

CUNA Communication FCU

MEMBERSHIP BENEFITS REPORT

Communication FCU

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 Communication FCU provided \$20,229,260 in direct financial benefits to its 94,420 members during the twelve months ending March 2021 ⁽¹⁾.

These benefits are equivalent to \$214 per member or \$450 per member household ⁽²⁾.

The per-member and per-household member benefits delivered by Communication FCU 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 Communication FCU will save members an average \$332 per year in interest expense compared to what they would pay at a banking institution in the state. That's approximately \$1,660 in savings over 5 years.

Further, loyal members⁽³⁾ - those who use the credit union extensively - often receive total financial benefits that are much greater than the average.

CUNA estimates that Communication FCU provided loyal high-use member households \$1048 in direct financial benefits during the twelve month period.

Communication FCU excels in providing member benefits in many loan and savings products. In particular, Communication FCU offers lower loan rates on the following accounts: new car loans, used car loans, first mortgage-fixed rate, first mortgage-adjustable rate, home equity loans, credit cards loans.

Communication FCU also pays its members higher dividends on the following accounts: regular savings, share draft checking, money market accounts, certificate accounts, IRAs.



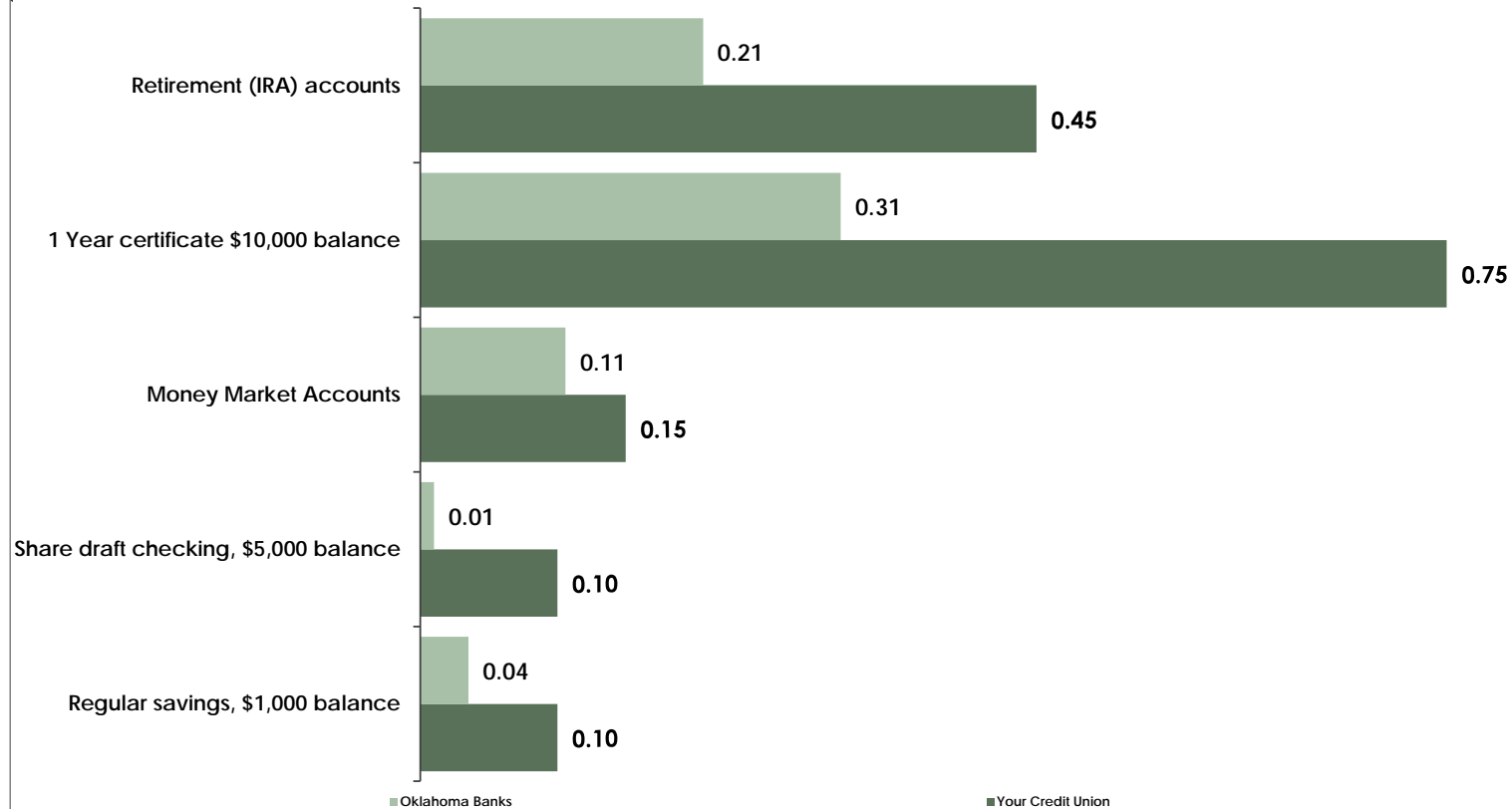
(1) Rates and fees as of 8/11/2021.

