

July 3, 2003

## **SECTION 705 FEDERAL CREDIT UNION STATEMENT OF COMMITMENT TO MEMBERS**

As a member-owned, not-for-profit financial cooperative, **Section 705 Federal Credit Union** is committed to our members. We will uphold our fundamental responsibility to actively serve people within our field of membership and as appropriate, the communities they live in. We will treat all members with respect and dignity and we will offer honest, fair deals to all members at all times. We will deliver a range of low cost products and services to the diverse economic and social make-up of our members and potential members. We will look for better ways to reach out to the underserved in our field of membership. And we will continually, in all facets of operations, demonstrate the value of membership in **Section 705 Federal Credit Union**.

We will monitor and communicate our service to members in a meaningful way so that members, potential members, Legislators, regulators, and the community at large will understand and appreciate the unique role that member-owned financial cooperatives play in their lives.

Throughout **Section 705 Federal Credit Unions** strategic plan, we will make every effort to enable our members to become financially self-sufficient and successful. We will place high importance on consumer education and the teaching of financial thrift.

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". We truly strive to be an institution where "people are worth more than money."

This statement represents good business practices that ensures the financial strength of our credit union on behalf of our members.

## **Section I: Service to Members**

**Section 705 Federal Credit Union** strives to offer services designed to improve the economic and social well being of all members from all social 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 Accounts**

##### Checking/Teen Checking-

- A-No monthly service charge
- B-Dividends earned regardless of balance
- C-No minimum balance requirements to open
- D-Members opening new checking accounts receive a complimentary 1<sup>st</sup> box of checks.

##### Share Accounts-

- A-Dividends earned regardless of balance.

##### Christmas Club Accounts-

- A-No minimum balance requirements to open
- B-Dividends earned regardless of balance.

##### IRA Accounts-

- A-No minimum balance requirements to open
- B-dividends earned regardless of balance.

##### Certificates of Deposit-

- A-Offer low amounts for CD's from \$500.00 to \$1,000.00.

##### Super Green Accounts-

- A-Minimum account balance of \$10,000.00
- B-Interest paid monthly and compounded daily depending on account balance.
- C-Three pre-selected tiers pay additional interest based on the account balance.

## **Lending**

Secured Loans-Section 705 FCU provides all "traditional" secured loans, but also share secured and 0% share secured loans (whereas members can borrow dollar for dollar against their shares paying 0% interest)

Personal Loans-Includes Beginner Loans for members without an established credit history. Loans up to \$500.00 will be granted up to 4 times to and the young members in establishing "wise" credit.

Risk Based Lending

Mortgage Loans

## **Card Programs**

Visa Credit Card

ATM Card

Visa Check Cards

## **Insurance**

Total and Permanent Disability Insurance

Life Savings Insurance-As a member benefit-Section 705 FCU provides up to \$3,000.00 life savings insurance at no cost to the member. Health and age limitations apply.

Loan Protection Insurance-As a member benefit-Section 705 FCU provides up to \$10,000.00 loan protection insurance at no cost to the member. Health and age limitations apply.

Disability Insurance-member pay insurance

GAP Insurance

## **Clubs**

Youth Clubs

## **Other Services**

24-hour Telephone Account Access: 705 Anytime-Section 705 FCU'S automated account access system is available free of charge 24 hours a day 7 days a week.

Payroll Deduction

On-Line Account Access-705 Online provides members with 24/7 account access at no charge to the members.

Interactive Website with the following:

- On-Line Loan Applications
- Bill Payment Service Link
- On-Line Calculators
- Access to credit reports via Equifax
- Auto buying assistance
- Links to useful websites

Overdraft Protection by Shares or Loan

Automatic Payment Transfers-unlimited repeated transfers at no cost to the members.

Money Orders

Travelers Checques-No cost Travelers Checques for members who have a checking account with Section 705 FCU.

Direct Deposit

Notary Service-No cost for cu members.

Wire Transfers

Members Financial Services

## **New Services Planned for the Coming Year:**

Home Equity Loans

Financial Education

Senior Club

Safety Deposit Boxes

High School Financial Planning Program (NEFE)

Jump\$tart Speakers Bureau

Share Branching

Discount Amusement Park Tickets

## **Section II: Member Education**

**Section 705 Federal 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:**

Newsletter/Website Articles

Brochures-Members educational brochures available on various topics

LCUL Co-Op Promotional Advertising Campaign

Teen Club

Information Booth at Local Events

High School Financial Planning Program (NEFE)

SEG Vists

### **New Programs Planned for the Coming Year**

LCUL Co-Op Promotional Advertising Campaign

Information at Local Events

High School Planning Program (NEFE)

Financial Planning Seminars

Web Site/Newsletter Articles

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

**Section 705 Federal Credit Union** will endeavor to preserve credit union democratic principles, including demographic representation and volunteer participation in credit union activities.

