

CUNA About Credit Union

# MEMBERSHIP BENEFITS REPORT

## About Credit Union

### *The Benefits of Membership*

Credit unions generally provide financial benefits to members through lower loan rates, higher savings rates, and fewer fees than banking institutions.

The Credit Union National Association (CUNA) estimates that Abound Credit Union provided \$17,047,868 in direct financial benefits to its 113,883 members during the twelve months ending December 2020 <sup>(1)</sup>.

**These benefits are equivalent to \$150 per member or \$314 per member household <sup>(2)</sup>.**

The per-member and per-household member benefits delivered by Abound Credit Union are substantial. But, these benefits are reported as *averages*. Mathematically, that means the total benefits you provide are divided across all members (or all member households) - even those who conduct very little financial business with the credit union.

For example, financing a \$30,000 new automobile for 60 months at Abound Credit Union will save members an average \$338 per year in interest expense compared to what they would pay at a banking institution in the state. That's approximately \$1,690 in savings over 5 years.

Abound Credit Union excels in providing member benefits in many loan and savings products. In particular, Abound Credit Union offers lower loan rates on the following accounts: new car loans, personal unsecured loans, home equity loans, credit cards loans.

Abound Credit Union also pays its members higher dividends on the following accounts: regular savings, money market accounts, certificate accounts, IRAs.



### Member Benefit Marketing Toolkit

Show members how much you save them!

[www.datatrac.net/memberbenefits](http://www.datatrac.net/memberbenefits)

Website Widgets • Facebook App  
Digital Lobby Graphics • Member Handouts



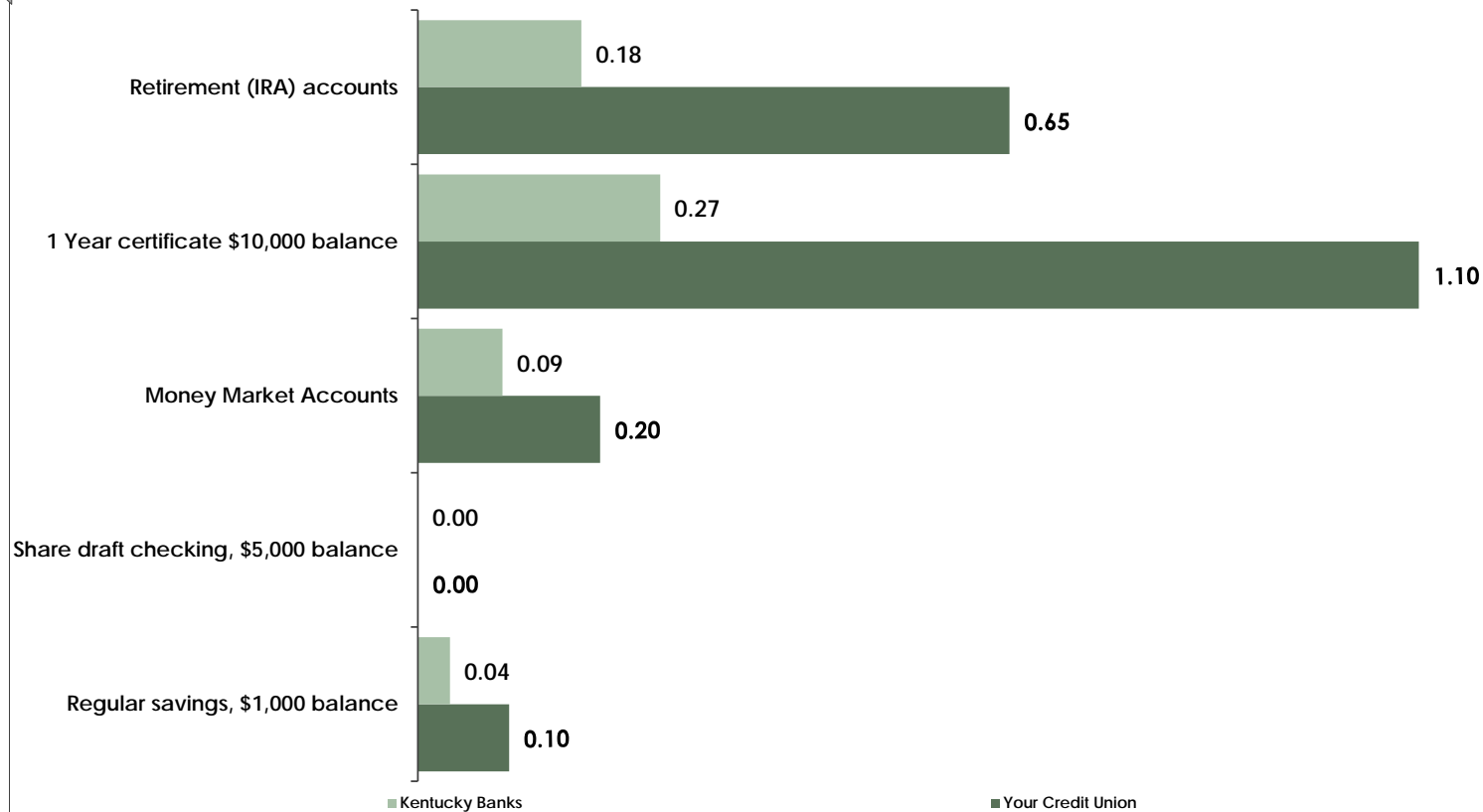
Source: DataTrac, NCUA, and CUNA.