(2) Assumes 2.1 credit union members per household.

(3) A "loyal member" is assumed to have a \$30,000, 60-month new auto loan, a classic credit card with an average balance of \$5,000, a \$200,000, 30-year fixed rate mortgage (a 30-year fixed rate mortgage is replaced with a 5-year adjustable rate mortgage if it yields a greater benefit as it is assumed more in demand), \$5,000 in an interest-bearing checking account, \$10,000 in a one-year certificate account, and \$2,500 in a money market account.

Savings Product Comparative Interest Rates (%)

by Savings Account Type

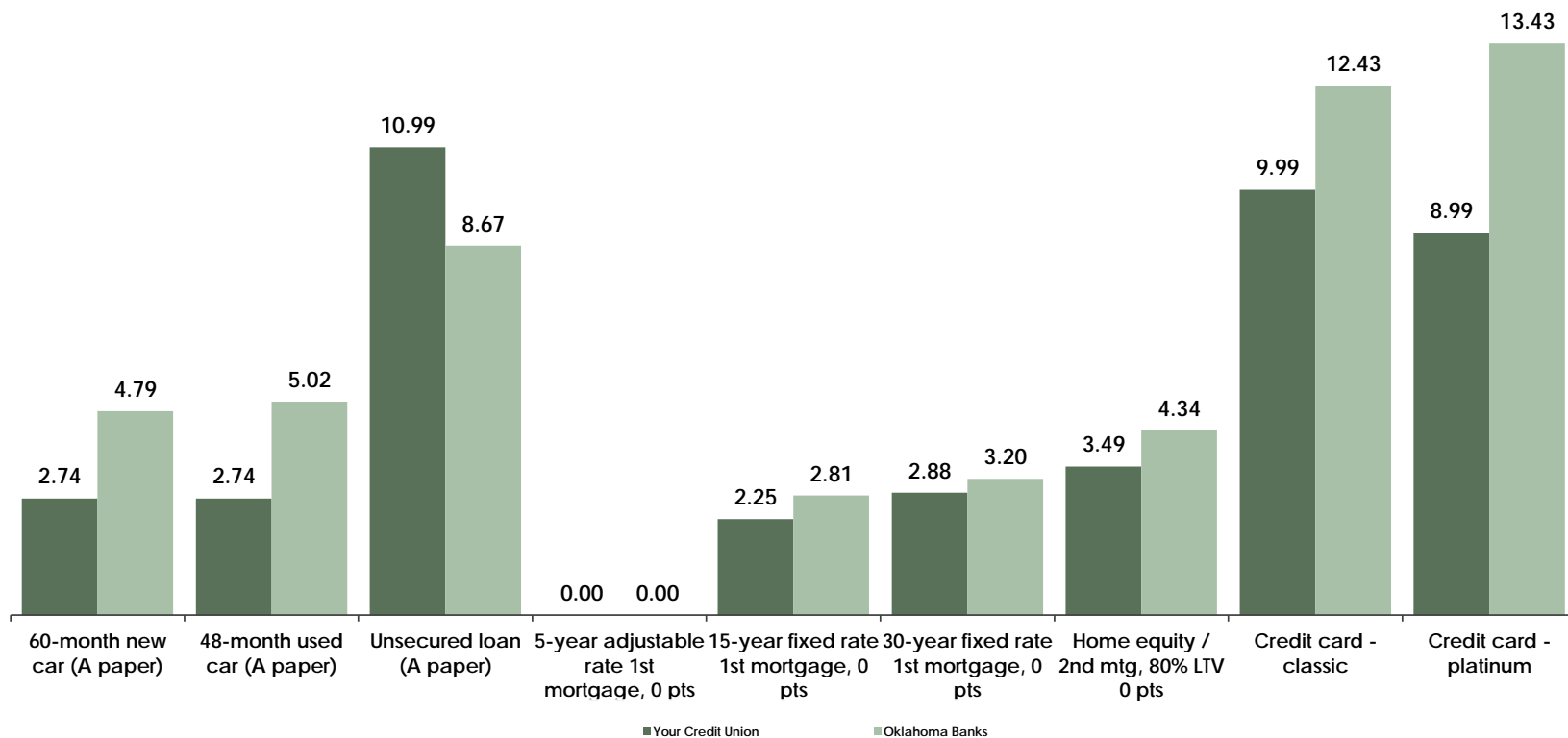


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Loan Product Comparative Interest Rates (%)