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

Volunteer Board

Board Nominations and Elections

Annual Meeting

Employee Orientation

Continuing Employee Education

Volunteer Orientation

Continuing Volunteer Education

CULAC Fundraisers-Candy Sales

Chapter Activities-Assistant manager is currently Vice President of Lafayette Chapter. We have participated in the Lafayette Association for Retarded Citizens (LARC) fundraisers with a total of over \$15,000.00 donated to this organization. We also participated in Christmas in April in which volunteers/staff repaired homes for low-income families. Section 705 FCU staff raises money annually on behalf of the Muscular Dystrophy Association and volunteers for countless hour during the Labor Day Telethon.

Community Involvement-Director Emeritus and Assistant Manager hold seats on the Executive Committee for the Muscular Dystrophy Association.

League Board-CEO has been a director on the league board since 1991. Elected to Executive Committee as Treasurer in 1999.

Louisiana Governmental Affairs Conference-Employees/Volunteers attend this event annually; actively participating in educational sessions and meetings with state political representatives.

**New Programs Planned for the Coming Year:**

Louisiana Governmental Affairs Conference-Will continue to support this conference and get more staff and volunteers involved.

National Government Affairs Conference-Will be sending one staff and board member to this conference.

Better Business Bureau-plan on getting involved this year.

Chamber of Commerce-plan on getting involved this year.

## **Section IV: Diversity**

**Section 705 Federal 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:**

Equal Opportunity Employer

Equal Housing Lender

Board Representation

Board Training

Staff Training

Risk Based Lending

Member Market Segmentation

Low Income Designation

### **New Programs Planned for the Coming Year:**

None

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

**Section 705 Federal 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 level of government and in other appropriate public forums. In addition, **Section 705 Federal Credit Union** will participate in local, state, and national cooperative activities as appropriate, and will strive to build and strengthen relationships with other sectors of the national cooperative movement.

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

#### **Memberships**

Member of Louisiana Credit Union League

Member of Cuna & Affiliates

Member Filene Institute

Institute of Certified Credit Union Executives (ICCUE)-Section 705 FCU'S CEO received designation in 1998 and has been involved with the local chapter since 1994-was elected to board in 1998. She joined National association in 1998 and was elected to the board in 2002.

#### **Education**

Continuing Employee Training

Volunteer Orientation

Continuing Volunteer Training

Teen Club

Newsletter/Website Articles

#### **Outreach**

International Credit Union Day

LCUL Co-Op Promotional Advertising Campaign

Credit Union Youth Week

Annual Meeting

**New Programs Planned for the Coming Year:**

LCUL Co-Op Promotional Advertising Campaign

High School Financial Planning Program (NEFE)

Shared Branching

## **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, **Section 705 Federal Credit Union** strives to be an active partner in our community. We recognize that practicing good Corporate Citizenship support the Credit Union Philosophy of People Helping People: furthermore, it will 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/FOM Groups Currently Receiving Financial or Other In-Kind Support (including the support given) and Current Public Service Activities:**

Jumpstart Speakers Bureau-Credit Union contributed \$440.00 in 2003 for teacher stipends which will pay four teachers to learn course materials teaching financial literacy in high school across Louisiana.

Muscular Dystrophy-For the last 3 years CEO and Assistant Manager have worked entire telethon. The Lafayette Chapter has helped to raise over \$11,000.00 with various events from "Lock Up" to Mobile sales. Our past board chairman serves on the board of directors for the Muscular Dystrophy Association In 2000, Section 705 FCU'S Assistant Manager was elected to the board as well.

St Judes Hospital-Employees have participated in lock up for this organization.

### **New Public Service Activities Planned for the Coming Year:**

Jumpstart Speakers Bureau-will continue to support this organization.

Muscular Dystrophy-We will continue to provide active support for this organization.

Toys for Tots-Will get Chapter involved this year with Section 705 FCU as a drop-off point.

LARC-Lafayette Association for Retarded Citizens will be involved with this organization this year.

Christmas in April

St Judes Hospital