(1) Rates and fees as of 3/25/2021.

(2) Assumes 2.1 credit union members per household.

## Savings Product Comparative Interest Rates (%)

### by Savings Account Type

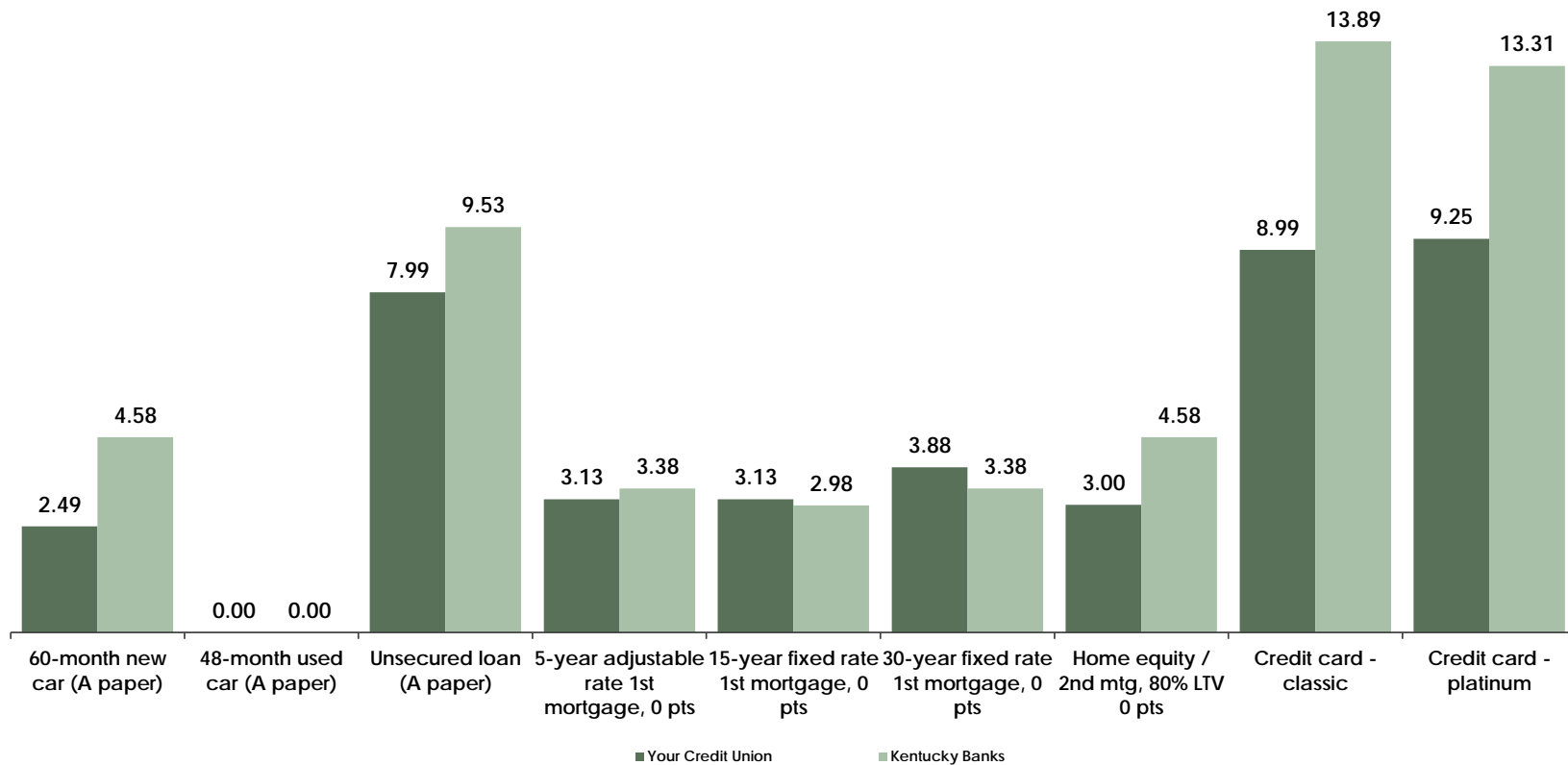


# Membership Benefits Report

CUNA Economics and Statistics

## Loan Product Comparative Interest Rates (%)

by Loan Type

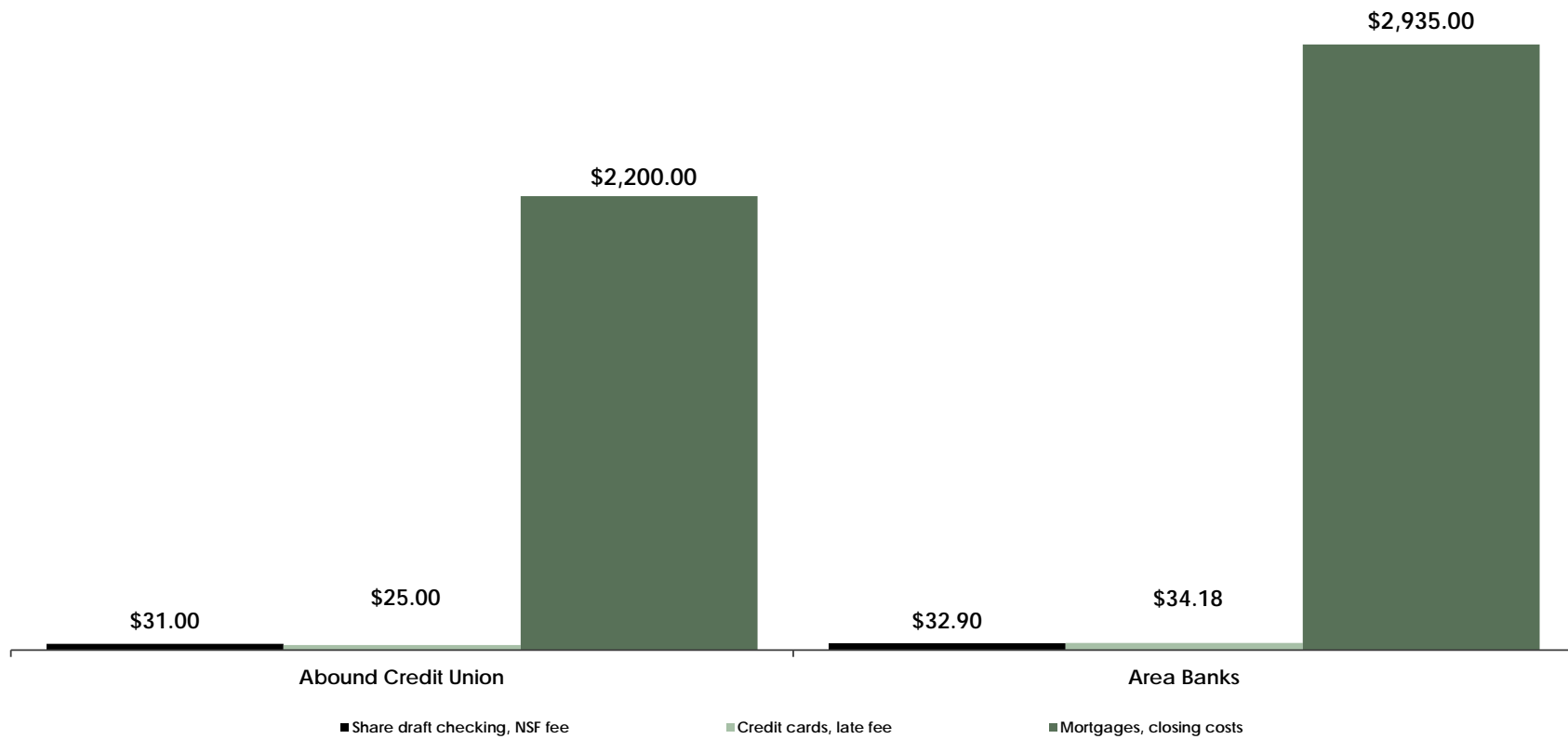


# Membership Benefits Report

CUNA Economics and Statistics

## Comparative Fees

by Type



## Interest Rates at Abound Credit Union and Banking Institutions in Kentucky

Loan Products	Rate at your Credit Union (%) *	Average Rate at Banks (%) *	Rate Difference vs. Banks (%)
60-month new car (A paper)	2.49	4.58	-2.09
48-month used car (A paper)	0.00	0.00	0.00
Unsecured loan (A paper)	7.99	9.53	-1.54
5-year adjustable rate 1st mortgage, 0 pts	3.13	3.38	-0.26
15-year fixed rate 1st mortgage, 0 pts	3.13	2.98	0.14
30-year fixed rate 1st mortgage, 0 pts	3.88	3.38	0.50
Home equity / 2nd mtg, 80% LTV 0 pts	3.00	4.58	-1.58
Credit card - classic	8.99	13.89	-4.90
Credit card - platinum	9.25	13.31	-4.06
<b>Savings Products</b>			
Regular savings, \$1,000 balance	0.10	0.04	0.07
Share draft checking, \$5,000 balance	0.00	0.00	0.00
Money Market Accounts	0.20	0.09	0.11
1 Year certificate \$10,000 balance	1.10	0.27	0.83
Retirement (IRA) accounts	0.65	0.18	0.47
<b>Fee Income</b>			
Share draft checking, NSF fee	\$31.00	\$32.90	-\$1.90
Credit cards, late fee	\$25.00	\$34.18	-\$9.18
Mortgages, closing costs	\$2,200.00	\$2,935.00	-\$735.00

