

SRP Federal Credit Union

CREDIT UNION STATEMENT OF COMMITMENT TO MEMBERS

12/31/2003

As a member-owned, not-for-profit financial cooperative, SRP 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 always strive for better ways to reach out to all the citizens of the communities we serve. And we will continually, in all facets of operations, demonstrate the value of membership in SRP 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.
- We will put forth every effort to enable our members to become financially self-sufficient and successful by placing 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." This statement represents good business practices that ensure the financial strength of our credit union on behalf of our members.

Section I: Service to Members

SRP Federal Credit Union strives to offer services designed to improve the economic and social well being of *all* members from *all* socioeconomic 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:

SAVINGS

SAVINGS ACCOUNTS -- The Primary Savings Account begins with the member's deposit in SRP Federal Credit Union, but it also provides a foundation for saving money, earning dividends from the date of deposit to the date of withdrawal.

SHARE CERTIFICATES OF DEPOSIT --SRP Federal Credit Union offers a wide range of share certificate options to suit our members' needs. The share certificates earn rates based on current market conditions and are federally insured up to \$100,000 by the National Credit Union Administration. Share Certificates require a single minimum deposit and are automatically eligible for renewal at maturity.

SAVINGS BONDS -- These interest-bearing bonds, issued by the U.S. Treasury, are available with a number of investment options.

CHRISTMAS CLUB --SRP Federal Credit Union provides an excellent means for members to prepare for the holiday season with this savings program designed to ease the traditional Christmas expenses.

COVERDELL EDUCATION SAVINGS ACCOUNT -- A Coverdell Education Savings Account (ESA) is a special savings account for the sole purpose of helping to pay education expenses of the child named on the account.

INDIVIDUAL RETIREMENT ACCOUNTS:

EDUCATION IRA --Allows members to invest in their children's post high-school education.

ROTH IRA -- Allows members to invest for their own retirement years.

YOUTH SAVINGS PROGRAMS

FRUGAL FREDDIE -- A savings program designed to educate children up to twelve years old about financial responsibility. Rewards further create an incentive for saving, as well as the interest accrued in the savings account.

TEEN ADVANTAGE PLUS -- A savings and checking program for teens from 13 to 17. They not only save money but also gain experience by handling their own checking accounts with optional ATM cards. Credit accommodations such as installment loans and VISA® Lines of Credit are also available for teens who want to establish their credit rating.

CHECKING

CHECKING ACCOUNTS -- Members earn dividends on 100% of their checking account balances; there's no monthly service charge, no minimum balance required, and no per-check fees.

OVERDRAFT PROTECTION -- Members have the option of overdraft protection, enabling them to circumvent the standard fees associated with overdrawn checks. When funds are not available in the checking account, the amount necessary to cover the draft is transferred from the savings account, thereby mitigating the normal costs associated with this often-embarrassing situation.

GOLDEN ACCOUNT -- Members 55 years or more are eligible for SRP Federal Credit Union's Golden Account. The members receive complimentary checks from selected styles and fees are waived for the purchase of traveler's checks.

ACCESS (DEBIT) CARD -- Available to members with a checking account, the Access card can be used like a credit card, and the funds are automatically deducted from the member's checking account. The Access Card can also be used at any ATM.

ACCESSIBILITY

AUTOMATED TELLER MACHINES -- SRP Federal Credit Union maintains 27 ATMs, located in areas most convenient to the demographic population of its members. Members have access to funds in their savings and checking accounts through the use of either an ATM card or an Access card.

AUTOMATED TELEPHONE RESPONSE SYSTEM --SRP Federal Credit Union's 24-hour automated telephone response system allows members to inquire about their balances on savings and checking accounts; to make transfers from these accounts as well as payments to loans; and to make inquiries on share certificates as well as bonds and IRAs.

ONLINE BANKING --online banking enables members to access their accounts, make transfers, view account histories, withdraw funds, pay utility bills, make loan payments, and order checks in a secured environment.

