



## **Statement of Commitment to Members September 2001**

As a member-owned, not-for-profit financial cooperative, we are committed to being the trusted financial resource of our members. We do this by treating all members with respect and dignity and offering honest, fair deals to all members at all times.

We uphold our fundamental responsibility to actively serve people within our field of membership and in the community. We are also committed to providing solutions for the financial needs of the employees, family members and retirees of our participating sponsor groups.

We deliver a range of affordable products and services to the diverse economic and social make-up of our members and potential members. We look for better ways to reach out to the underserved in our field of membership. And we continually, in all facets of operations, demonstrate the value of membership in Hawthorne Credit Union.

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

We seek to educate members, potential members, legislators, regulators and the community at large on the uniqueness and economic importance of credit unions.

This *Statement of Commitment to Members* is consistent with our credit union principles of "Not For Profit, Not For Charity, But For Service" and our philosophy of "People Helping People". This statement represents good business practices that ensure the financial strength of our credit union on behalf of our members.

## **Section 1: *Service to Members***

Hawthorne Credit Union strives to offer services designed to improve the economic and social well being of members from all socio-economic backgrounds, including our low- and moderate-income members, and return financial value to all those who participate in our member-owned financial cooperative.

### **Current Services that Help Improve the Economic and Social Well Being of Members:**

#### DEPOSIT SERVICES

1. Automatic Savings Program – Members earn dividends on funds automatically transferred to their savings accounts through payroll deduction, for example Christmas Club, Vacation Club and Youth Accounts.
2. Low Opening Deposit – With a minimal initial deposit, eligible individuals can become members of Hawthorne Credit Union.
3. Excess Share Insurance – We provide up to \$350,000 of deposit share insurance to safeguard our members' funds.

#### LOAN SERVICES

4. Reflective Loan Pricing – We assist members with establishing a quality credit history and reward them with rates based on personal credit history.
5. Home Equity Plus Accounts – We provide loans that allow qualified members to use up to 100% of the equity in their homes as collateral.
6. Credit Counseling – To assist members with ways to improve their eligibility for borrowing, we counsel members individually ourselves, and when appropriate, we refer them to not-for-profit Consumer Credit Counseling Services.

7. Student Visa Credit Cards -- This affordable credit card program provides an introduction to credit for college students. The program includes a low credit limit card and low rate, to help new borrowers build credit.
8. Low Balance, Low Rate Visa Credit Cards and Share Secured Credit Cards -- This affordable credit card program provides a means for those without credit to establish a credit history, and to assist those who are rebuilding their credit histories.
9. Variety of Mortgage Programs – We offer a variety of programs to meet the diverse needs of our members.
10. Lease Look-Alike loans – Members can finance an auto with a lower payment through our Lease Look-Alike program. This program offers more flexibility at the end of the lease than traditional lease programs.

## METHODS OF DELIVERING SERVICES

11. Member Call Center – Members can receive nearly every service by phone as they receive in our lobby.
12. Access to Account Information 24/7 – Through our home banking service, eHawthorne.org and our AnyTime Phone and AnyTime Loan service, members can access their account information 24 hours a day, seven days a week.
13. Bilingual staff – We hire bilingual staff for all areas of member contact to ensure quality service to our members.
14. Surcharge Free ATM Network – This ATM network saves members money on surcharges with more than 400 surcharge free AGREE network ATMs available throughout Chicagoland.

## OTHER MONEY SAVING SERVICES

15. Insurance Products – We offer insurance products that provide security for our members and their families. One of the products

we provide is a \$1,000 of Accidental Death & Dismemberment policy at no cost to each of our members.

16. Intuit's Quicken and Microsoft Money – Members can download their account histories into the personal financial management software programs, Quicken and Money. These tools help members manage their finances by tracking expenses, planning for life events and budgeting.

17. CarQuotes Car Buying Service – Members can shop for new or used autos by phone or online via our web site and get as low as \$50 over dealer's invoice price.