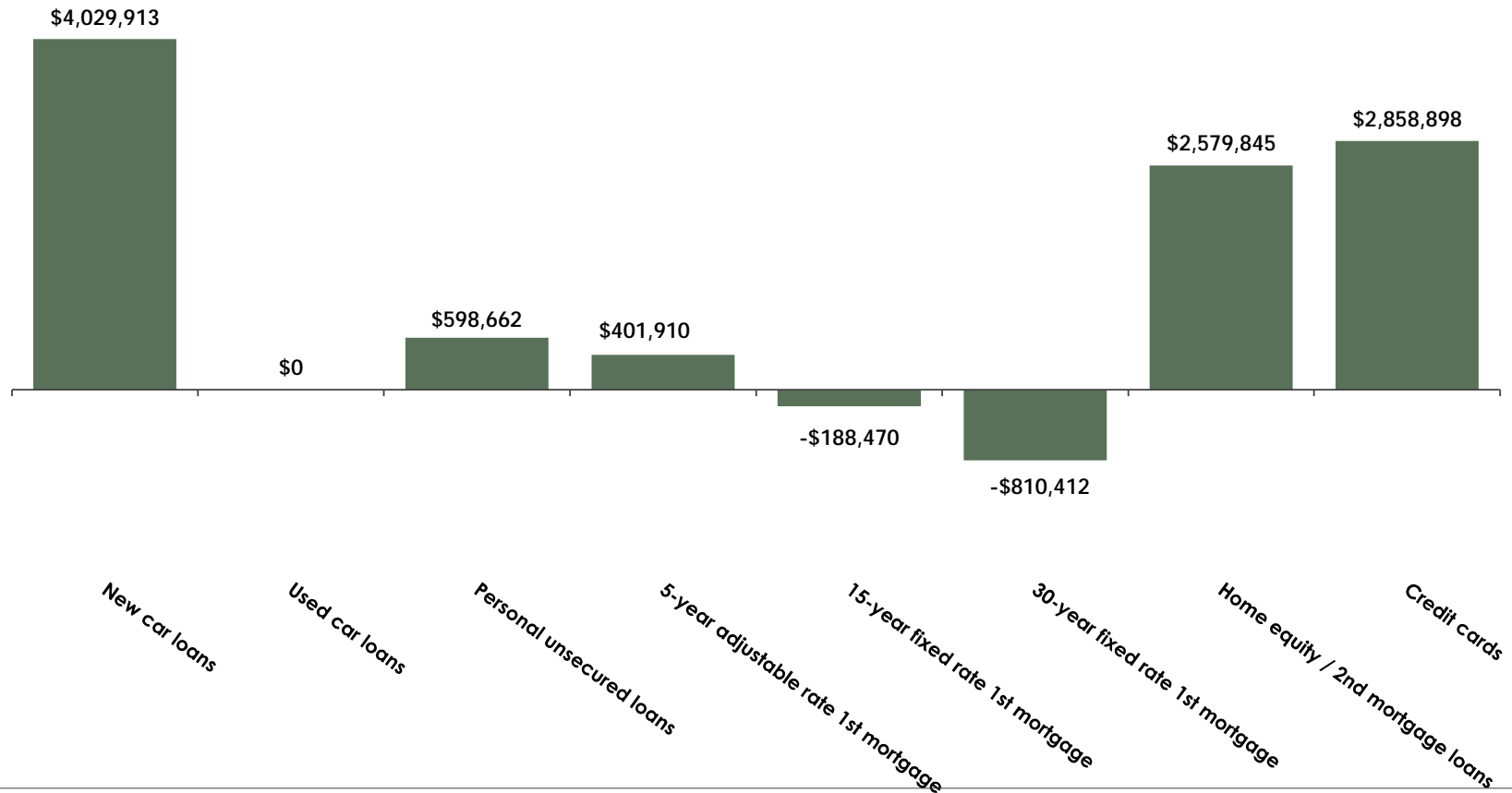
\*Rates and fees as of 3/25/2021. Credit union rates provided by individual credit union, bank rates provided by Datatrac.

