.

Your Roadmap to Practical AI Value

1

The Foundation: **Why** Data and ROI Matter

- Why is data so valuable?
- ROI of data and predictive analytics (AI) investments

2

How community banks can use data & AI to compete and thrive

- Benchmarking / business performance (KPIs / KRIs)
- Customer experience

3

Leveraging data into **Action** to drive high value use cases

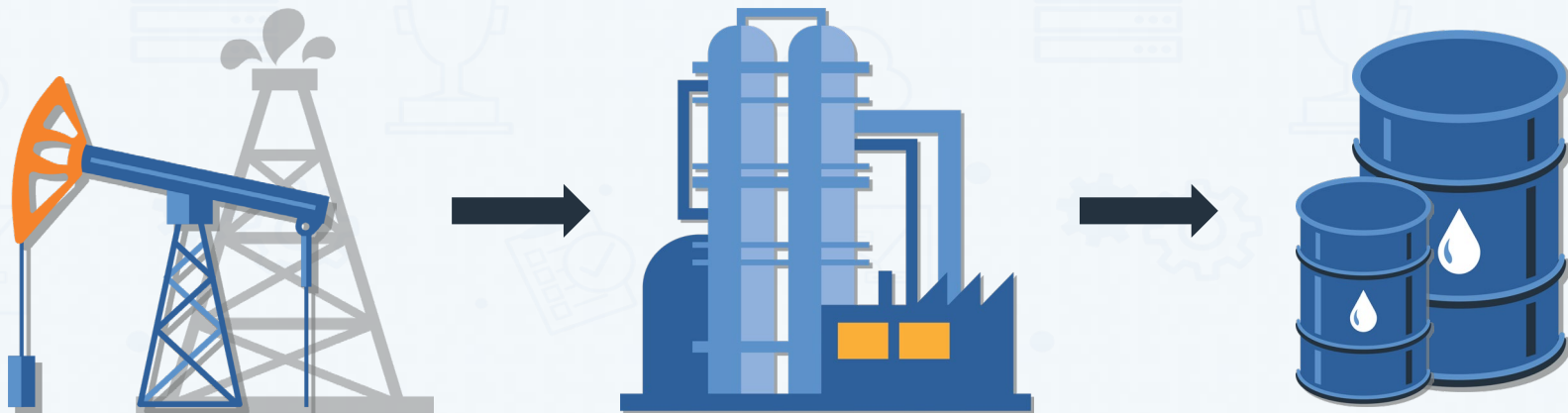
- Expanding business with existing customers
- Acquiring new customers and deposits

4

Clear **Roadmap** to drive growth and innovation

“The world's most valuable resource is no longer oil, but data.”

- The Economist, Forbes, etc.



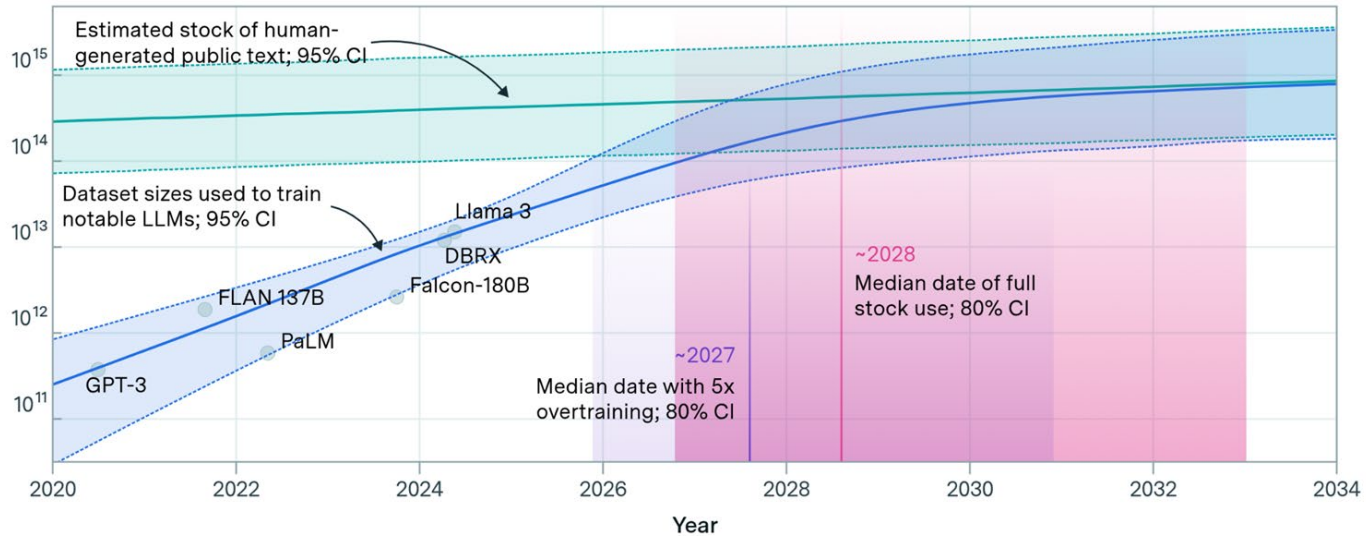
Just like oil, raw data needs to be refined before its value is fully realized.

When Will Data Be Exhausted

Projections of the stock of public text and data usage

EPOCH AI

Effective stock (number of tokens)



CC-BY

epoch.ai

1

Achieving Value With Data :

The Nucleus Framework

According to a study conducted by Nucleus Research, analytics technology returns **\$9.01 for every dollar spent.** Furthermore, AI - powered analytics now improve analyst productivity by 27 to 43 percent.

