

Early Concept Document

Please contact
innovation@filene.org
for updated information.

FRIENDS & Benefits

CONCEPT DOCUMENT

INTRODUCTION

If there is a ray of sunshine cutting through this dark economic storm, it is the credit union movement. The massive financial bailouts, the unconscionable greed of Wall Street, the devastating mortgage crisis and the subsequent rise in unemployment have millions of Americans wondering who they can trust and where they can turn for their financial needs. Credit unions are quickly emerging as the safe haven for consumers betrayed by their banks and investment firms. A self-serving point of view? Maybe. But, standing by a philosophy that is 100 years old this year, credit unions are poised like never before, to substantially increase their market share with a value proposition that looks better than ever. We are *people helping people* and if there was ever a time for a simple, honest and trustworthy business model, that time is now.

The successful alignment of our brand promise to our brand identity will not happen by itself. It is imperative that our industry take advantage of this unique, albeit unfortunate, opportunity to educate members about the philosophy of the credit union movement, the benefits of being a credit union member and the value of “full cooperation” with a credit union.

As an industry, we have not been successful in clearly differentiating ourselves from banks and other financial institutions. In fact, most consumers – even credit union members – do not know the inherent differences between a bank and a credit union. It is time that we make those points of difference not only clear, that we unabashedly leverage them to create positive differentiation between ourselves and the competition ala Blue Ocean¹.

Costco, Sam’s Club and other organizations, to which members belong, have been successful in communicating their “membership benefits” and the value of belonging. Credit unions need to step up and more proactively do the same thing. Our values are unmistakable; now we need to ensure that our member/owners not only understand them, that they take advantage of them and develop the relationships for which we are all seeking.

EXECUTIVE SUMMARY

Friends & Benefits is a program that provides members with a personalized statement that summarizes the value of the member’s relationship with the credit union. The report displays, for the member, what he has saved or earned above and beyond what he could have expected at another financial institution.

The objective of *Friends & Benefits* is to demonstrate that the credit union offers the overall greatest value to the member. The credit union may not always have the lowest loan rates in every category, nor may it always have the highest deposit rates in every category, but in viewing the entire relationship plus the value-added service that credit unions are known for, the member will clearly see that he has made the right decision to entrust his financial needs to the credit union. A by-product of the benefits statement is the ability to earn more of the member’s business down the road.

In addition to bringing in more of his business, we are gaining his trust and loyalty. This will translate to increased word of mouth marketing, such a powerful tool in our service-oriented industry.

Friends & Benefits is an affordable, yet completely customizable program that will generate positive and actionable results for credit unions who implement the strategy.

OPPORTUNITY

The current state of the economy has created a unique opportunity for credit unions, one that must be acted upon quickly. Even the recent concerns with U.S. Central and the NCUSIF can be spun positively as we unite to assist one of our own from our *self*-insured insurance fund. Credit unions are already beginning to see an inflow of deposits from consumers who have lost their shirts with the banks and investment firms. They are running for cover and credit unions are the protective umbrella for the storm. We need to be well-positioned to capture as much of this business as possible.

The ***Friends & Benefits*** statement demonstrates the value, validates the member's decision-making competence and paves the way for a deeper, more profitable relationship. In an easy-to-read format, the member can quickly see that his money is being well cared for and will understand for himself that bringing more of his financial business to the credit union can only mean more money in his wallet and a greater peace of mind.

ENVIRONMENTAL SCAN

Many companies have recognized the power "telling it like it is" by spelling out the value of membership to their respective clientele. The following examples show how companies are showing their members what smart consumers they are:

Sam's Club

The Annual Savings report included on the consumer's Membership Renewal statement summarizes savings for the previous 12 months. Consumers can easily quantify and track the value they receive from their membership.