# Membership Benefits Report

CUNA Economics and Statistics

## Your Credit Union's Total Loan Rate Benefits

by Loan Type

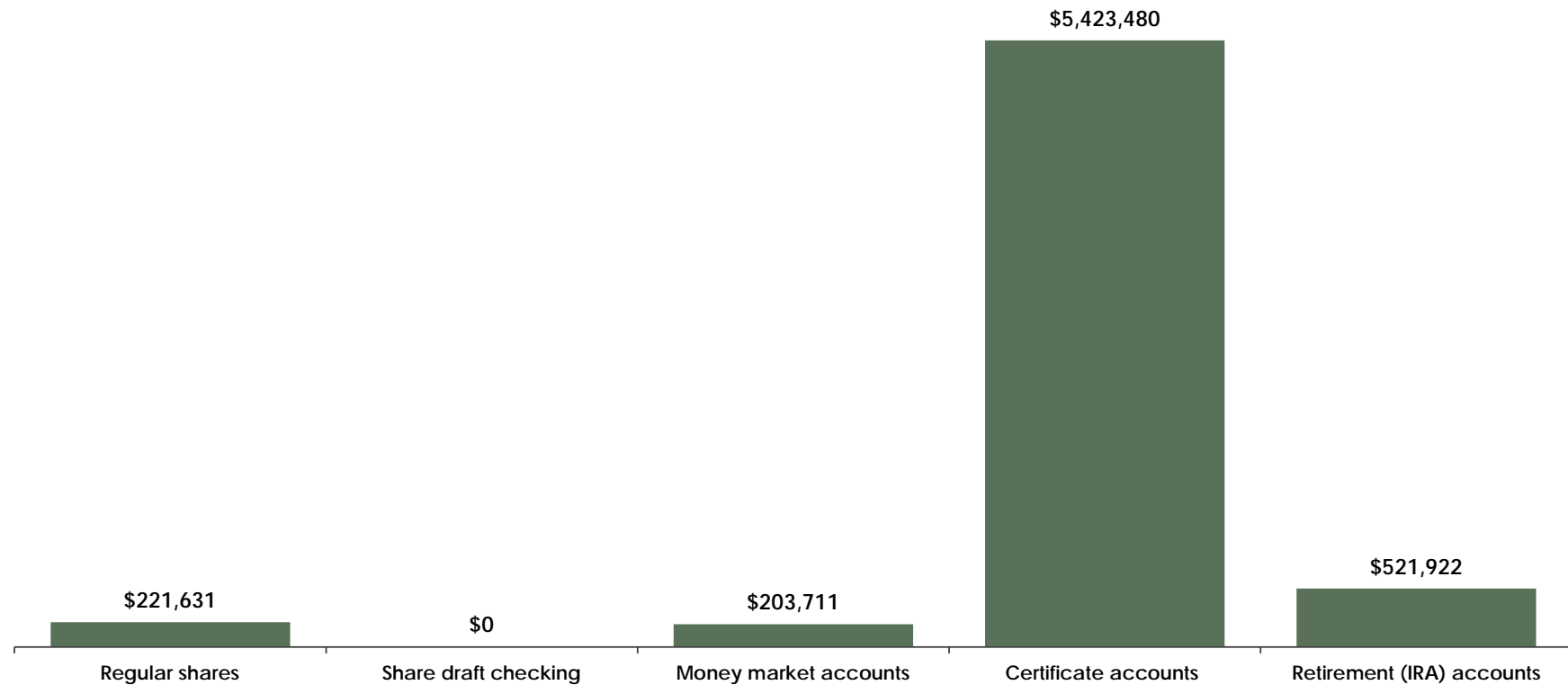


# Membership Benefits Report

CUNA Economics and Statistics

## Your Credit Union's Total Savings Dividend Benefits

Compared to Banking Institutions in Your State  