by Loan Type

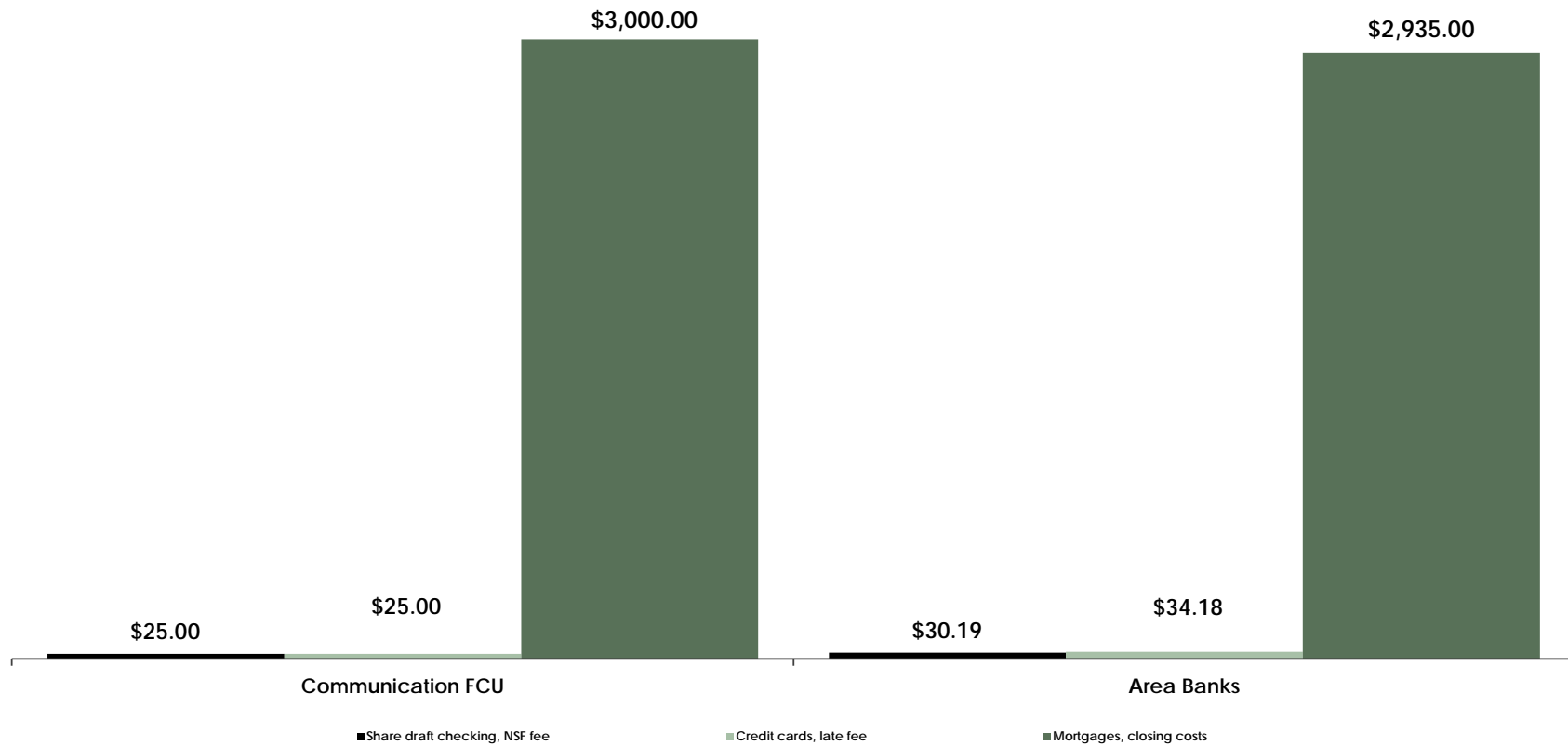


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Comparative Fees

by Type

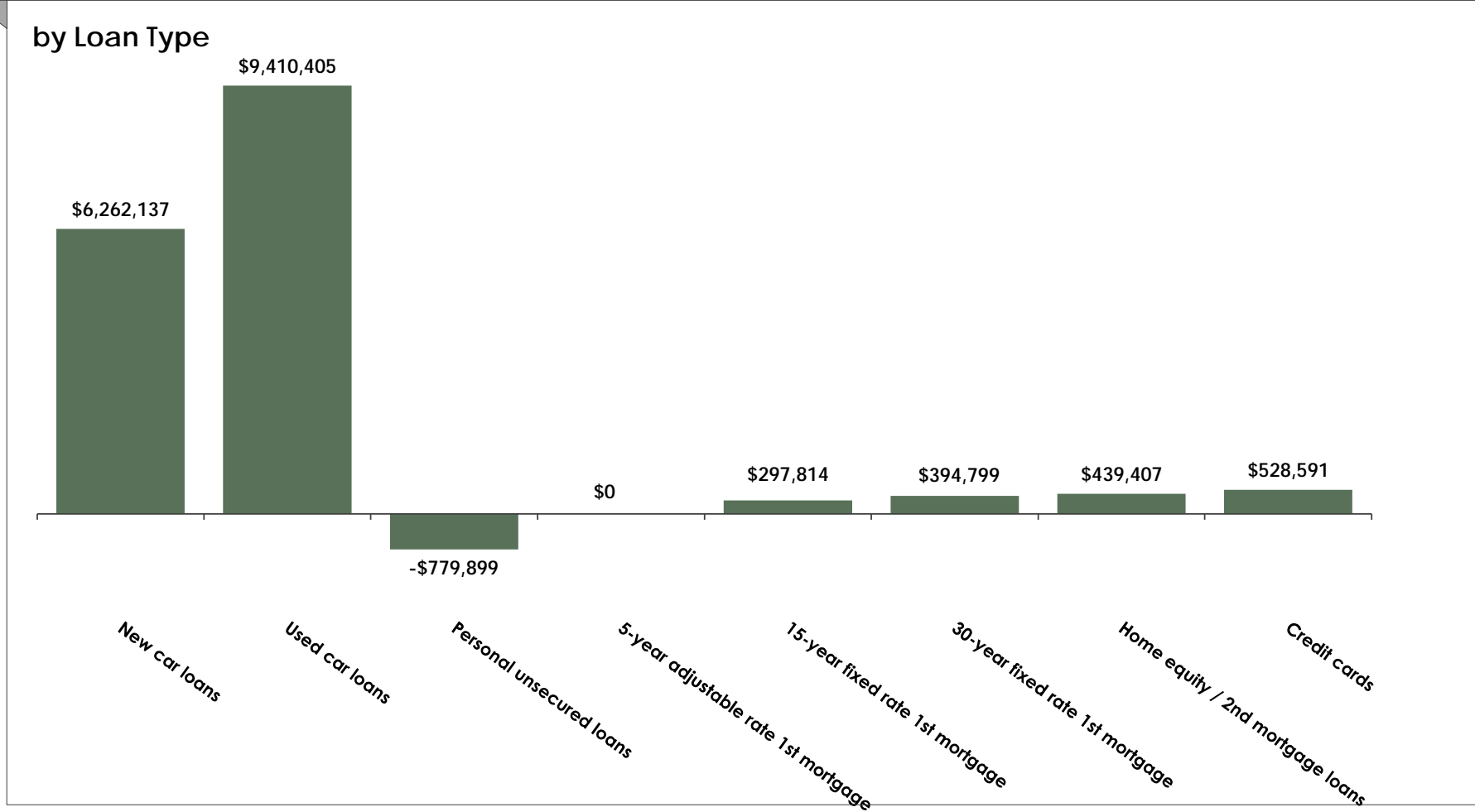


Interest Rates at Communication FCU and Banking Institutions in Oklahoma

Loan Products	Rate at your Credit Union (%) *	Average Rate at Banks (%) *	Rate Difference vs. Banks (%)
60-month new car (A paper)	2.74	4.79	-2.05
48-month used car (A paper)	2.74	5.02	-2.28
Unsecured loan (A paper)	10.99	8.67	2.32
