



*Public Service
Credit Union*

PROJECT DIFFERENTIATION

A STATEMENT OF COMMITMENT TO MEMBERS

Public Service Credit Union's Statement of Commitment to Members

At Public Service Credit Union, we are here to serve our members, to provide excellent state of the art financial services and to encourage a partnership with our members to achieve a successful financial future.

As a member-owned, not for profit financial cooperative, we are committed to providing solutions for the financial needs of employees, family members and retirees of our participating sponsor groups. We will uphold our fundamental responsibility to actively serve people within our field of membership, and as appropriate, the communities in which they live. We will treat all members with dignity and respect and we will offer honest, fair deals to all members at all times.

Throughout our business plan we will emphasize programs that enable our members to become financially self-sufficient and successful. We will consistently strive to deliver value and efficiency in the products, services and information we provide, living up to our promises and exceeding expectations.

We will place high importance on personal fiscal responsibility and organizational safety and soundness and we will seek to educate members, potential members, legislators, regulators and the community at large on the uniqueness and economic importance of credit unions.

Section 1: Service to Members

The following programs are designed to improve the economic and social well being of members and to return financial value.

Current Programs:

- 1) **Fresh Start Checking** – This product provides members with the opportunity to re-establish sound financial footing without exorbitant fees and monthly charges.
- 2) **Risk Based Pricing** – PSCU utilizes risk based pricing to offer competitively low interest rates for all members based on their personal credit histories. Using the credit score, PSCU continues to approve 43% of loans immediately, providing the efficiency that members require in today's competitive market while covering the risk of lending to members with colorful credit histories.
- 3) **Free Convenience Checking** – This is our free checking account. There are no minimum balance requirements and no monthly fees or service charges. All ATM withdrawals are free at PSCU owned ATMs and members receive 5 free withdrawals per month at foreign machines. Members also receive a free Visa Check Card for easier access to their checking account.
- 4) **Golden Flame Club** – This club provides free or reduced cost services for members 50 and older and includes free consumer education information, free checks, free travelers checks, and discounts on a variety of other credit union services.
- 5) **Dedicate to Graduate** – Dedicate to Graduate is a program geared towards keeping kids in school. This program was designed to give students an incentive to graduate on time and to reward them for their achievements. This is accomplished by paying \$5 for every "A" to those students who graduate on time with their class, by providing career opportunities, and by teaching financial responsibility through credit union training programs. Dedicate to Graduate was developed in association with a student-run branch of PSCU, located within Denver's George Washington High School. Funding for this program comes primarily from grants, student and credit union fund raising activities, corporate sponsorships, and donations from the GWHS school store.
- 6) **Smart Starter and Add To It Certificates** – These certificate are designed for those members who are not able to deposit large amounts of money up front for a lengthy term, yet they still want the benefits of higher interest bearing CDs.
- 7) **Member's Insurance** – Member's Insurance is a PSCU owned, full service insurance agency, offering insurance and investment products. Certified Financial Planners are available to provide members and non-members with sound financial advice.
- 8) **Group Legal** – With Group Legal, members can receive up to four, free, half-hour advisory consultations with an attorney on most legal matters. They are also eligible for a 25% discount on most published service fees.
- 9) **CU Aadvantage** – CU Aadvantage is a full service, new and used automobile purchase program for PSCU members designed to provide significant savings through volume discounts. The consultants at CU Aadvantage will help to locate the right vehicle and then assist the member with the loan approval process.
- 10) **First Mortgage Loans** – PSCU offers a variety of fixed and adjustable rate, conventional and government insured loans. First time home buyer programs are also available with as little as 3% down.
- 11) **Kids Safari Club** – This is a children's account designed to promote saving, money management, and the credit union difference at an early age.



New Services Planned for 2000

Member Emporium – Member Emporium is an online intermediary that facilitates discounted Internet access and a shopping portal with significant discounts for PSCU members.

Section II: Member Education

Public Service Credit Union is committed to communicating credit union uniqueness, philosophy, and values, and to educating members in financial matters so that they can make informed decisions.