by Account Type

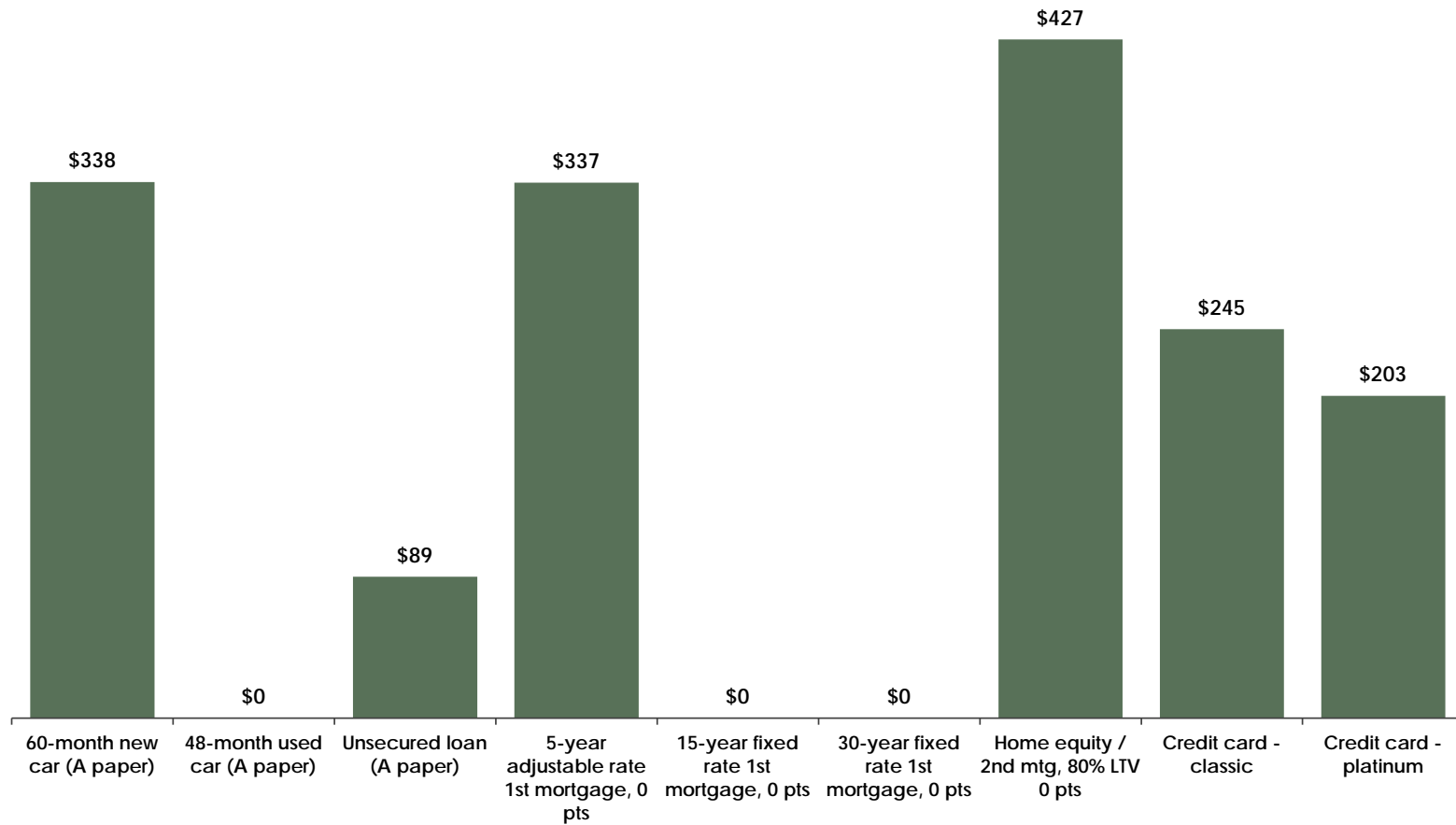




# Membership Benefits Report

CUNA Economics and Statistics

## Annual Member Benefit of Loan Products with Various Terms



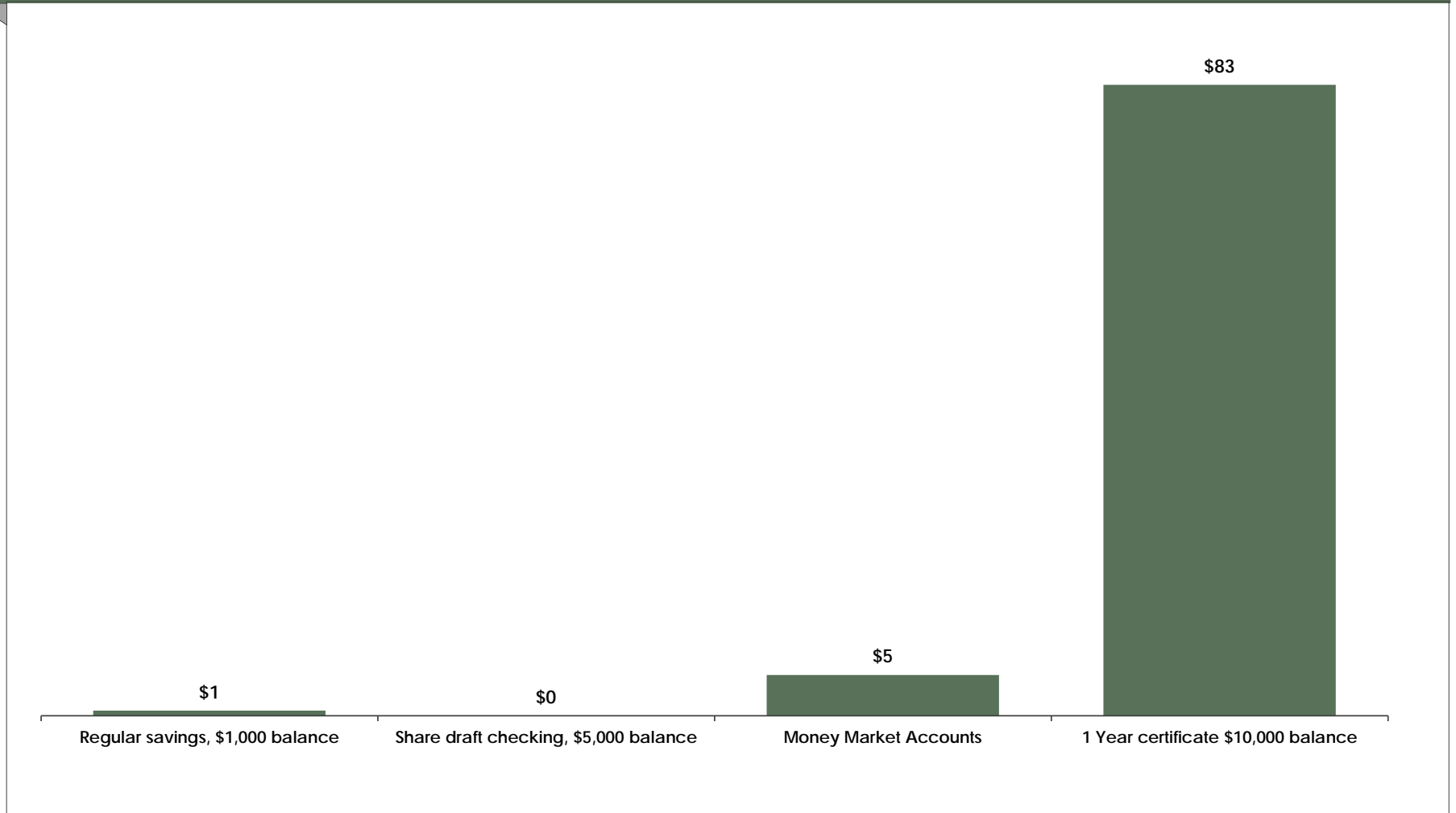
Terms on loan products included are as follows:

New Car: \$30,000; Used Car: \$20,000; Unsecured Loan: \$10,000 (5 years)  
5 Year Adj: \$200,000; 15 Year Fixed: \$200,000; 30 Year Fixed: \$200,000  
Home Equity: \$50,000; Classic Credit Card: \$10,000; Gold Credit Card: \$10,000

# Membership Benefits Report

CUNA Economics and Statistics

## Annual Member Benefit on Savings Products with Various Terms



# Membership Benefits Report

CUNA Economics and Statistics

## Estimated Financial Benefits for Abound Credit Union

Loans	Avg. Balance at Your Credit Union (1)	Rate Difference vs. Kentucky Banks (%) (2)	Financial Benefit to Your Members
New car loans	192,542,412	-2.09	\$4,029,913
Used car loans	302,636,933	0.00	\$0
Personal unsecured loans	39,000,777	-1.54	\$598,662
5-year adjustable rate 1st mortgage	156,996,138	-0.26	\$401,910
15-year fixed rate 1st mortgage	131,797,010	0.14	-\$188,470
30-year fixed rate 1st mortgage	163,060,763	0.50	-\$810,412
Home equity / 2nd mortgage loans	162,971,905	-1.58	\$2,579,845
Credit cards	60,973,563	-4.90	\$2,858,898
Interest rebates			\$0
<b>Total CU member benefits arising from lower interest rates on loan products:</b>			\$9,470,346
Savings			
Regular shares	340,971,128	0.07	\$221,631
Share draft checking	180,901,626	0.00	\$0
Money market accounts	190,384,565	0.11	\$203,711
Certificate accounts	650,297,411	0.83	\$5,423,480
Retirement (IRA) accounts	110,929,148	0.47	\$521,922
Bonus dividends in period			\$0
<b>Total CU member benefit arising from higher interest rates on savings products:</b>			\$6,370,745
Fee Income			
<b>Total CU member benefit arising from fewer/lower fees:</b>			\$1,206,777
<b>Total CU member benefit arising from interest rates on loan and savings products and lower fees:</b>			\$17,047,868
<b>Total CU member benefit / member:</b>			\$150
<b>Total CU member benefit / member household:</b>			\$314

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of December 2020 and December 2019 according to the NCUA call report.

(2) Rates and fees as of 3/25/2021. Credit union rates provided by individual credit union, bank rates provided by Datatrac.

# *Certificate of Excellence*

*is hereby granted to:*

## **Abound Credit Union**

*The Credit Union National Association has determined that Abound Credit Union provided \$17,047,868 in direct financial benefits to its 113,883 members during the twelve months ending in December 2020. These benefits are equivalent to approximately \$314 per member household.*

*Credit unions generally provide financial benefits to members by charging less for loans, paying more on deposits and charging fewer/lower fees compared to banking institutions.*



# Membership Benefits Report

CUNA Economics and Statistics

## Abound Credit Union Performance Profile

Demographic Information	Dec 20	Dec 19
Number of branches	17	17
Total assets (\$ mil)	1,864	1,660
Total loans (\$ mil)	1,238	1,236
Total surplus funds (\$ mil)	510	331
Total savings (\$ mil)	1,558	1,389
Total members (thousands)	116	111
Growth Rates (Year-to-date)		
Total assets	12.3 %	7.1 %
Total loans	0.2 %	5.8 %
Total surplus funds	54.3 %	13.4 %
Total savings	12.1 %	6.4 %
Total members	4.7 %	8.0 %
Earnings - Basis Pts.		
Yield on total assets	352	406
- Dividend/interest cost of assets	99	118
+ Fee & other income	122	124
- Operating expense	212	251
- Loss Provisions	78	58
= Net Income (ROA)	86	103
Capital adequacy		
Net worth / assets	14.8	15.8
Asset quality		
Delinquencies / loans	0.3	1.3
Net chargeoffs / average loans	1.7	0.8
Total borrower-bankruptcies	374	512
Bankruptcies per 1000 members	3.2	4.6
Asset/Liability Management		
Loans / savings	79.5	89.0
Loans / assets	66.5	74.4
Long-term assets / assets	24.4	26.5
Core deposits/shares & borrowings	37.3	32.7
Productivity		
Members/potential members	55.4	53.3
Borrowers/members	75.0	78.6
Members/FTE	390	391
Average shares/members (\$)	13,374	12,483
Average loan balances (\$)	14,170	14,133
Salary & Benefits/FTE	58,481	60,463



Transform member benefits into new business with a **Member Benefit Marketing Toolkit**

The Credit Union National Association (CUNA) and Datatrac have teamed up to bring you the analysis in this report. Member Benefit Marketing Tools provides you with practical applications for using data in this report to show members how much you save them, drive in new members, generate more loans and attract bigger deposits.