**New Services to Consider for the Future:**

1. Youth Account Programs – This program, for kids up to age 12 and kids from age 12-18, will encourage saving and promote good spending habits.
2. Bolingbrook Branch – In the Spring of 2002 the credit union will open a new full service branch at the corner of Weber and Lily Cache roads in Bolingbrook.
3. Small Business Lending
3. Financial Planning Services
4. Bill Payer Service – Members will pay bills electronically online through eHawthorne.

## **Section II: *Member Education***

Hawthorne Credit Union is committed to member and consumer financial education; in addition we are committed to educating members and consumers, alike, about credit union uniqueness, philosophy, and values.

### **Current Programs that Support Member Education and Advocacy:**

1. Quarterly Member Newsletter, Insight – Includes seasonally appropriate educational articles related to the services that the credit union offers.
2. Web Site – Our web site features member education articles on a variety of topics of consumer interest.
3. International CU Day Participation – We celebrate International Credit Union Day as a way to educate our members on the credit union difference.
4. Membership Drives Onsite at SEGs – We regularly visit our select employee groups (SEGs) to conduct onsite membership drives to promote the credit union to employees.
5. CU Philosophy as Part of Employee On-going Training – Employees are trained to educate members on credit union philosophy.
6. Calculators on Website – We offer a series of calculators to help members with budgeting, spending and saving.
7. Home & Family Finance Online – This online publication, issued weekly and available on our web site, features consumer educational articles on a variety of financial topics.

8. Consumer Information Catalog by the Federal Consumer Information Center, Pueblo, Colorado -- Members can get free information on hundreds of educational topics through these catalogs that we make available in our lobby.
9. SEG Ambassador Newsletter, Insider – We educate our SEG ambassadors on credit union philosophy and values through this periodic newsletter.
10. Credit Counseling Brochures – Available for members in our lobby. The brochure explains our reflective pricing structure and provides tips to members on improving their credit histories.

### **New Programs for the Future:**

1. Email Marketing – A permission-based email marketing program that will send email to members on topics and credit union news that pertain to them based on life stage.
2. Educational Reading Library – A variety of educational publications on consumer finance topics will be available at Bolingbrook branch, slated to open in the Spring of 2002.
3. Seminars – The credit union is considering offering educational seminars on topics of interest to our members on retirement, home buying, financial planning, etc.
4. Youth Account Programs – This program, for kids up to age 12 and kids from age 12-18, will encourage saving and promotes good spending habits.
5. School Classroom Presentations -- The credit union is considering offering classroom presentations on personal finance to area schools.
6. Hawthorne Credit Union Scholarship Program – The credit union may consider establishing a scholarship program for members who are continuing their education.

### **Section III: *Involvement/Governance***

Hawthorne Credit Union will endeavor to preserve credit union democratic principles, including demographic representation and volunteer participation in credit union activities.

#### **Current Programs that support Involvement/Governance:**

1. Board of Directors – Our volunteer member board of directors are elected by ballot and proxy ballot at our annual meeting. Members are notified of our annual meeting via our quarterly member newsletter, which is included in statements mailed to every member.
2. Board of Director Training – The credit union’s directors attend an annual educational convention each year to help them stay current on issues facing credit unions.
3. Committee Involvement – Hawthorne has several board committees and encourages board involvement. These committees include Executive Committee, Supervisory Committee and Credit Committee.
4. Member Survey and Focus Groups – Periodically we use surveys and focus group research methods to ensure that we are providing services that meet member needs and to ensure that members are satisfied with service at the credit union.

## **Section IV : *Diversity***

Hawthorne 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.

### **Current Programs that Promote Diversity:**

1. Diversity Training – The credit union trains its staff to provide an awareness and understanding of diversity issues in the workplace and society.
2. Diverse Staff – We hire diverse staff in all member contact areas of the credit union to ensure quality service to our members.
3. Bilingual Forms and Materials – These materials make applying for loans and understanding our products easier for our bilingual members.
4. Member Market Segmentation – Hawthorne uses a marketing customer information database to study membership trends and determine the demographic makeup of its members so that products and services may be targeted to meet their needs.
5. Equal Housing Opportunity – Hawthorne seeks to ensure equality in home lending opportunities for members.
6. Equal Employment Opportunity – Hawthorne actively seeks to fill vacancies by hiring qualified candidates without regard to race, creed, religion, or socio-economic status, seeking to represent the community in which we serve.