Current Programs:

- 1) **Newsletter Articles** – Monthly and quarterly newsletter articles contain valuable education for members related to credit union uniqueness and philosophy as well as individual topics of interest, including: First Time Home Buying, Insuring Your Home, Planning Your Retirement, What to Look For in a Used Car, etc.
- 2) **Member Resource Centers** – These centers, or kiosks, are located in our lobbies to provide members with information on a variety of topics including investments, mortgage loans, auto buying, and financial planning with internet access to our web site.
- 3) **Consumer Credit Counseling** – Our alliance with CCCS allows us to provide viable credit counseling, budgeting, and credit education services for our members.
- 4) **Consumer Education Seminars** – PSCU holds special seminars each year on timely topics such as Estate Planning, Home Buying, Living Trusts, and Auto Purchasing vs. Leasing. These seminars are held at the credit union or, occasionally, taken on the road to various SEG locations.
- 5) **Classroom Presentations** – Through the Dedicate to Graduate link with George Washington High School, PSCU regularly teaches classes and provides seminars on topics such as handling a checking account, budgeting, and managing credit.
- 6) **Employee Orientations** – PSCU provides a comprehensive employee training program that emphasizes the uniqueness of credit unions compared to other types of financial service providers.
- 7) **SEG Orientations** – Each orientation to a new or existing SEG provides PSCU an opportunity to educate large groups of members and potential members about credit union uniqueness, philosophy and values.
- 8) **SEG Rep Network** – Assigned representatives at each SEG location receive regular updates on credit union philosophy, uniqueness, products and services through luncheons, on-site visits, monthly mailings, and quarterly *Reminder* newsletters.
- 9) **Web Site** – PSCU's web site contains valuable consumer information and links to auto pricing and comparison guides, investment advice, financial calculators, etc.
- 10) **Training and Education** – Staff and volunteers are encouraged to take advantage of training and educational opportunities made available through the league and various other industry affiliations. Board and Supervisory Committee members are required to complete the Volunteer Achievement Programs within one year after being elected.



New Services Planned for 2000

Broadcast Faxes and E-mails to SEG representatives for immediate updates and news from the credit union.

Section III: Involvement/Governance

Public Service Credit Union will endeavor to preserve the credit union democratic principles, including demographic representation and volunteer participation in the organization.

Current Programs:

- 1) **Board Elections** – Elections are held at the annual meeting or by proper balloting within thirty days before or twenty days after the annual meeting to fill each vacancy.
- 2) **Board Nominations** – Each year, members are informed of Board seats open to election through the newsletter, statement stuffers and branch postings. Members are encouraged to submit their resumes to a Board appointed Nominating Committee for consideration. After any report of the Nominating Committee, the Chairman calls for nominations from the floor provided that the nominee has notified the Nominating Committee at least 15 days prior to the meeting and elections. The Nominee receiving the greatest number of votes shall be elected to office.
- 3) **Board Terms** – The Board of Directors consists of at least nine members serving three year terms. Terms of office for certain initial directors are established by the Board for one, two or three years to ensure that approximately one-third of the terms will expire at each annual meeting so that new volunteers will be encouraged to serve.
- 4) **Board Vacancies** – Vacancies on the Board of Directors are filled by a majority vote of the remaining directors. Directors so appointed will hold office until the next annual meeting where the standard election process will occur.
- 5) **Committee Involvement** – Public Service Credit Union has several ongoing committees and strongly encourages volunteer participation. These committees include: Legislative Action, Finance, Administrative Services, Planning, and Nominating.