**Member Benefit Marketing Tools** prove to new and existing members:

- How much you saved your entire membership last year in interest and fees compared to the competition
- How much they will save on their next loan with you
- How much more they will earn on their deposits with you

**Member Benefit Marketing Toolkits** include:

- Lead generation for loans, deposits and new members
- Competitive comparison widgets for your website
- Facebook app
- Animated graphics for branch lobby digital displays
- Proof Points for use in marketing collateral
- Award Certification & Trophy
- Press releases
- Newsletter copy
- Member handouts
- Subscription to the CUNA Member Benefits Report

Visit [www.datatrac.net/memberbenefits](http://www.datatrac.net/memberbenefits) to see live examples, schedule a demo and receive a free competitive analysis.

**NEW** Show members how much you save them.

Analysis as of May 4, 2017

ABC Financial CU members saved **\$10,734,590!**

APPLY NOW

Auto Loan

Jacksonville, Florida Member 3.76% APY

ABC Financial 2.74% APY

up to **27% lower<sup>1</sup>**

Save Certificate

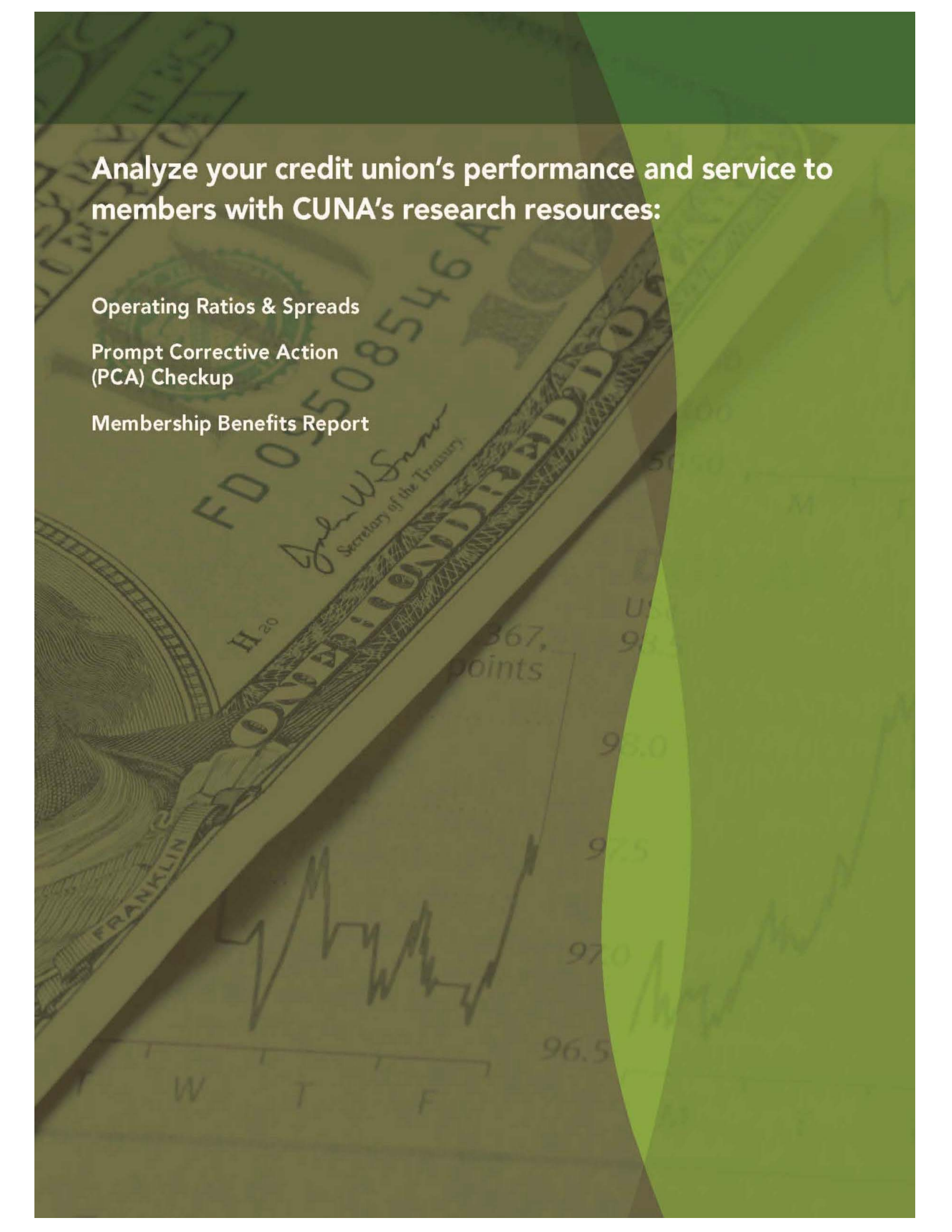
CUNA Membership Benefits Report

Datatrac widget links to your custom report

CUNA Credit Union National Association

DATATRAC

Show members how much you save them with **Member Benefits Marketing Tools**



**Analyze your credit union's performance and service to members with CUNA's research resources:**

**Operating Ratios & Spreads**

**Prompt Corrective Action  
(PCA) Checkup**

**Membership Benefits Report**