1

188% ROI

1. Reporting Automation



One client reduced the time it takes to generate a report from 16 hours to 15 minutes. (98.5%)

389% ROI

2. Strategic Dashboards



Another saved \$30,000/year by switching to the Arkalytics Marketing dashboards.

968% ROI

3. Self- Service Analytics



70% of employees are now licensed Tableau users at an established Arkalytics FI.

1,209% ROI

4. Predictive Analytics & ML/AI



Arkalytics FI's are deploying pooled analytical models for segmentation & attrition.

1. [Investing in Analytics returns \\$9.01 per dollar spent.](#) Nucleus Research
2. [ROI of Business Analytics Increases Significantly as Solution Matures.](#) Nucleus Research
3. [AI-powered analytics improves productivity by 27 to 43 percent,](#) Nucleus Research

Competing with Data: Benchmarking & Performance

Start with the “Big Picture”

2

FI Benchmarking | Peer Group Configuration ?

Report Cycle: December 31, 2025

This FI Benchmarking Dashboard powered by Arkalytics was designed to allow for comparison of key metrics to other credit unions and banks based on peer groups and the overall industry using NCUA and FDIC datasets.

To determine the Peer Group used throughout the three tabs of the dashboard, choose one of the following:

- One of the common peer group configurations (asset size, region & industry peer group) which will auto set to your institution's respective group
- Build your own custom peer group by setting specific dimension and measure field requirements

STEP 1: SELECT COMPARISON INSTITUTION

LINCOLN SAVINGS BANK

AND REPORT CYCLE

12/31/2025

STEP 2: SELECT FI TYPE COMPARISON GROUP

CUs + Banks

Credit Unions

Banks

STEP 3: PICK METHOD FOR SELECTING PEER GROUPS

Common Peer Group

Custom Peer Group

STEP 3: DEFINE PEER GROUP SELECTION

DIMENSION FILTERS

Dimension 1

State

IA

Dimension 2

-

Dimension 3

-

MEASURE FILTERS

Measure 1

-

1

Measure 2

-

1

Measure 3

-

1

194

Institutions in Peer Group

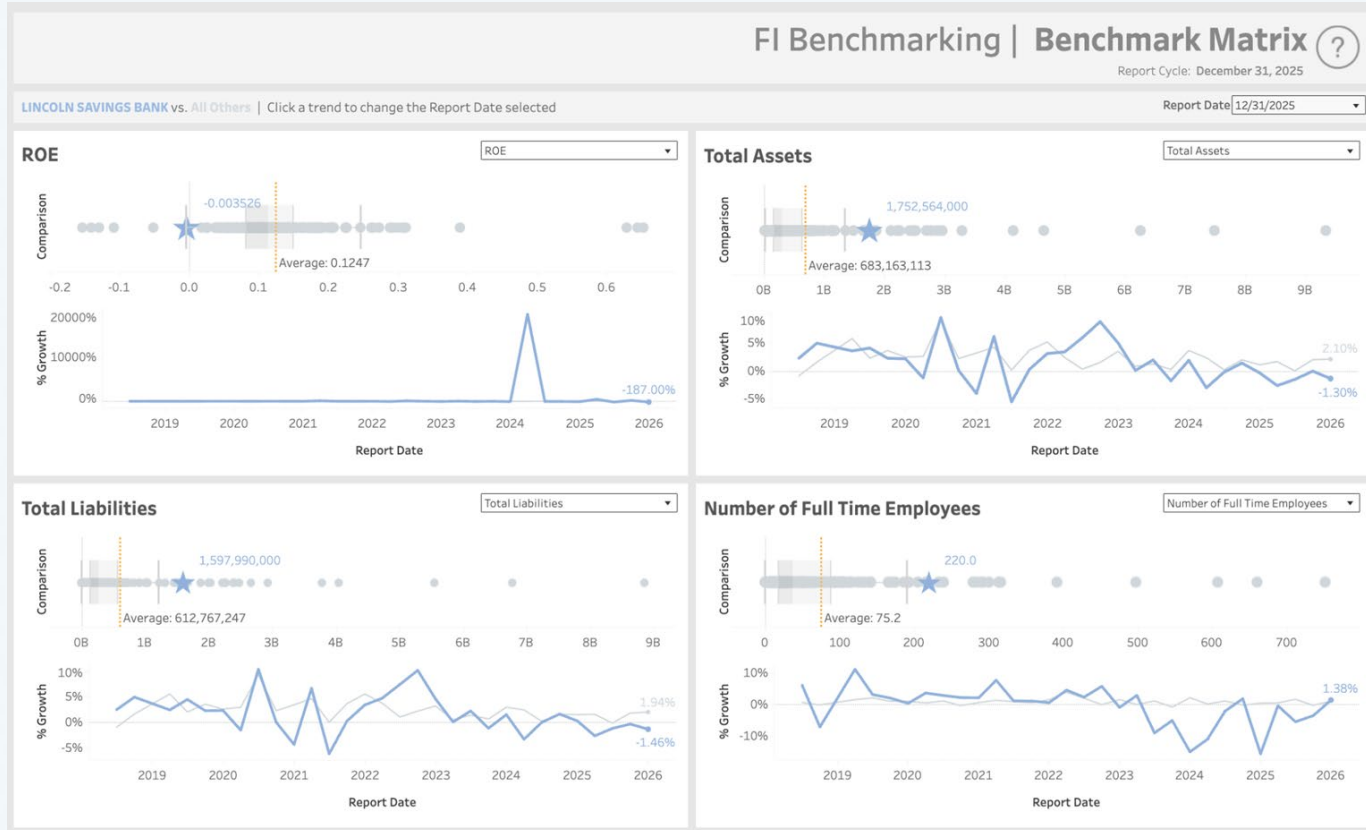
Anchor on the Facts: Peer Group Comparison