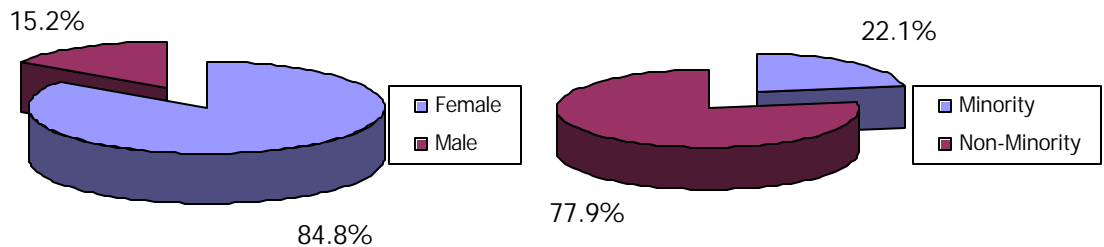
Section IV: Diversity

Public Service Credit Union recognizes the value of demographic diversity in staff as well as in volunteers, and will strive to bring people of diverse backgrounds and experiences into leadership and other roles at the credit union.

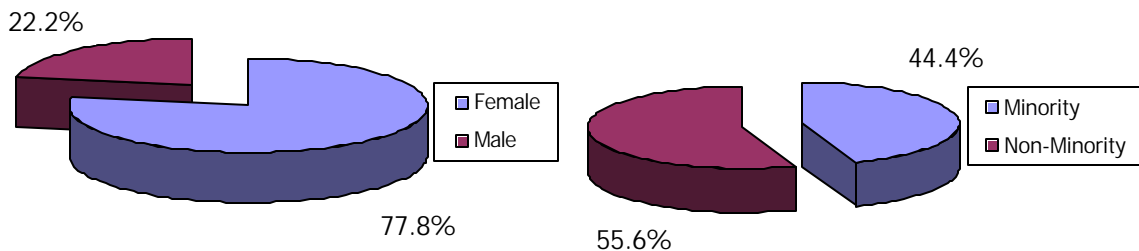


- 1) **Equal Employment Opportunity** – It is the policy of Public Service Credit Union to recruit, hire, train and promote persons in all segments of its work force without regard to race, sex, color, religion, national origin, handicap, or status as a disabled veteran or a veteran of the Vietnam Era, except where handicap is a bona fide occupational disqualification. Decision of employment will be made so as to further the principle of Equal Employment Opportunity. Promotions will result from the application of valid requirements and will be in accord with the principles of equity and fairness. All remaining personnel actions, including compensation, employee benefits, transfers, training, layoff, recall and social and recreational programs will be administered fairly and without prejudice to any employee because of race, sex, color, religion, national origin, handicap, or status as a disabled veteran or a veteran of the Vietnam Era.
- 2) **Staff Diversity** – Currently, PSCU employs a staff of 144 individuals. The following is a statistical representation of their make up.

Entire Staff



Branch Managers



- 3) **Board Representation** – As the credit union has grown in terms of the number of companies it serves, the Board has evolved to include representation from a variety of sponsor companies ranging in size from 3 employees up to 10,000 employees.

Section V: Commitment to the Credit Union Movement

Public Service Credit Union will work to build and strengthen our unique credit union movement by providing financial and in-kind resources to others within the credit union community, and by actively advocating the credit union difference at all levels of government and in other appropriate public forums.



- 1) **Shared Branch Network** – The credit union is an active participant and supporter in the Credit Union Service Network, providing shared service functions at PSCU locations in Denver and Colorado Springs. Shared services will soon be available to the traveling public at PSCU's new branch at Denver International Airport.
- 2) **Political Activity** – PSCU staff and volunteers regularly extend their time, make monetary contributions, support fund raisers and attend campaign rallies for political candidates who support the credit union movement.
- 3) **Mentoring** – PSCU regularly hosts visiting credit unions and credit union organizations for the purposes of sharing ideas, methods, and technologies. Executive staff is frequently invited to speak at credit union functions throughout the country.
- 4) **Leadership Roles** – In addition to the credit union's President/CEO serving as Chairman of the Credit Union National Association, PSCU's senior management staff serves on boards and committees including: CUNA's Governmental Affairs Committee, the CUNA Strategic Services Incorporated Board, the Colorado Division of Financial Services Board, the Credit Union Service Network Board, the Denver Area Chapter of Credit Unions Board, the Colorado Retail Council Board, the Credit Union Indirect Lending Association Board, the Member's Insurance Board, and the Dedicate to Graduate Foundation Board.
- 5) **Cooperative Advertising** – Public Service Credit Union is an active participant in the League's Chapter Advertising Program, a cooperative advertising effort for Denver area credit unions.
- 6) **Continuing Education for Staff** – PSCU provides opportunities for staff development and training through credit union schools, seminars, conferences and classes to help further their careers in the credit union movement.