BRANCHES --SRP Federal Credit Union provides direct member service through its current 13 branches. Loan officers, member service representatives, and tellers directly interact with the members to ensure the best service the credit union has to offer; the presentation and staffing of these branches define and give realization to the credit union philosophy.

LENDING

FIRST AND SECOND MORTGAGE LOANS --With a fixed interest rate, flexible terms, financing of up to 100%, and convenient payment options, SRP Federal Credit Union's mortgage loans help members of all socioeconomic levels to purchase a home.

HOME EQUITY LINE-OF-CREDIT --As a service to members, SRP Federal Credit Union offers a line-of-credit loan that benefits all socioeconomic groups. By using the equity in their home, the member can borrow up to 100% of the value; we pay the closing costs, and the interest may be tax deductible. HELOC can be used for consolidation of debt from credit cards or other financial institutions, to refinance or buy a new vehicle, make home improvements, or any other worthwhile purpose.

FHA HOME IMPROVEMENT LOANS --SRP Federal Credit Union also offers a quick, affordable way to improve a member's home. FHA Home Improvement loans do not require home equity; there's no appraisal; no attorney fees; and only a minimum processing fee.

NONCONFORMING REAL ESTATE LOANS --Although this loan has stipulations and limitations, it nonetheless helps members who qualify to consolidate their debt.

CONSUMER LOANS --SRP Federal Credit Union also enables members to purchase automobiles, trucks, vans, and motorcycles, as well as recreational vehicles, boats, motors and trailers, jet skis and all-terrain vehicles. Loans are available for farm and tractor equipment, airplanes, furniture and appliances, lawn tractors, utility tractors, computers and satellite antenna systems. Members also have the option of a Signature (Personal) Loan, which is an unsecured, short-term loan made available for personal expenditures such as weddings, vacations, college tuition, and so forth. Another convenient alternative is a Personal-Line-of-Credit. A Personal-Line-of-Credit is a pre-approved, revolving credit line, which provides competitive interest rates. Besides this wide selection of lending choices, SRP Federal Credit Union also provides its member-borrowers with the most up-to-date methods of research and payment. Our CarSmart is a computerized service that supplies the member with lists of new and used auto prices, including the manufacturer's suggested retail prices, and the dealer's invoice costs. Payment methods are as diverse as the ATMs, online banking, payroll deduction, automatic transfer, or monthly cash payments.

New Services Planned for the Coming Year:

1. SRP Federal Credit Union plans to open new branches and ATMs to increase membership accessibility to our services and benefits.
2. Our online-banking program has been updated and improved to provide better service. Further enhancements will be added in the coming future.

Section II: *Member Education*

SRP 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:

1. **NEWSLETTER** --SRP Federal Credit Union's quarterly newsletter consistently provides informative articles designed to promote thrift and savings, to reduce expenditures and to help members further understand finances in a wide array of circumstances.
2. **SEMINARS** --In the past, there have been seminars to educate our members on matters as diverse as the Y2k concerns and financial management. We have presented seminars on purchasing a new vehicle, the intricacies of managing your checking account, and understanding financial terms and phrases.
3. **STATEMENT INSERTS** --We include statement inserts in our mailings which give members information about products, services, meetings, loan promotions and other matters relating to the credit union's ongoing efforts to inform and educate its members.
4. **RACK CARDS** --Racks displaying brochures of our products and services are available in all our branches. These brochures provide at-hand information to our members.
5. **MEMBERS Financial Services** --The MEMBERS Financial Services staff has been diligent in presenting a number of seminars that offer guidance and better understanding about investments and retirement concerns for our members.
6. **EMPLOYEE ORIENTATION** --As with most credit unions, SRP Federal Credit Union indoctrinates its employees with a comprehensive overview of the credit union history, enabling the employees to better present the credit union philosophy to our members.

STAR Program --The Staff Training and Recognition Program enables the credit union's employees to build job skills and develop a solid understanding of credit union knowledge, which, in turn, benefits the members when interacting with our employees.

MERIT Program --This series of courses, also provided by the credit union to those employees who manifest leadership potential, enables the employee to unlock those potentials and enhance their supervisory skills.