5-year adjustable rate 1st mortgage, 0 pts	0.00	0.00	0.00
15-year fixed rate 1st mortgage, 0 pts	2.25	2.81	-0.56
30-year fixed rate 1st mortgage, 0 pts	2.88	3.20	-0.32
Home equity / 2nd mtg, 80% LTV 0 pts	3.49	4.34	-0.85
Credit card - classic	9.99	12.43	-2.44
Credit card - platinum	8.99	13.43	-4.44
Savings Products			
Regular savings, \$1,000 balance	0.10	0.04	0.07
Share draft checking, \$5,000 balance	0.10	0.01	0.09
Money Market Accounts	0.15	0.11	0.04
1 Year certificate \$10,000 balance	0.75	0.31	0.44
Retirement (IRA) accounts	0.45	0.21	0.24
Fee Income			
Share draft checking, NSF fee	\$25.00	\$30.19	-\$5.19
Credit cards, late fee	\$25.00	\$34.18	-\$9.18
Mortgages, closing costs	\$3,000.00	\$2,935.00	\$65.00

*Rates and fees as of 8/11/2021. Credit union rates provided by individual credit union, bank rates provided by Datatrac.

Your Credit Union's Total Loan Rate Benefits

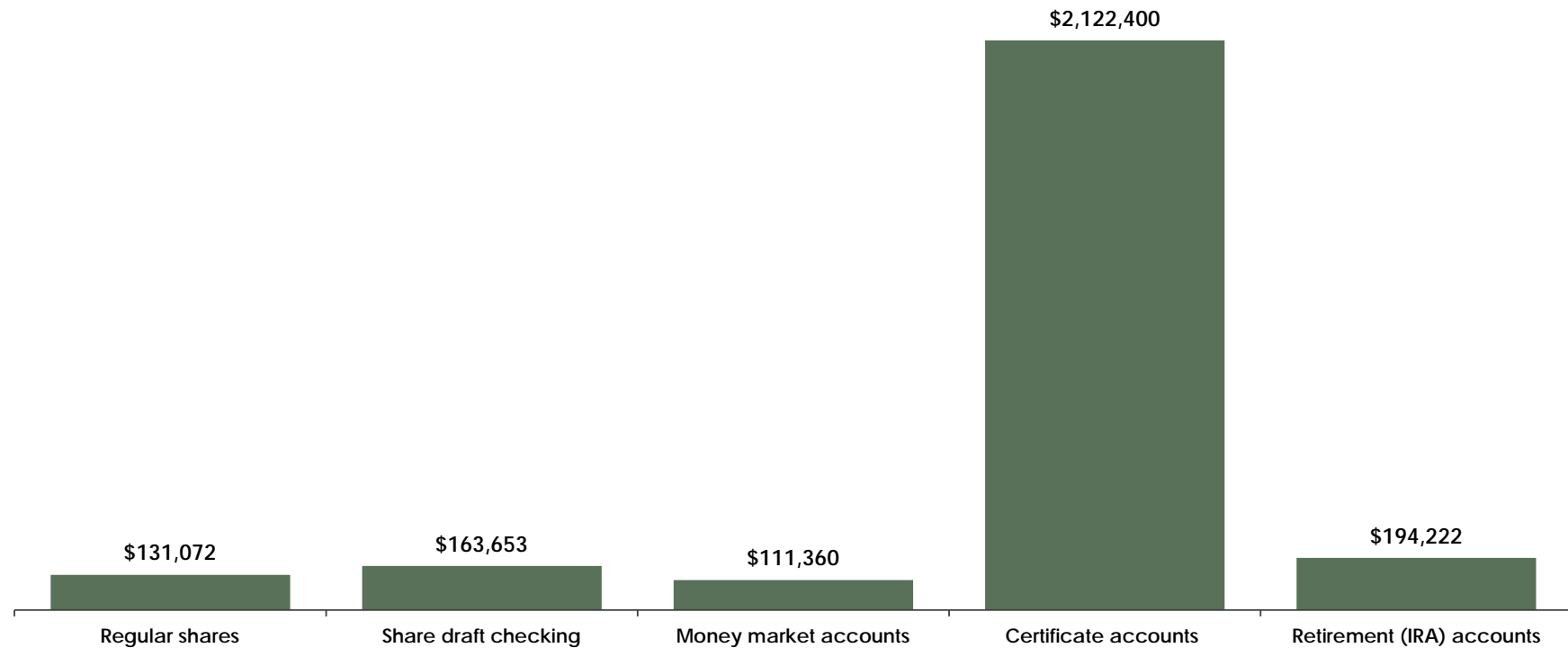


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Your Credit Union's Total Savings Dividend Benefits