MEMBER SAVINGS SUMMARY

and Renewal Notice

*****AUTO**3-DIGIT 531

14
1-1149
320040



**Renew by March 28, 2009
to keep saving!**

4 Easy Ways To Renew

- Instant Renewal**
Go to samsclub.com/renew-now.
- Visit any register at your local Club.**
- Complete the lower portion of this invoice and return it, along with payment, in the enclosed envelope.**
Please see reverse side for additional information.
- Renew by phone:**
 1. Call our automated renewal by phone system toll-free at 1.866.419.5002.
 2. Have your 13-digit Membership number ready, located in the bottom left corner of this notice.
 3. Have your Visa*, MasterCard* or Discover* card number ready.

Congratulations, Andy!

Your Annual Estimated Savings*

\$170.15

You've shopped smart, and it shows! The amount above is an estimate of your annualized savings in select categories. **It doesn't include everything you've purchased, so your actual amount may vary.**

SAVINGS SNAPSHOT

Based on your spending, here's your annualized estimated savings in categories that matter to you:

BULK FROZEN FOODS:	\$28.16
FRESH GOURMET FOODS:	\$23.25
LAUNDRY AND CLEANING:	\$22.47
FROZEN FOODS:	\$17.72
CHIPS, CANDY AND SNACKS:	\$16.72

MBS_V1

*Based on estimated annualized savings on items Members purchased most (based on sales, units and visits) in select categories derived from a survey conducted in 50 U.S. markets between 3/03/08 and 6/27/08 comparing our regular unit prices to regular unit prices of selected non-Club competitors, including, but not limited to, grocery stores and mass retailers. Local savings for individual customers vary. For more information, please send request to the attention of Sam's Club Member Services, 608 S.W. 8th St., Bentonville, AR 72716-0745.

Yes! Upgrade my Membership to Sam's Club Advantage Plus® for \$100
OR
Yes! Renew my Sam's Club® Advantage Membership for \$40

Current Cardholders	Amount	Cardholder Change
INCLUDED _____		

Make checks payable to Sam's Club

Discover Network, Visa/MasterCard (for mailed payments only).
16 digit number _____

Exp. Date _____
month/year

Authorized Signature _____

Membership #	Club #	Billing Date	Renewal Date	Membership Fees Due	Tax Due	Total Due	Amount Paid
		2009-2-6	2009-03-28				

Grocery Stores

Supermarket chains are printing a per occurrence, or year-to-date savings total at the bottom of a receipt to remind consumers why it is a smart decision to shop there.

CUNA—Membership Benefits Report

The CUNA Membership Benefits Report generates a generic report that demonstrates the general value of being a credit union member. Using figures derived from industry averages, a prospect or current member can see the difference between a bank and a credit union. National and State-wide Benefits Reports are available on CUNA's website at: www.cuna.org, search *Membership Benefits (your state's name)*.

For a small fee, a credit union may order a customized report that compares their rates and fees to those of banking institutions within the same state. In general, this comparison is helpful, but does not define the specific value that an individual member receives based on their usage of the credit union.

SOLUTION

ACE 416 set out to develop an affordable marketing tool that would validate, in a compelling manner, the value of being a credit union member. The objective is for credit unions to use this tool, not only to gain the trust and respect of the member, but to earn more of his business as well.

Pursuant to a proof of concept member survey, the Illinois-based Alliant Credit Union developed and piloted their version of the Friends & Benefits statement, called Alliant Advantage, with a targeted group of members.

Navy Federal Credit Union also implemented a version of the *Friends & Benefits* statement by developing customized mailings which detailed how much members could save by refinancing their vehicle with Navy.

MEMBER BENEFITS

The benefits members will clearly experience and remember are:

- Increased confidence in their decision to be a credit union member
- Peace of mind that their finances are in good hands
- Real savings from overall lower loan rates; higher deposit rates

CREDIT UNION BENEFITS

Credit unions will benefit from doing what we do best, *people helping people*:

- Opportunities to deepen the relationship and share of wallet with existing members
- Opportunities to attract new and meaningful memberships
- Alignment of the credit union's brand promise with its brand identity

TARGET MARKET

Alliant Credit Union

Alliant Credit Union employed the following criteria for their Alliant Advantage statement:

- Members with a credit score of 700+
- Members with five or fewer services at Alliant