REORIENTATION --SRP Federal Credit Union is committed to the best training available for its employees. If at any time an employee feels he or she is uncertain or under-trained in any area of his or her duties, the credit union will gladly retrain or provide further training in those particular areas.

LEARNING CENTER LIBRARY --Our Training Center provides a full range of materials, whether in the medium of books, videocassettes, tape cassettes or compact discs, to educate our staff in all areas of the credit union's functions. From basic templates designed to afford quick reference in the use of computer

software, to in-depth training in member-relations skills, these resources can be checked out at the employees' convenience.

All of these programs and resources for learning, though directed specifically to our staff and employees, ultimately benefit our members in the service, knowledge and professionalism provided by our team.

New Programs Planned for the Coming Year:

1. SRP Federal Credit Union is already providing consumer information on its Internet site; however, we plan to further update our site with more member-specific programs. These programs will allow members to better prepare themselves for mortgage loans, investments, and financial responsibility.

Section III: *Involvement/Governance*

SRP Federal 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 Elections --Each year, at SRP Federal Credit Union's annual meeting, members vote for the board member seats that expired that term. The credit union reminds members of the importance of the annual meeting and encourages participation through flyers, statement stuffers, newsletters and advertisements that encourage members to exercise their right to vote.
2. Board Nominations --There are eleven members on the Board of Directors with staggered terms of three years each, thus ensuring nominations and elections at every annual meeting.
3. Committee Involvement --The Nominating Committee, Credit Committee, Supervisory Committee, Member Relations Committee, Finance Committee, and Facilities Committee represent our commitment to volunteer participation in the leadership of the credit union.
4. SRP Federal Credit Union supports a Political Action Committee in both Georgia and South Carolina. These committees ensure that the credit union's concerns are being addressed in government.
5. CUNA Governmental Affair Conference --SRP Federal Credit Union attends this annual conference held in Washington, DC, with four to six volunteers in attendance.
6. NAFCU --The National Association of Federal Credit Unions holds a yearly congressional caucus in which SRP Federal Credit Union participates.
7. Chamber of Commerce meetings --SRP Federal Credit Union attends the Augusta Metro Chamber of Commerce and Columbia County Chamber of Commerce meetings in Georgia and the North Augusta, Aiken, Midland Valley and Barnwell Chamber of Commerce meetings in South Carolina, further deepening a well-established relationship with these local development functionaries.
8. Legislative Receptions --The South Carolina Credit Union League and Georgia Affiliates provide several opportunities throughout the year for SRP Federal Credit Union representatives to meet with and discuss matters of credit union concern with elected officials in an informal and candid setting.

New Programs Planned for the Coming Year:

The above listed programs are ongoing. There are no new programs planned for the coming year.

Section IV: *Diversity*

SRP 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:

1. **Volunteers** -- SRP Federal Credit Union actively solicits a diverse representation for its volunteers. Our current volunteers represent a diverse cultural and ethnic background. Demographically, our membership covers a two-state area, and our volunteers fully represent that range.

2. **Mortgage Loans** --SRP Federal Credit Union provides a Modest Home Program designed to help less fortunate borrowers who traditionally would have to depend on finance companies for their loans.
3. **Field of Membership** -- SRP Federal Credit Union's conversion to a community charter presents greater opportunities than ever for the under-served in its seven-county, two-state area. Currently, in the South Carolina counties of Aiken, Allendale, Barnwell, and Edgefield and the Georgia counties of Columbia, McDuffie and Richmond, membership is open to anyone who lives, works, worships, attends school, or volunteers in the above-mentioned locals.

New Programs Planned for the Coming Year:

There are no new programs planned for the coming year.