## **Section V: *Commitment to the Credit Union Movement and other Cooperative Activities***

Hawthorne Credit Union works 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. In addition, Hawthorne Credit Union participates in local, state and national cooperative activities as appropriate, and strives to build and strengthen relationships with other sectors of the national cooperative movement.

### **Current Activities that Support the Credit Union Movement:**

1. Hawthorne's President/CEO is a participant of the Illinois Credit Union League's Board of Directors.
2. Hawthorne's President/CEO is the Chair of the Illinois Credit Union League's Legislative Committee.
3. Hawthorne's President/CEO participates in the State of Illinois Governmental Affairs Conference and the CUNA Governmental Affairs Conference in Washington, D.C.
4. Hawthorne's President/CEO participates in the Illinois Credit Union League's process for interviewing of legislative candidates.
5. Hawthorne's President/CEO is a participant of the Illinois Credit Union Service Corporation's Indirect Auto Lending Advisory Board.
6. Cooperative Marketing Program – We support the Illinois Credit Union League's cooperative marketing program that promotes credit unions throughout the state.
7. Political Action Campaign – The credit union supports the Illinois Credit Union League's Political Action Campaign.

8. Illinois Credit Union League's Annual Convention – The credit union sends its Senior Management Team to attend the annual convention, which features educational seminars on a variety of topics.
9. Continuing Education Program for Staff – We support our staff with education reimbursement for courses relevant to their careers in the credit union movement.
10. Credit Union mentoring – We welcome other credit union management into our credit union to share our experiences and processes.
11. Member, National Association of State Credit Union Supervisors, (NASCUS)

## **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, Hawthorne Credit Union strives to be an active partner in our community. We recognize that practicing good Corporate Citizenship supports the Credit Union Philosophy of People Helping People. Furthermore, we help raise the overall level of social and economic well being of those in our community, help to strengthen ties within the community, and better position us to reach out and serve – as only credit unions can – those people in greatest need of affordable financial services.

### **Community Groups Currently Receiving Financial or Other In-Kind Support and Current Public Service Activities:**

1. Naperville United Way – We support the United Way through employee payroll-deducted contributions and corporate contributions.
2. Naperville United Way Giraffe Walk – In 2001 we participated in the Baby Giraffe Walk as a sponsor of “Penny” the Giraffe, which was displayed in downtown Naperville throughout the summer, with all proceeds donated to the Naperville United Way.
3. Little Friends, Inc., Holiday Giving Tree, & food drive – We display a Christmas tree each year in our lobby that has the names of individuals in need throughout our community. Our members and staff are encouraged to select an individual to purchase a holiday gift for. We also collect food for Little Friends at this time.
4. Naperville Little League – We sponsor a team in Naperville’s Little League baseball.
5. Muscular Dystrophy’s Shamrocks for Dystrophy – We collect donations from our members for Muscular Dystrophy in the Spring as part of this national campaign.
6. Naperville Chamber of Commerce, member and active participant in the Chamber’s monthly luncheons and annual business expo.

7. Oak Brook Association of Commerce and Industry, member and active participant in the Chamber's monthly and quarterly luncheons and annual business expo.
8. Polling Place – We make office space available as a polling place on election days.
9. Our staff and board of directors are active participants in the community.

### **New Public Service Activities for the Future:**

1. Employee Volunteering Program – This program will allow staff to devote paid time to volunteering for a local food pantry, Loaves and Fishes.
2. Food drives for Loaves & Fishes, food pantry – We will support Loaves and Fishes by encouraging our members to donate food and money for the local food pantry.
3. Community Announcement space – We plan to make our electronic sign available for community group announcement at our new branch in Bolingbrook, in the Spring of 2002.
4. Bolingbrook Chamber of Commerce – We plan to join and become active participants in our new community of Bolingbrook by joining the Chamber of Commerce and participating in their events.