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- Members with at least one of the following anywhere:
 - Auto loan \$10,000+
 - Bank card with balance of \$2,000+
 - Home equity loan with a balance of \$10,000+
 - Mortgage loan with a balance of \$100,000+

The initial mailing was sent to approximately 40,000 members, separated into two groups as follows:

- 35,000 members that meet the above criteria *and* have total deposits of at least \$1,000 at Alliant
- 5,000 members that meet these criteria AND have less than \$1,000 in deposits at Alliant

Navy Federal Credit Union

Navy Federal Credit Union developed a very successful program that focuses on highlighting the savings members can realize by switching their existing auto loans to the credit union. For this program, they use the following criteria to refine their target market:

- Members with an existing auto loan at another financial institution
- Members who could save at least \$20 per month by refinancing at Navy Federal

This program mirrors the *Friends & Benefits* concept of presenting members with a highly personalized statement of value.

Additional Target Market Recommendations

When developing this project, ACE 416 determined that credit unions could use this tool to target several markets. When considering a target market, the team determined that credit unions interested in the *Friends & Benefits* program answer the following question:

What segment of your membership would benefit most from receiving this statement? Examples include:

- Young members ages 18-34
- Single-service households
- Members with tenure of 3 years or more who could benefit from a deeper relationship with the credit union.

OPERATIONAL AND OTHER CONSIDERATIONS

ACE 416 has identified several operational considerations that must be taken in to account as credit unions develop their own *Friends & Benefits* programs.

What is the most effective comparison data for your credit union?

- Published rates from local competitors or services, such as DataTrac, can provide general comparison information to showcase the benefits members receive based on the products they currently have with your credit union. Will you compare based on local, regional or national rates?
- Credit bureaus can provide specific information about individual member's loans held outside of your credit union. This provides the opportunity to outline the member's potential savings if they transfer these loans to your credit union.

How will you provide additional offers to members?

- While costly, we recommend using credit bureau data.
- Another alternative is to market products that members do not have with the credit union and summarize the average member savings for those individual products.

Be sure to include applicable disclosures with product offers.
Develop a mechanism for effectively demonstrating intangible benefits.
Develop an “explanation” for the occasion when a member is not saving on a particular product or service at the credit union.

Manage the cost of the program to align with the credit union’s marketing or business development budget.

PROOF OF CONCEPT

The test phase of *Friends & Benefits*, a proof of concept survey, clearly reveals an appetite for our service.

Alliant Credit Union Results

Sixty nine percent of the survey respondents reported a very positive reaction to the Alliant Advantage Statement.

When asked if the statement revealed that they could save/earn more by choosing Alliant’s products and services, 70% of the respondents said the value of the statement was even greater.

(Please see the Appendix A for more survey results.)

Farmers Insurance Group Federal Credit Union

While response to the survey was low, FIGFCU members were also agreeable to a *Friends & Benefits* program.

Nearly 40% of the respondents were receptive to the idea of the statement.

The favorable response jumps to 61% of members that felt the value of the statement would increase if it showed ways the member could save/earn more money.

(Please see Appendix B for more survey results.)

Navy Federal Credit Union

Navy Federal Credit Union deployed an offer to members with an existing auto loan at another financial institution and posted these results:

- Mailed to over 56,000 members
- Received 1.96% response rate
- Booked \$19,404,580 in new and used auto loans

The success of this campaign has been attributed to the inclusion of the specific savings a member could realize by switching their auto loan to Navy.

GETTING STARTED

Credit unions who want to implement a *Friends & Benefits* program at their shops should consider the following to ensure an effective and efficient execution:

- Develop the objective for your credit union’s specific needs.
- Determine the target market that best aligns with your program’s objective.
- Determine your points of comparison, i.e. credit bureau data or national credit union member averages.
- Determine external sources for researching financial product/service usage by your target market.

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- Based on your objective, determine whether your *Friends & Benefits* statement will be limited to a comparison, or will you offer additional products and services within the statement.