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

SRP 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 levels of government and in other appropriate public forums. In addition, SRP 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:

1. SRP Federal Credit Union is a member of the Georgia Affiliates as well as the South Carolina Credit Union League.
2. The National Campaign to support credit unions remains a core component in SRP Federal Credit Union's advertising philosophy.
3. We maintain several cooperative ATMs with area credit unions. ATMs are generally owned by SRP Federal Credit Union, maintained and balanced by SRP Federal Credit Union, and serviced by the representative credit union where the ATM is located. The cooperative effort allows members from all of the participating credit unions to benefit from the provided service.
4. SRP Federal Credit Union recently provided direction, guidance, and counseling to a start-up credit union, United Neighborhood Federal Credit Union, in its efforts to apply for a charter under the National Credit Union Administration. SRP Federal Credit Union also donated office equipment and furniture to better facilitate the startup of the fledgling credit union.
5. In fundraising activities for the community, such as the Children's Miracle Network Telethon, and in community events, such as the Halloween with a Heart, SRP Federal Credit Union worked in conjunction with the Augusta Area Credit Unions (AACU).

New Programs Planned for the Coming Year:

1. SRP Federal Credit Union plans to open and operate several more ATMs in conjunction with other credit unions.

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, SRP Federal 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, 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:

1. **United Way Participants** --SRP Federal Credit Union subscribes yearly to the United Way's Campaign.

2. **Children's Miracle Network** --SRP Federal Credit Union actively helps raise funds for the Children's Miracle Network, in the branches with balloon and t-shirt sales, and on the telephones at the weekend telethon. SRP Federal Credit Union was the First Place 2003 Dora Maxwell recipient in its asset-size category for the South Carolina Credit Union League. This entry specifically highlighted SRPFCU's fundraising efforts for the Children's Miracle Network for that same year.
3. **Sponsorship of Area Athletic Teams and Events** --SRP Federal Credit Union sponsors a high number of softball and football teams throughout the year.
4. **Blood Drives** --SRP Federal Credit Union initiates and participates in quarterly blood drives.
5. **Community Fundraising Events** --From the Leukemia and Lymphoma Society, the Alzheimer's Association, the American Heart Association, to The Walk to cure Diabetes, SRP Federal Credit Union has had teams enter their events and help raise funds.
6. **CSRA College Night** --This yearly event, done in conjunction with the Westinghouse Savannah River Company and other local industry, has grown to include over 5,000 students attending every year. SRP Federal Credit Union awards \$10,000 in scholarships during this evening's event.
7. **Arts in the Heart of Augusta Festival** -- This yearly celebration of ethnic diversity and arts and crafts draws a large following each year. SRP Federal Credit Union sponsors the fine arts section, including the locale for artists to exhibit their works and the awarding of prizes chosen from a juried committee.
8. **Broad Street Ramble** -- The annual race raises funds for a local charitable organization to help the needy.
9. **Western Carolina State Fair** -- Originally the Aiken Jaycees Fair, the state fair has a long established history of providing family entertainment to the community at large. Each year, SRP Federal Credit Union sponsors a variety of events that further promote this family-oriented environment.
10. **Toys for Tots** --SRP Federal Credit Union regularly supports this well-established annual drive to give presents to disadvantaged children during the holiday season.
11. **Donations** --The credit union budgets funds every year to support local community programs in the arts, athletics, and education.
12. **National Endowment For Education** -- The credit union currently has four area schools and one non-profit for youth at risk program participating in the NEFE program. Courses on financial literacy are also presented in one county's summer school program, Summer Explosion. The credit union provides speakers during Future Business Leaders of America (FBLA) week, and for Career Day at local schools. The credit union's Business Development Manager has represented the credit union as a judge for FBLA district competitions and this same person has also presented seminars during National Credit Union Youth Week.

New Public Service Activities Planned for the Coming Year:

The aforementioned Public Service Activities are ongoing. SRP Federal Credit Union further plans to commit to new programs, including:

1. The credit union will be a sponsor for the Victory Junction Gang Camp. Founded by Paul Newman, this not-for-profit program is "a special camp for special kids with health-care needs."
2. Financial Literacy Seminars. Presented to adults who qualify through other non-profit organizations that specialize in helping the disadvantaged.
3. The National Endowment For Education program will be expanded to more local schools in the coming year.
4. The credit union's Business Development Manager has been selected as a chairperson for the Aiken County Board of Education's Business and Technology Advisory Council and will provide support, guidance, and advice to help improve the Business and Technology Curriculum throughout the next year.