2

FI Benchmarking Institution Scorecard ?						
Report Cycle: December 31, 2025						
LINCOLN SAVINGS BANK			194			
			Institutions in Peer Group			
Benchmark	Institution	Institution Growth	% to All Institution Avg	All Institutions (Avg)	All Institutions (Median)	All Institutions Growth (Avg)
Total Assets	\$1,752,564,000	▼ -1.3%	▲ 205.5%	\$573,738,719	\$273,808,000	▲ 2.1%
Number Of Members						
Total Share Amount						
Total Share Count						
Total Loan Amount	\$1,166,780,000	▼ -5.8%	▲ 193.2%	\$397,953,065	\$181,082,000	▲ 2.5%
Total Loan Count						
Total Net Worth	\$154,574,000	▲ 0.4%	▲ 161.5%	\$59,120,338	\$27,692,000	▲ 3.5%
Total Liabilities	\$1,597,990,000	▼ -1.5%	▲ 210.5%	\$514,618,381	\$248,785,000	▲ 1.9%
Total Borrowings						
Total Net Income	-\$545,000	▼ -216.5%	▼ -108.1%	\$6,763,056	\$3,141,000	▲ 39.1%
Total Interest Income	\$90,926,000	▲ 31.5%	▲ 221.6%	\$28,276,775	\$13,680,000	▲ 35.5%
Total Non Interest Income	\$10,689,000	▲ 25.8%	▲ 199.3%	\$3,571,615	\$861,000	▲ 42.7%
Total Non Interest Expense	\$53,668,000	▲ 33.5%	▲ 352.7%	\$11,854,385	\$5,610,000.00	▲ 36.5%
Total Investments						
Number Of Full Time Employees	220	▲ 1.4%	▲ 248.5%	63.1	31	▲ 1.0%
Number Of Part Time Employees						

Understand the Trends: Organic vs. Inorganic Growth

2



Dig into the Trends: Driving Operational Action

2

FI Benchmarking | Top Performers ?