MARKETING TACTICS

Please refer to Appendix C for samples of the printed pieces deployed by Alliant Credit Union and Navy Federal Credit Union

FINANCIAL PRO-FORMA

ACE 416 is awaiting official results from the Alliant Advantage pilot. Below is a summary of the costs and breakeven analysis of this pilot:

- Mailing to 38,000 members
- Cost per piece (all expenses included) is \$1.70
- At Alliant's yields and cost of funds, they need to generate \$900k in loans to breakeven. Yield and COF will vary by credit union.

PROJECT TEAM

Filene i³ is a creative group of insightful and energetic credit unions professional who develop new ideas, innovate, and implement for the benefit of the credit union system. Please visit filene.org/home/innovation or email innovation@filene.org to learn more. The team members who developed this idea are:

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RESOURCES

¹ Blue Ocean Strategy, W. Chan Kim and Renée Mauborgne

APPENDICES

Appendix A -Alliant Credit Union proof of concept survey responses:

Have you ever estimated the dollar amount that Alliant's interest rates earn for you on deposits and save you on loans as compared to the rates of other financial institutions?

	Total
Yes	54%
No	46%
<hr/>	
Base:	83

Alliant is thinking of developing a *Member Benefits Statement* which would show members how much they earn on their Alliant savings accounts and how much they save on their Alliant loans as compared to the standard rates found at other financial institutions. This statement would be mailed to members annually. What is your initial reaction to this idea?

	Total
5 = Very positive	48%
4	21%
3 = Neutral	26%
2	2%
1 = Very negative	3%
<hr/>	
Mean	4.07
Base:	86

If the *Member Benefits Statement* also showed you what you might earn or save if you switched deposit or loan accounts from other financial institutions to Alliant, would that increase or decrease its value to you?

	Total
5 = Strong Value Increase	34%
4	36%
3 = No Change	30%
2	0%
1 = Strong Value Decrease	0%
<hr/>	
Mean	4.04
Base:	83

How would you prefer to receive a *Member Benefits Statement*?

	Total
Printed and Delivered via Mail	49%
Online through a Secure Website	26%
Both mailed and online	13%
No Preference	12%
<hr/>	
Base:	85

Appendix B - Farmers Insurance Group Federal Credit Union proof of concept research results:

FIGFCU is thinking of developing a *Member Benefits Statement* which would show members how much they earn on their FIGFCU savings accounts and how much they save on their FIGFCU loans as compared to the standard rates found at other financial institutions. This statement would be mailed to members annually. What is your initial reaction to this idea?

	Total
5 = Very positive	25%
4	31%
3 = Neutral	44%
2	0%
1 = Very negative	0%
<hr/>	
Base:	16

Please comment on your initial reaction to this idea.

The information would just be duplicate reporting, in my opinion...

Sounds great

You can do that but my local bank pays more interest on savings than you do. And I made my last loan with you when you restricted, lowered availability and abolished credit opportunities for agents

Great help to determine your own financial needs.

If the *Member Benefits Statement* also showed you what you might earn or save if you switched deposit or loan accounts from other financial institutions to FIGFCU, would that increase or decrease its value to you?

	Total
5 = Strong Value Increase	19%
4	50%
3 = No Change	31%
2	0%
1 = Strong Value Decrease	0%
<hr/>	
Base:	16

How would you prefer to receive a *Member Benefits Statement*?

	Total
Printed and Delivered via Mail	33%
Online through a Secure Website	19%
Both mailed and online	25%
No Preference	19%
<hr/>	
Base:	16

Appendix C —Samples

The following pages contain samples of the Alliant pilot statement- “Alliant Advantage” and the Navy Federal Credit Union mailings.

Navy Federal Credit Union



ARMY * MARINE CORPS * NAVY * AIR FORCE

Date

Mr. John Q. Smith
12345 Main Street
Anytown, VA 22220

Dear John Smith:

You may save up to **\$XXX** a month when your auto loan from another financial institution is refinanced with Navy Federal! You'll also get \$100 deposited into your savings account. Since you are already pre-approved, it's easy. So see about lowering your monthly payment and use that saved money to:

- Pay off your other debt
- Open a share certificate and add the money you save monthly
- Build up that emergency savings fund—gas, groceries, bills

To get your loan started, drop by any branch, or call us at 1-888-842-NFCU (6328). If you need more information on our auto loans or leases, simply go to navyfederal.org/auto/.