New Services Planned for 2000

Implement Deduct-A-Buck program, encouraging all new and existing members to pledge \$1 or more per quarter to the national campaign for protecting the political interests of credit unions.



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CREDIT UNIONS™
Where people are worth more than money.™

Section VI: Public Service/Corporate Citizenship

Through direct financial support or other in-kind contributions to worthwhile local organizations, and by participating in public service activities, Public Service Credit Union strives to be an active partner in the community. We recognize that practicing good corporate citizenship supports the Credit Union Philosophy of People helping People.



- 1) **Mile High United Way Campaign** – PSCU's annual United Way campaign resulted in over \$17,000 of payroll deducted contributions from staff in 1999.
- 2) **The Children's Hospital** – The "Link up for Children's" campaign, which was started by Public Service Credit Union 12 years ago, has become a statewide, annual event. This year, Public Service Credit Union accounted for over \$25,500 of the \$104,000 raised by all participating Colorado and Wyoming area credit unions.
- 3) **Belle Bonfils Blood Center** – PSCU's 4th annual blood drive resulted in fifty-six credit union employees volunteering to give blood, sixteen of which were first-time donors. A total of 47 units (pints) were drawn for this very worthwhile event.
- 4) **Clear Channel Charitable Foundation ("The Never Forgotten Fund")** – Public Service Credit Union is working with 850 KOA to raise money for the Never Forgotten Fund. The goal is to raise \$1 million so that every year 12 students and one teacher can be awarded a \$13,000 scholarship, each one bearing the name of a victim from the Columbine High School tragedy. To reach the goal, KOA has designed a commemorative lapel pin. These pins are \$5 each and all proceeds are going to the Never Forgotten Fund. Since the end of April, PSCU has taken all of the phone orders for these pins. To date, over 14,000 calls have been answered by PSCU staff and contributions to the Never Forgotten Fund have now exceeded the \$1 million goal.
- 5) **The Dedicate to Graduate Foundation** – Dedicate to Graduate is a program geared towards keeping kids in school. This program was designed to give students an incentive to graduate on time and to reward them for their achievements. This is accomplished by paying \$5 for every "A" to those students who graduate on time with their class, by providing career opportunities, and by teaching financial responsibility through credit union training programs. Dedicate to Graduate was developed in association with a student-run branch of PSCU, located within Denver's George Washington High School. Funding for this program comes primarily from grants, student and credit union fund raising activities, corporate sponsorships, and donations from the GWHS school store.

In addition to these activities, Public Service Credit Union staff and volunteers also provided support for the following in 1999:

- 6) **March of Dimes**
- 7) **Junior Achievement**
- 8) **University of Colorado Health Sciences Center**
- 9) **Habitat for Humanity**
- 10) **George Washington High School**
- 11) **Elizabeth High School**
- 12) **Columbine High School**
- 13) **Future Business Leaders of America**
- 14) **The Matthew Kechter Memorial Fund**
- 15) **McCormick Tribune Foundation ("The Healing Fund")**
- 16) **Boy Scouts of America**
- 17) **Public Service Company Pioneers**
- 18) **9 Cares Colorado Shares Food Drive**
- 19) **Children's Miracle Network**
- 20) **The Denver/Boulder Better Business Bureau**
- 21) **Susan G. Komen Breast Cancer Foundation ("Race for the Cure")**
- 22) **Juvenile Diabetes**
- 23) **Girl Scouts of America**
- 24) **The Denver Dumb Friends League**