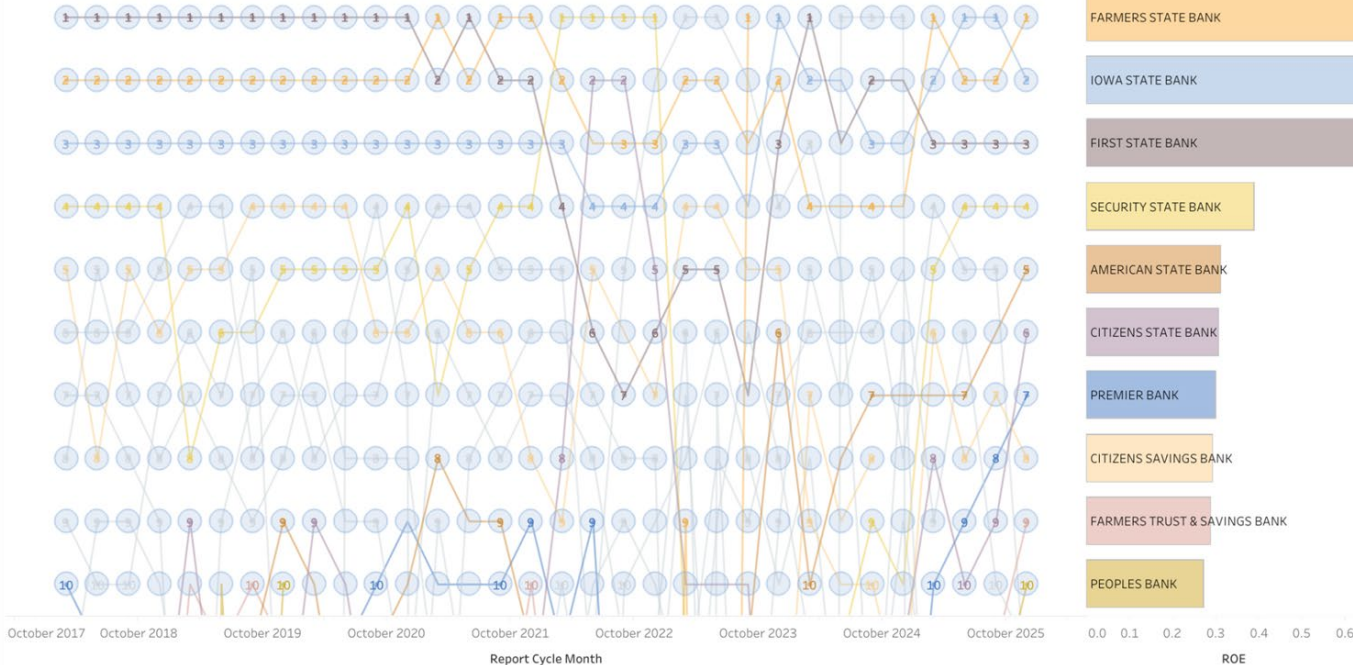
Report Cycle: December 31, 2025

Top Institution ROE Rankings Over Time

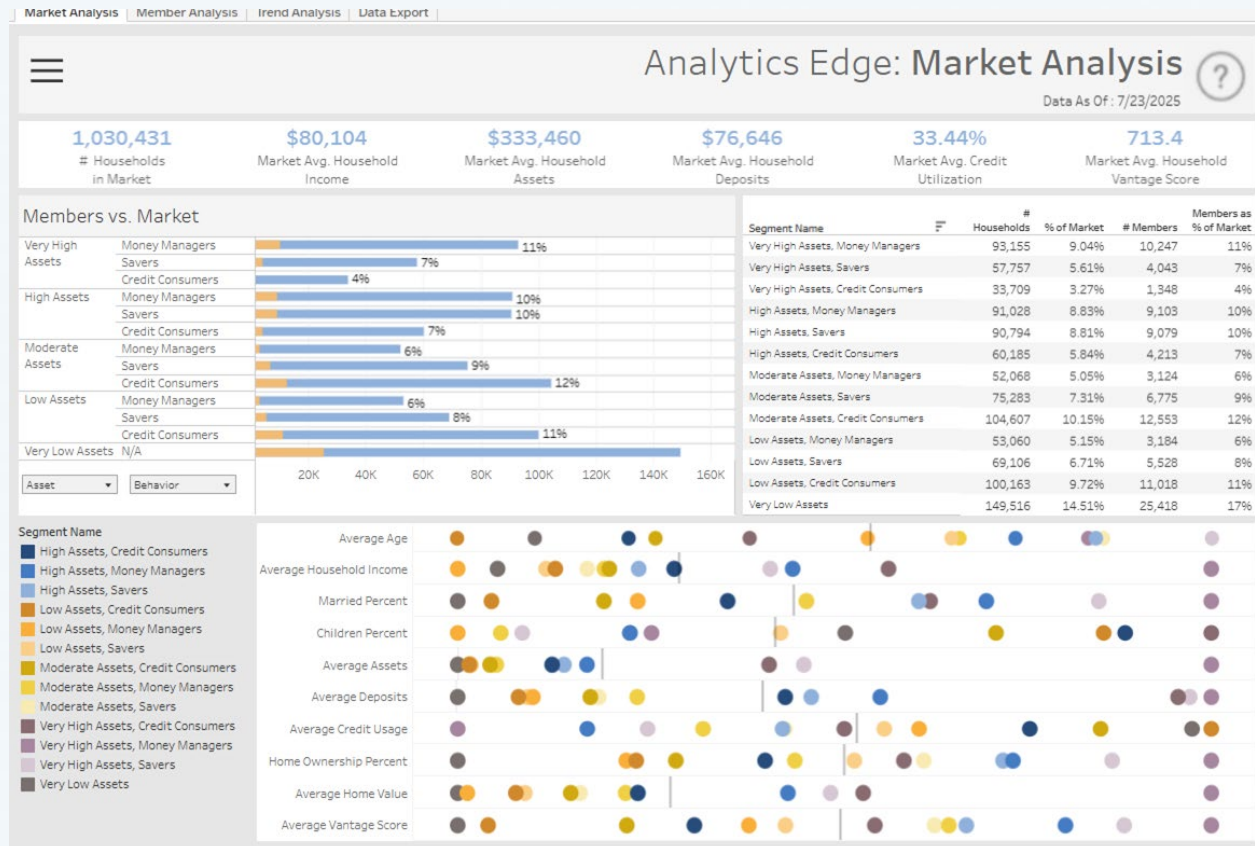
Benchmark Metric

ROE

December 2025



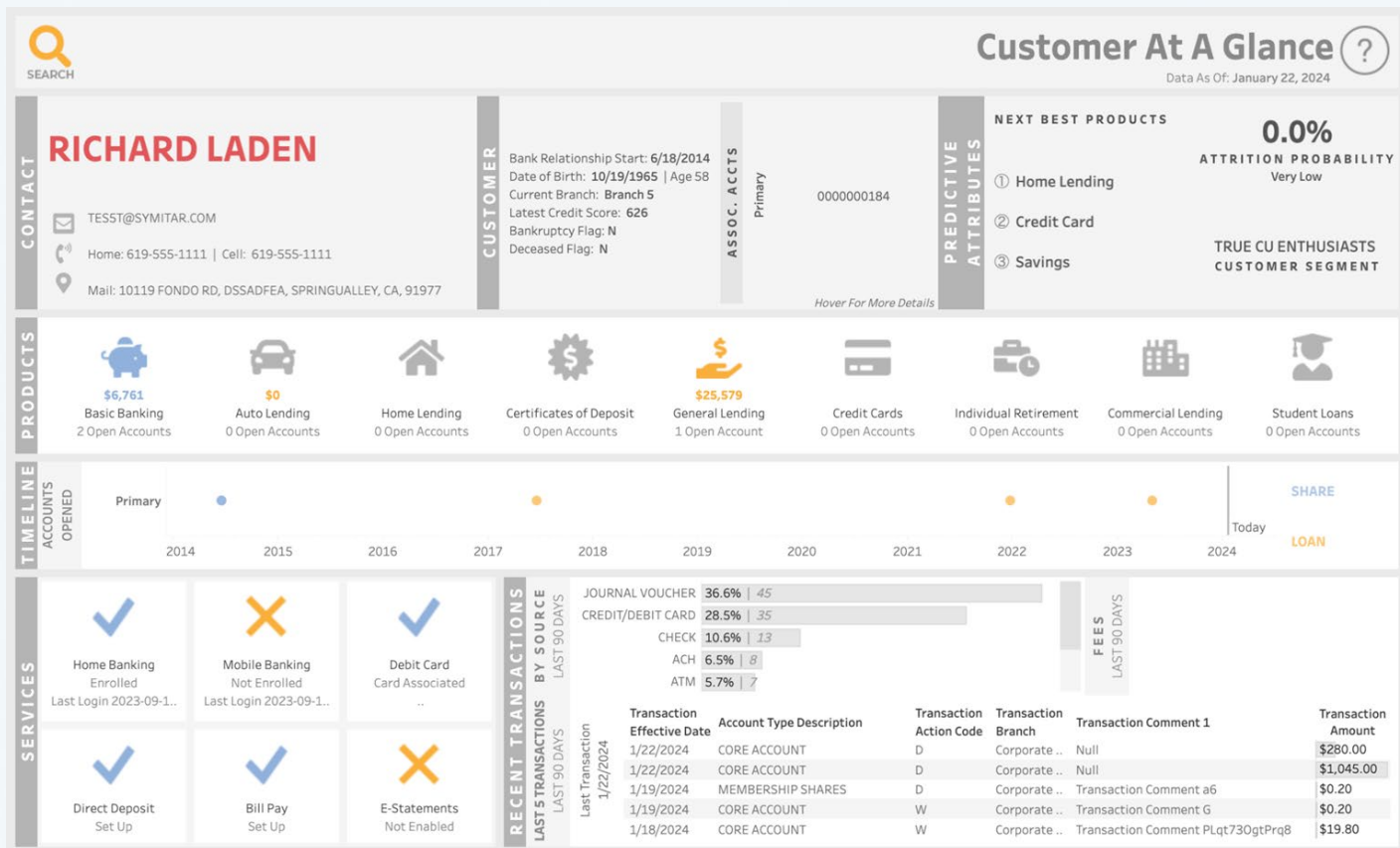
Understand Your Customers in Your Market