Accelerate your monthly savings with a Navy Federal auto loan. It's one more way that your membership really counts.

Sincerely,

John W. Gaffney
Executive Vice President, Lending

*P.S. This offer expires November 1, 2008.
Call today to save money and get \$100!*

**You're pre-approved!
Save up to \$XXX
when you refinance!**



Call 1-888-842-NFCU (6328)
Visit any Navy Federal branch
For more information, go to navyfederal.org/auto/

You can choose to stop receiving "prescreened" offers of credit from this and other companies by calling toll-free 1-888-567-8688. See PRESCREEN & OPT-OUT NOTICE on the other side for more information about prescreened offers.

*Our pre-approved credit offer is made to you because you satisfied our initial criteria for creditworthiness. The criteria may not be amended if, after you request, we find that you no longer meet the criteria used to select you for this offer or any applicable criteria based on creditworthiness. Information contained on your credit report was used in connection with this offer. Offer expires November 1, 2008. Payment steps is based on a 36-month term. Payment example: Loan amount of \$2,000 for 36 months at 3.75% would have a monthly payment of \$57.68. A vehicle term determined by age and value of car. You are pre-approved for a maximum of \$20,000. This credit union is federally insured by the National Credit Union Administration.
Copyright © 2008 Navy Federal NFCU 4/11-A (11-08)



Your personal

Alliant Advantage

prepared for

COMMITTED
APPROACHABLE
REWARDING
TRUSTWORTHY
SECURE

Mr. John Smith
11545 Main Street
Chicago, IL 60666



 ALLIANT.
credit union

Appendix C —Samples- Continued

Alliant Pilot Statement – “Alliant Advantage”- Page 2

At Alliant, our mission is your success.



As a member-owned financial cooperative, Alliant Credit Union is dedicated to providing members with The Alliant Advantage. That is, consistently providing superior financial value through high returns on deposits, low rates on loans and providing helpful, knowledgeable and memorable service.

One important measure of our success at meeting this aspiration is the benefit you derive from doing business with Alliant versus a bank. For instance, in 2008, our average savings dividend was consistently 7x times higher and our loan rates 30% lower than what banks offered. What's the advantage? Alliant delivers higher earnings on savings and great savings on loans than what is available elsewhere.

The summary below provides a high-level look at your Alliant accounts and the value you derive from doing business with Alliant—*Your Personal Alliant Advantage*. It also includes an examination of your potential Alliant Advantage – the additional value you could gain by doing more business with Alliant.

We recognize you have several choices of where to save money and obtain loans. As you review the information below, it is our hope that you will take greater advantage of The Alliant Advantage. We are constantly striving to meet the expectations you demand from your financial partner and looking for ways to help you achieve financial well being. Whether it's the introduction of free checking with a high rate or state of the art online banking...we are certain that we can meet your needs and deliver The Alliant Advantage.

The following are estimated benefits you realized in 2008 with Alliant versus an Bank.

YOUR ESTIMATED ALLIANT ADVANTAGE (as of December 31, 2008)					
Account	Balance	Bank Rate	Alliant Rate	Rate Difference	Alliant Advantage
Certificate	\$5,000	0.35%	3.50%	3.15%	\$157.50
Checking	\$500	0.20%	3.00%	0.05%	\$0.25
<i>Learn how you can earn 3.00% on your checking today!</i>					
Credit Card	\$1,000	11.50%	10.50%	-1.00%	\$10.00
Auto	\$1,000	11.50%	10.50%	-1.00%	\$10.00
HELOC	\$1,000	11.50%	10.50%	-1.00%	\$10.00
Your Estimated Alliant Advantage					\$167.75

YOUR POTENTIAL ALLIANT ADVANTAGE (as of March 2, 2009)*					
Account	Balance	Bank Rate	Alliant Rate	Rate Difference	Alliant Advantage
Certificate	\$5,000	0.35%	3.50%	3.15%	\$157.50
Checking	\$500	0.20%	3.00%	0.05%	\$0.25
<i>Learn how you can earn 3.00% on your checking today!</i>					
Credit Card	\$1,000	11.50%	10.50%	-1.00%	\$10.00
Auto	\$1,000	11.50%	10.50%	-1.00%	\$10.00
HELOC	\$1,000	11.50%	10.50%	-1.00%	\$10.00
Your Potential Alliant Advantage					\$167.75

*Bank rates are supplied by Datacube, a national provider of interest rate trends. Some rates were estimated based on an index to prime rate.