2

Know your Customers More Deeply and Act on it

2



© arkatechure. All Rights Reserved.



Register
Interest Now



3

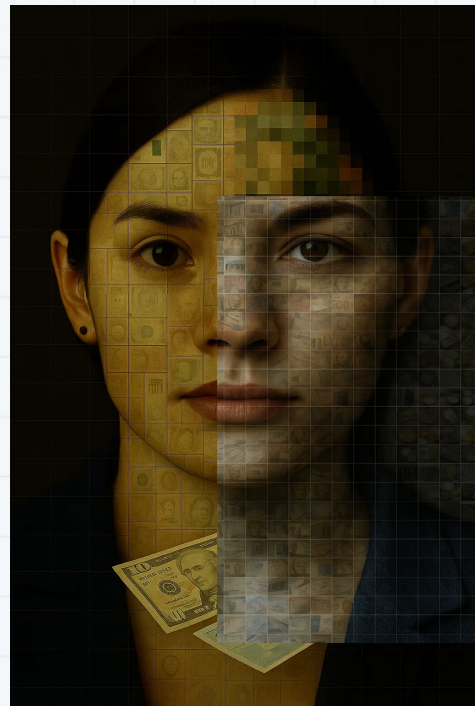
Full
Financial
Profiles



Distinct
Customer
Segments



Market
Analysis



Banks can combine internal and external data sources to move beyond limitations of siloed first-party data to have a fuller, more integrated view of their consumer & commercial customer financial lives.

Know Your Customers: Segmenting for Success

3

- Framework for dealing with the many input variables necessary for a full financial profile
- Consistency for targeting and reporting within your bank
- Customized for your bank to ensure separation of Customers into useful segments
- Built using Full Financial Profile for every US Household

Savers

This profile values trust and simplicity, preferring consolidated finances and following trusted guidance.

Credit Consumers

This profile exhibits impulsive rhythms and materialistic themes, with credit-driven financial decisions that vary based on wealth levels.

Money Managers

This profile has complex financial arrangements with multiple institutions, blending advisor guidance with self-direction and calculated risk-taking.

BEHAVIORAL TYPES

ASSETS	Credit Consumers		Savers	Money Managers	
	13				\$10k
	10	11	12	\$75k	
	7	8	9	\$400k	
	4	5	6	\$1.5M	
	1	2	3		

Dependent Models

- Attrition
- Next Best Product
- Acquisition for the Bank
- Acquisition by Product Category

Analyzing Segment Profitability and Risk

3



Very Low Assets



Credit Consumers



Savers



Money Managers

% of
population

10%

Total
Deposits

1%

Total
Loans

5%

Average #
Shares/Loans

2.1

Average #
Offerings

3.1

39%

26%

32%

2.3

3.2

26%

35%

25%

2.8

2.3

25%

38%

39%

2.4

2.8

Deposits

Segment has the largest share of deposits. 1 in 10 open a money market product.

Loans

Auto loans and HELOCS are the go-to lending products for this group. Personal loans play at the higher asset levels.

Offerings

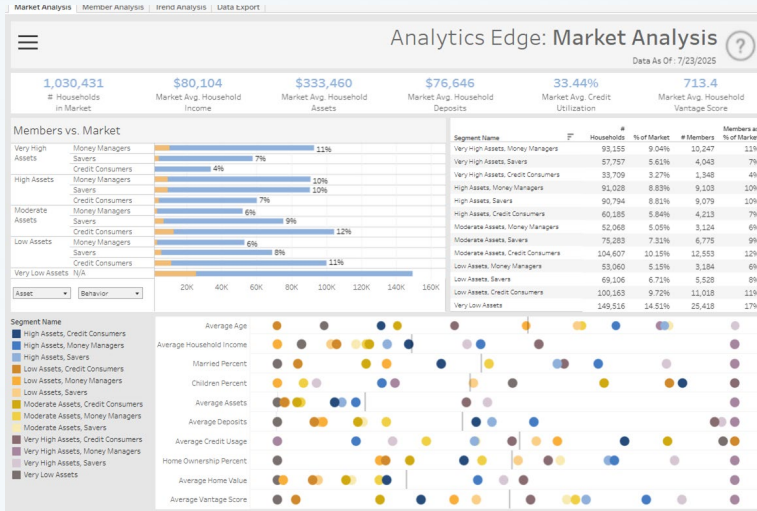
Lower the average utilization of most offerings except for online banking and wealth mgmt.



Money Managers

Dig into the “Big Picture” to see your Customers

3

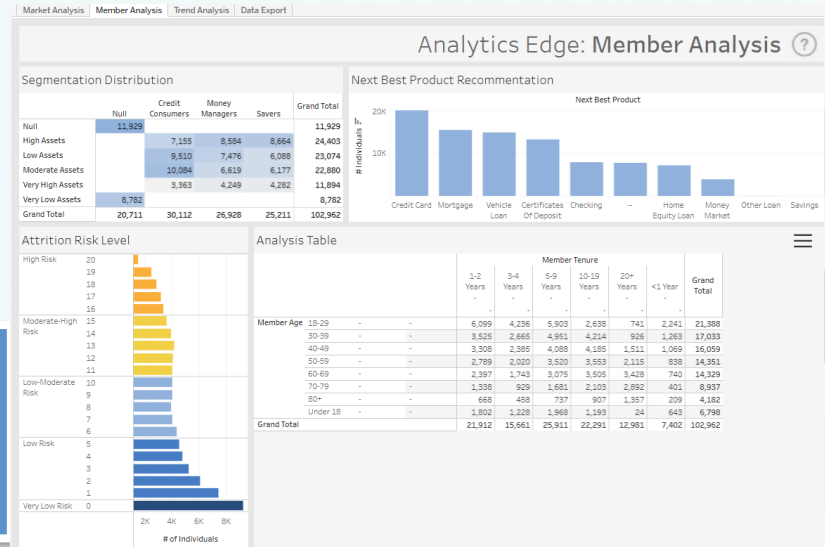


Understand Your Bank relative to Your Market Footprint

Models are for your bank so it's not just: “likelihood to bring deposits” but instead “likelihood to bring deposits to My Bank”

Aligns not just to customers but to entire footprint: Cross/Sell/Upsell + Prospecting

Understand Your Customers relative to Your Market



Driving Measurable ROI with Targeted Campaigns

9 Month Certificate Promotion:

- There had been two PRIOR waves of this promotion.
- The third wave focused on Savers and Money Managers with engaging content in ways that would matter to them most!
- The marketing spend was more targeted and more meaningful. The results speak for themselves.

3

In Market Campaign	Approx. Length	Certificates Opened	Total New Deposits	FIRST FIVE WEEKS
Wave 1	3 months	\$1.5 million	\$1.8 million	\$84,000
Wave 2	8 months	\$3.2 million	\$3.7 million	\$450,000
Wave 3	2 months	\$6.4 million	\$6.7 million	\$6,000,000

MAXIMIZE YOUR SAVINGS!

Take control of your financial future with these special offers.

EARN 5.00% APY*
WITH A 9-MONTH CERTIFICATE

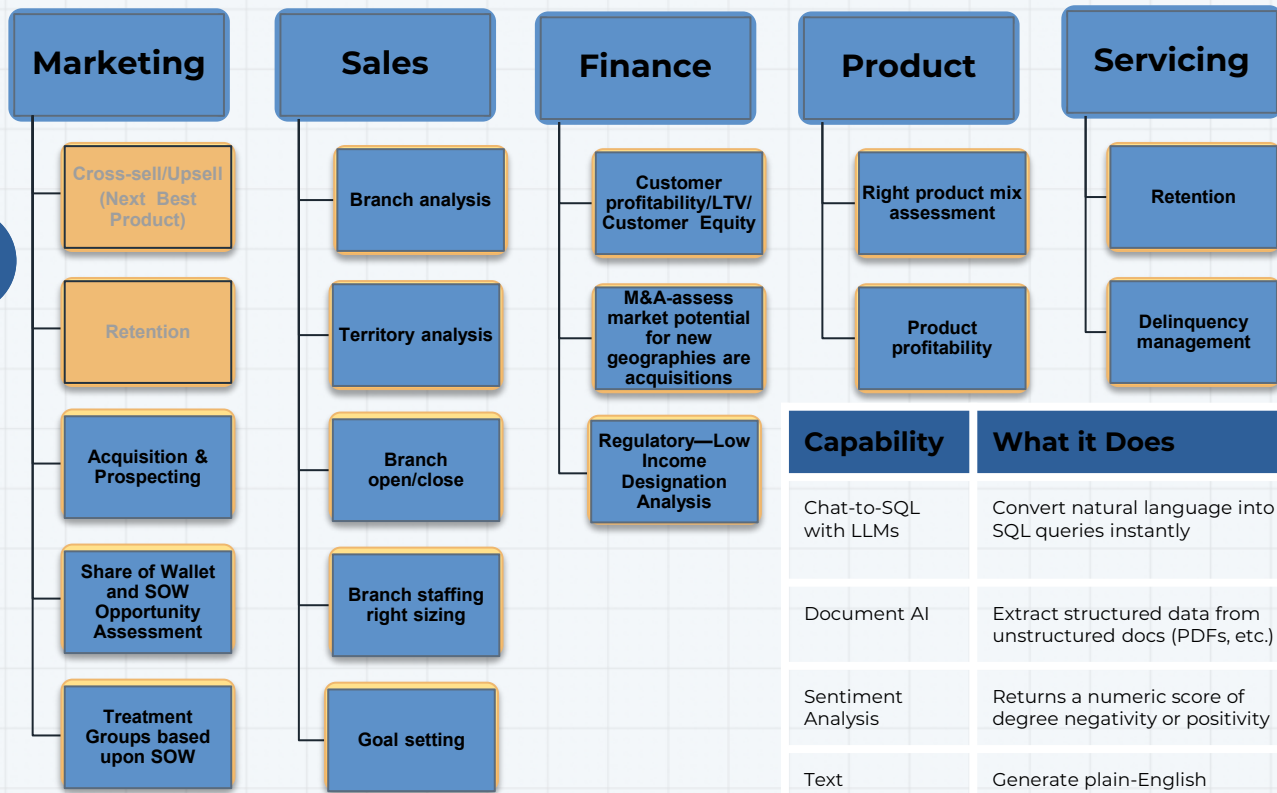
EARN 4.00% APY*
WITH A PREMIUM MONEY MARKET ACCOUNT

*Annual Percentage Yield

A smiling man in a blue denim shirt is holding a glass jar filled with US dollar bills and coins.