Appendix C —Samples- Continued

Alliant Pilot Statement – “Alliant Advantage”- Page 3

Great Offers Just for You

Take advantage of these great offers and start earning more with Alliant's great rates. These offers are available for a limited time, so act now and enjoy the Alliant Advantage today!

CERTIFICATE

Rates as high as
0.00% APY/ 0.000%

Rate on 48 – 60 month Jumbo Certificate \$25,000² minimum to open

Treat your money right with an Alliant Certificate of Deposit¹

- \$1,000 to open
- Dividend Withdrawal Options
- Flexible Maturity options between 12 and 60 months

Enter or mention promo code: CERT523 when you apply by June 30, 2009

OPEN AN ALLIANT CERTIFICATE TODAY • online at www.alliantcreditunion.org • call 800-328-1935 • at an Alliant Service Center

CREDIT CARD

You're pre-approved for a
\$00,000³ credit line at 0.00% APR!⁵
 (with automatic payment). Plus receive 500 CURewards™ Points instantly!⁶

Make every day rewarding with an Alliant Platinum Rewards VISA® credit card!

- No annual or balance transfer fees
- Travel insurance up to \$500,000
- Auto rental insurance
- 25-day grace period on all purchases
- 24-hour toll free account information

Enter or mention promo code: VPR523 when you apply by June 30, 2009

APPLY TODAY • online at www.alliantcreditunion.org • call 800-328-1935 • at an Alliant Service Center

AUTO LOAN

You're pre-approved for a
0.00% APY⁴ Used Auto Loan

Refinance your auto loan with Alliant and save.
 Receive a free \$100 VISA® Gift Card³

Enter or mention promo code: AUT0523 when you apply by June 30, 2009

APPLY TODAY • online at www.alliantcreditunion.org • call 800-328-1935 • at an Alliant Service Center

MORTGAGE

Refinance your mortgage and receive
a \$200 VISA® Gift Card!⁸

Save money every month on your mortgage.

The rate on our 5/1 ARM as of <<date>> is <<current rate>> with <<current % APR>>.⁷

Enter or mention promo code: MORT523 when you apply by June 30, 2009

APPLY TODAY • call 800-385-7003 (Mon-Thu, 7:30am - 7pm CT; Fri, 7:30am - 5pm CT)

HELOC

Your pre-approved introductory rate of **0.00% APR⁹** Rate as of <<date>> as low as **0.00%**

for at least the first three months of the loan (depending upon actual funding date) on lines of \$10,000 or more

Get the money you need for home improvements, debt consolidation, and more...
 with a low rate, Interest-only Home Equity Line of Credit⁹

Enter or mention promo code: IOHE523 when you apply by June 30, 2009
 Ask about our other Home Equity products available at great everyday rates

APPLY TODAY • online at www.alliantcreditunion.org • call 800-328-1935 • at an Alliant Service Center

PRESCREEN & OPT-OUT NOTICE: This "prescreened" offer of credit is based on information in your credit report indicating that you meet certain criteria. This offer is not guaranteed if you do not meet our criteria. If you do not want to receive prescreened offers of credit from Alliant Credit Union and other companies, call toll-free, 1-888-5-OPT-OUT (1-888-567-8688), or write to: Equifax PO Box 740241 Atlanta, GA 30374.

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Appendix C —Samples- Continued

Alliant Pilot Statement – “Alliant Advantage”- Page 4

You received these offer(s) for credit because you satisfied the criteria for creditworthiness under which you were selected. You may not receive this offer if, after you respond to the offer you do not meet the criteria used to select you, or any applicable criteria bearing on your creditworthiness. These offers of credit are nontransferable and may only be used by the person to whom The Alliant Advantage Benefit Summary is addressed.