Additional Use Cases & Capabilities for Data Across Your Bank

4



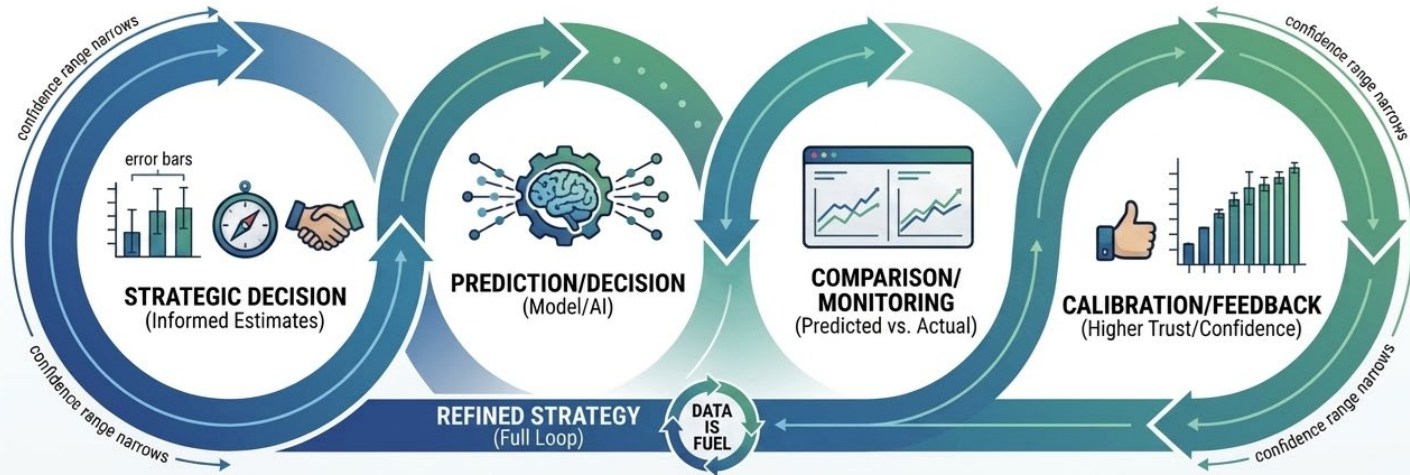
Capability	What it Does	Sample Use Case
Chat-to-SQL with LLMs	Convert natural language into SQL queries instantly	Ask "What were our top-performing loan products by branch in Q1". Get chart ready data.
Document AI	Extract structured data from unstructured docs (PDFs, etc.)	Parse complex mortgage documents — like appraisals, title reports, etc.
Sentiment Analysis	Returns a numeric score of degree negativity or positivity	Understand customer sentiment in survey feedback, call transcripts, or support tickets
Text Summarization	Generate plain-English summaries of complex data	Summarize vendor contracts, service level agreements, or disclosures
Cortex Search	Search unstructured data with natural language queries	What's our procedure for re-issuing a debit card after fraud?"

Remember, AI Needs High-Resolution Data

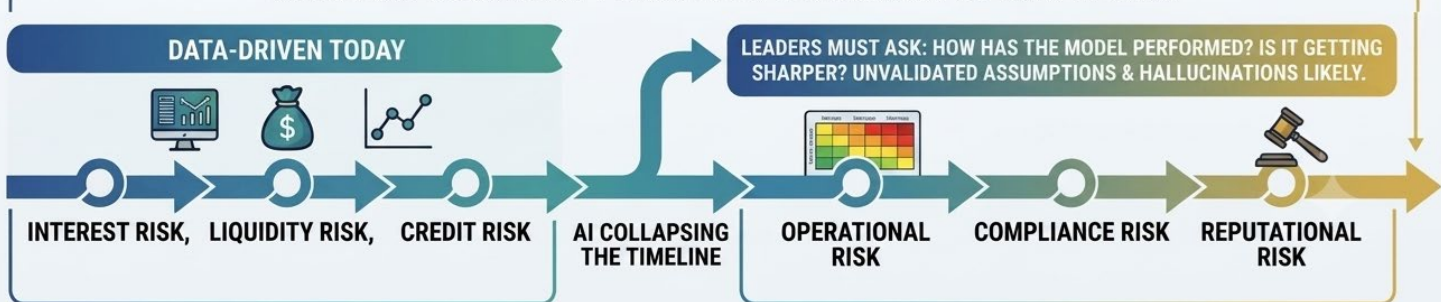


Data - Driven Learning Loop

4



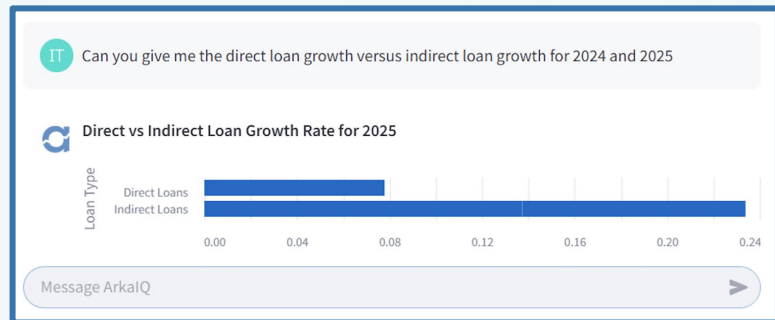
THE JOURNEY IS REAL: APPLYING DISCIPLINE ACROSS THE ERM PILLARS



ArkaIQ: Your AI - Powered Analytics Assistant

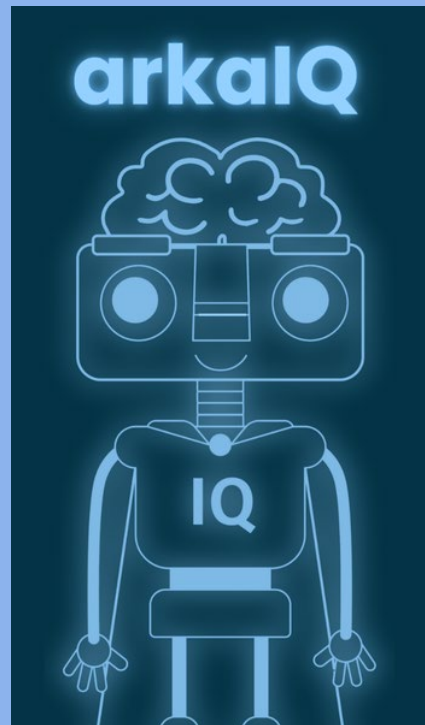
ArkaIQ is designed to bring the power of Arkalytics in a simple, no-code, conversational interface to Arkalytics end users.

This tool enables technical and non-technical users to query enterprise data using natural language, get relevant suggestions, and receive validated, permissioned SQL-based responses.



Some questions you could ask ArkaIQ:

- What is the balance of our indirect loan portfolio?
- How is loan current balance defined?
- What is the average share balance amount?
- Can you add interest rate to the previous analysis?

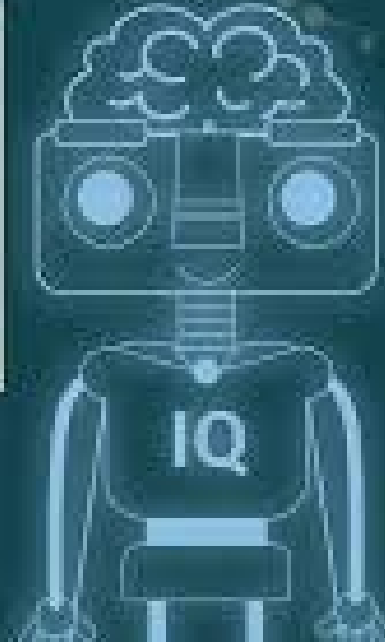


ArkaiQ Preview

let me get that answer for you...



arkaiQ is here
your AI data analyst



Using AI to Win: What You Can Do Today

Make AI a **Strategic Initiative** - Not Just a Tech Project

4



Align AI with Business outcomes



Requires Executive Ownership and Investment. AI success demands sponsorship from leadership (not just IT)



Develop AI literacy by building a culture of experimentation and responsible innovation



Integrate AI into the core way your organization thinks and operates, rather than treating it as a one-off project or trend



Build AI into workflows to trigger actions from insights



Setup and Prioritize policies, governance and compliance

*You don't need to be an AI lab to win with AI. You just need **clean data**, the **right tools**, and a **culture** ready to **use** them*

Modernize your data stack

There is no AI Strategy without a data strategy!



Centralize relevant data in a modern data-Lake house



Democratize Data Access & explore data safely



Eliminate data silos —combine core banking, CRM, LOS, Online banking etc.



Implement Data governance, Observability & Data Quality



Start documenting. Invest time in enriching your existing documentation

Navigating Regulations: Driving Safe Innovation

● FDIC FIL-15-2026

- Model Risk Guidance refers to other regulations
- **Statement of Applicability to Institutions under \$30 Billion in Total Assets (up from \$1B)**
 - *"This guidance is expected to be most relevant to banking organizations with over \$30 billion in total assets...However, in some situations, this guidance also may be relevant to banking organizations with total assets of \$30 billion or less..."*
- "...certain circumstances (e.g., an urgent business need) may necessitate using the model before validation is completed. In those cases, sound practice involves greater **attention** to the model's limitations when considering the appropriateness of its use, informing relevant stakeholders of those limitations, and determining appropriate controls..."

● How to address regulations

- Guidance on GenAI is still emerging: "Generative AI and agentic AI models are novel and rapidly evolving. As such, they are not within the scope of this guidance. Nonetheless, a banking organization's risk management and governance practices should guide the determination of appropriate governance and controls for any tools, processes, or systems not covered in this document. However, the principles described in this guidance apply to traditional statistical and quantitative models and non-generative, non-agentic AI models"
- Survey staff where they are using GPT/AI models
- Add them to existing model inventory and document uses
- Remediate any uses that violate privacy guideline or InfoSec policies (could be amendment to policies to address Data Classification/Sensitivity)
- Develop and document validation of uses, including appropriate testing, where applicable
- Ensure there is a clear understanding of the underlying data used in training the models
- Confirm that the model developer had a right to use the training data, so derivative works are not subject to litigation/fines
- Work with the models, even if you don't use the result, so you can plan

4

Your Action Plan: The Data Strategy Assessment (DSA)

✓ Gap Assessment

"What do I need to do to get ready for data analytics?"

4

✓ Projected ROI

"Where can I specifically realize the value locked up in my data?"

✓ Prioritized Roadmap

"Where do I start and how can I forecast my gains?"

✓ KPI Benchmark

"How will I measure my results?"



Start your
Journey Today



arkatechture

See beyond your data. Predict what's next.

www.arkatechture.com