Certificate

1 **Rise & Jumbo Certificates** (applies to all terms listed below) \$100,000 minimum deposit required to open an Alliant Certificate and you must be an Alliant member. Alliant Flex Term Certificates are available as Regular Share Certificates and Jumbo Share Certificates. Both types are also offered as Traditional IRA Certificates, Roth IRA Certificates, Coverdell Education Savings Account (ESA) Certificates and SEP Certificates. Prior to opening an IRA Certificate (Traditional, Roth and SEP) or Coverdell ESA Certificate, you must have or establish an IRA or Coverdell ESA with Alliant. You may not add any additional money to your Certificate after opening. Dividends compound monthly and are paid on the last day of the month and at maturity. There are no penalties for monthly dividend withdrawals. Early withdrawal penalties do apply if the Certificate is closed before the maturity date. Monthly dividend withdrawals are not eligible on IRA Certificates if owner is under age 59 1/2 or Coverdell ESA Certificates. Other early withdrawal penalties may apply. Any monthly withdrawals or transfers reduce earnings. Dividends begin June 30, 2009.
 2 **Jumbo Share & IRA Certificates** with a term between 48 and 60 months provide a Dividend Rate of 3.025% - Compounded Annual Percentage Yield of 4.09% APY on balances \$25,000 or greater. Alliant Certificate rates accurate as of 11/01/2009 and may change daily until you lock in your Certificate rate. See www.alliantcreditunion.org for other Certificate terms and rates.

Auto Loan

3 This offer is nontransferable. Refinance a current vehicle loan financed with another lender to be eligible to receive a free \$100 VISA® Gift Card. This offer is not applicable to existing Alliant Credit Union vehicle loans. The free \$100 VISA Gift Card offer is nontransferable and can only be used by the person to whom this offer is addressed. The minimum loan amount is \$10,000 to qualify. Member is responsible for any fees involved with transferring of title. Offer expires June 30, 2009. One VISA Gift Card per vehicle financed. Loans canceled within sixty days from disbursement are subject to a charge back fee equal to amount of the VISA Gift Card received. See VISA Gift Cardholder for conditions.
 4 This offer is nontransferable. Rates, terms and conditions subject to change. Loan approval, APR and downpayment required based on payment method, creditworthiness, collateral and ability to repay. Rates include automatic payment option. Rates are .4% higher without automatic payment option. APR = Annual Percentage Rate.

Credit Card

5 Rate as low as 10.9% with automatic payment. Rate as low as 11.8% without automatic payment. This offer is nontransferable. Offer expires June 30, 2009. Rates, terms and conditions subject to change. Refer to the VISA Credit Card Agreement for complete terms and conditions. Loan approval and APR based on ability to repay, payment method and creditworthiness. APR=Annual Percentage Rate. Bonus points are awarded for every net dollar spent on new purchases. No bonus points are awarded for finance charges, fees, cash advances, balance transfers (except promotional offers), converted checks, foreign transaction currency conversion charges or MEMBER 5 CHOICE™ Protection charges. Bonus points have no cash value and cannot be exchanged for cash or credit, may not be used with any other offer, promotion or discount, cannot be combined with cash to obtain an award and cannot be earned from or transferred to any credit card or other accounts.

Mortgage

6 This offer is nontransferable. Rates, terms and conditions subject to change. 5-Year Adjustable Rate Mortgage (ARM). Adjustable rate mortgages available in all 50 states. Loan approval, APR, and downpayment required based on creditworthiness, amount financed, and ability to repay. We may finance up to 100% of the purchase of a new home, condominium, or town home up to \$500,000, or 88% on the purchase of a second residential home. Loan amounts over \$500,000 require a downpayment. APR is 0.25% higher on mortgage loans \$50,001 to \$99,999 and 0.25% on mortgage loans \$60,001 to \$1,000,000. Origination fees \$565.00. Other fees may be assessed, as applicable. Rates, terms, and conditions are subject to change. The 5-year ARM offers a fixed rate for the initial period of the loan and adjusts to a one year ARM after that period. The interest rate and monthly payment may adjust annually based on the 1 Year Treasury Bill, plus a margin of 1.75 percentage points with a 5% lifetime cap.

7 Refinance a home purchase or refinance a current mortgage loan financed with another lender to be eligible to receive a free \$200 VISA® Gift Card. This offer is not applicable to existing Alliant Credit Union mortgage loans. The free \$200 VISA Gift Card offer is nontransferable and can only be used by the person to whom this offer is addressed. The minimum loan amount is \$10,000 to qualify. Member is responsible for any fees involved with transferring of title. Offer expires June 30, 2009. One VISA Gift Card per vehicle financed. Loans canceled within sixty days from disbursement are subject to a charge back fee equal to amount of the VISA Gift Card received. See VISA Gift Cardholder for conditions.

HELOC

8 This offer is nontransferable and not valid with any other promotional offer. Offer expires June 30, 2009, and is subject to credit approval, which includes verification of application information and receipt of collateral documents. Rates and closing costs are subject to change. Rates and closing costs are subject to credit qualifications. You must be an Alliant member to be eligible for this offer. We may not extend credit to you if you do not meet Alliant criteria. Initial rate is based on loan amount, Loan to Value and credit history. Qualifying applicants who take out an Interest-Only Home Equity Line of Credit (HELOC) of \$10,000 or more with a loan to value of up to 85% will receive an introductory Annual Percentage Rate (APR) as low as 4.99% APR with automatic payment for the introductory period of the loan*. Qualifying applicants who take out an Interest-Only HELOC less than \$100,000 with a loan to value of up to 85% will receive an introductory rate as low as 4.99% APR with automatic payment for the introductory period of the loan. Our introductory rates as of 11/01/09 are as low as 5.99% APR with automatic payment. The APR is a variable rate. Loans without automatic payment selection are subject to an increase in rate and margin of 0.4%. After the introductory period, the applicable rate will adjust to a rate as low as 1.58% below Prime on loan amounts of \$25,001 or more with a loan to value ratio of 65%, 1.25% below Prime on loan amounts \$100,000 to \$250,000 with a loan to value ratio of 65%, 1.00% below Prime on loan amounts less than \$100,000 with a loan to value ratio of 65%, depending upon credit qualifications and loan to value ratio. Your rate may change monthly and is based on the highest Prime rate published in The Wall Street Journal on the last publishing day of the calendar month immediately preceding your billing cycle plus or minus a margin. The APR range is from 3.50% to 10.0%. The minimum initial advance is \$10,000; thereafter, the minimum advance is \$1,000. No closing costs based on loans up to \$25,000 and meeting Alliant criteria. A fee of \$1,000 is applied to Interest-Only HELOC loans more than \$250,000. Minimum payment may not repay principal, which will result in a balloon payment at the end of the 7-year draw period. Costs to this certificate or loan may be assessed. Property insurance is required. Flood insurance may be required. If the state and/or county in which the collateral is located charges additional fees and taxes, the borrower will be responsible for payment. A \$200 termination fee may be applied to an Interest-Only HELOC cancelled or closed by the borrower within one year of origination. Refinancing is not applicable to current Alliant HELOCs or other home equity products. Rates, terms, and conditions are subject to change. Other restrictions may apply. Home equity products are available in the following AZ, CA, CO, CT, FL, GA, HI, IA, IL, IN, KY, MA, MD, MI, MN, MT, NE, NV, NY, NC, ND, OH, PA, TN, UT, VA, WA, WI, and Washington, D.C. The minimum loan amount is \$5,001 in IA, WI and Washington, D.C. Interest-Only HELOC loans available on 1 to 2 and owner occupied dwellings. Consult your advisor about potential tax savings. Please consult with an Alliant Loan Representative at 800-528-1995 ext. 5801 for more information on an Alliant Interest-Only Home Equity Line of Credit.
 * Introductory rate applies for at least the first three months of your loan, depending upon the actual funding date.



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