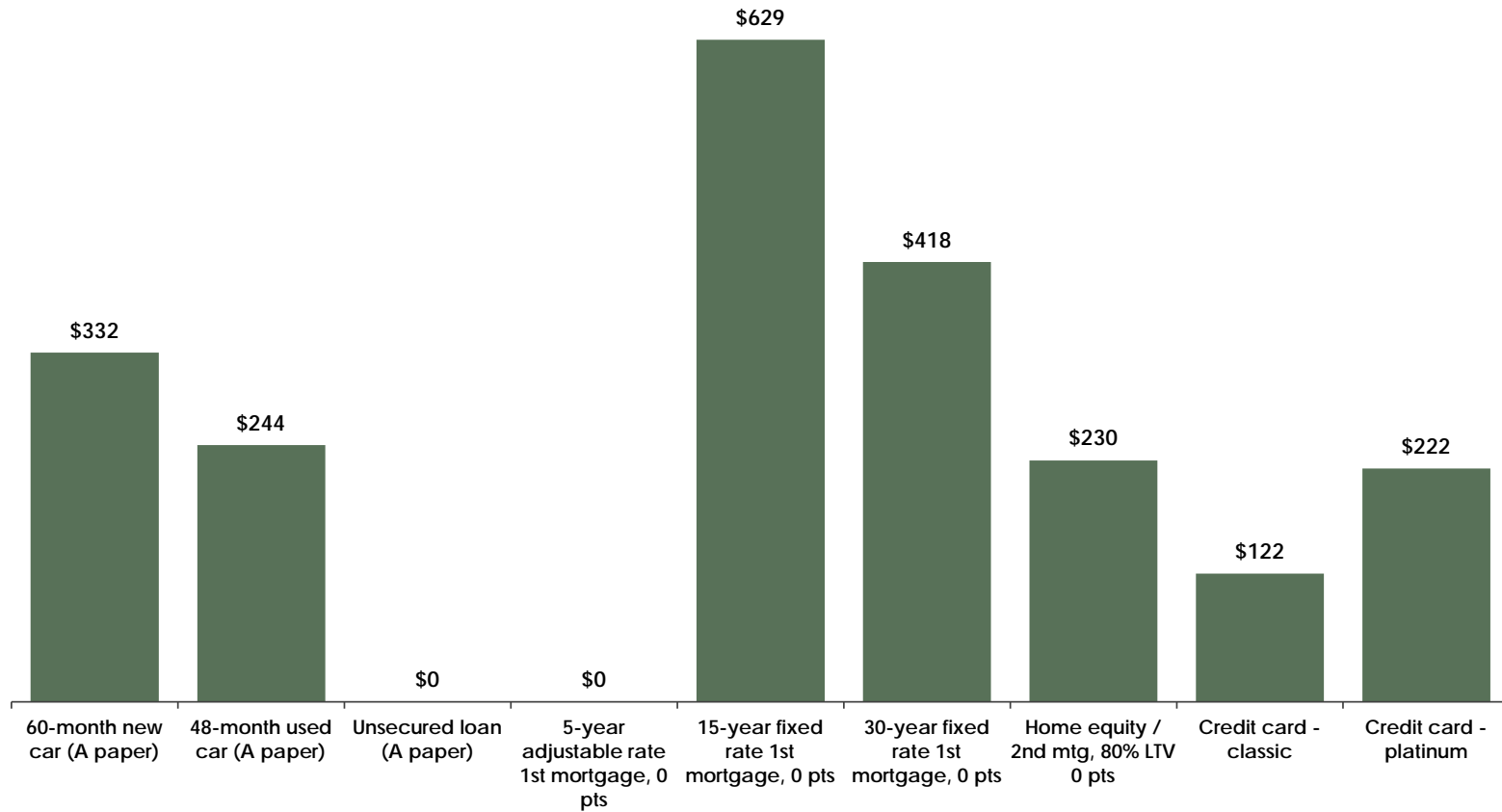
Compared to Banking Institutions in Your State
by Account Type



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Annual Member Benefit of Loan Products with Various Terms



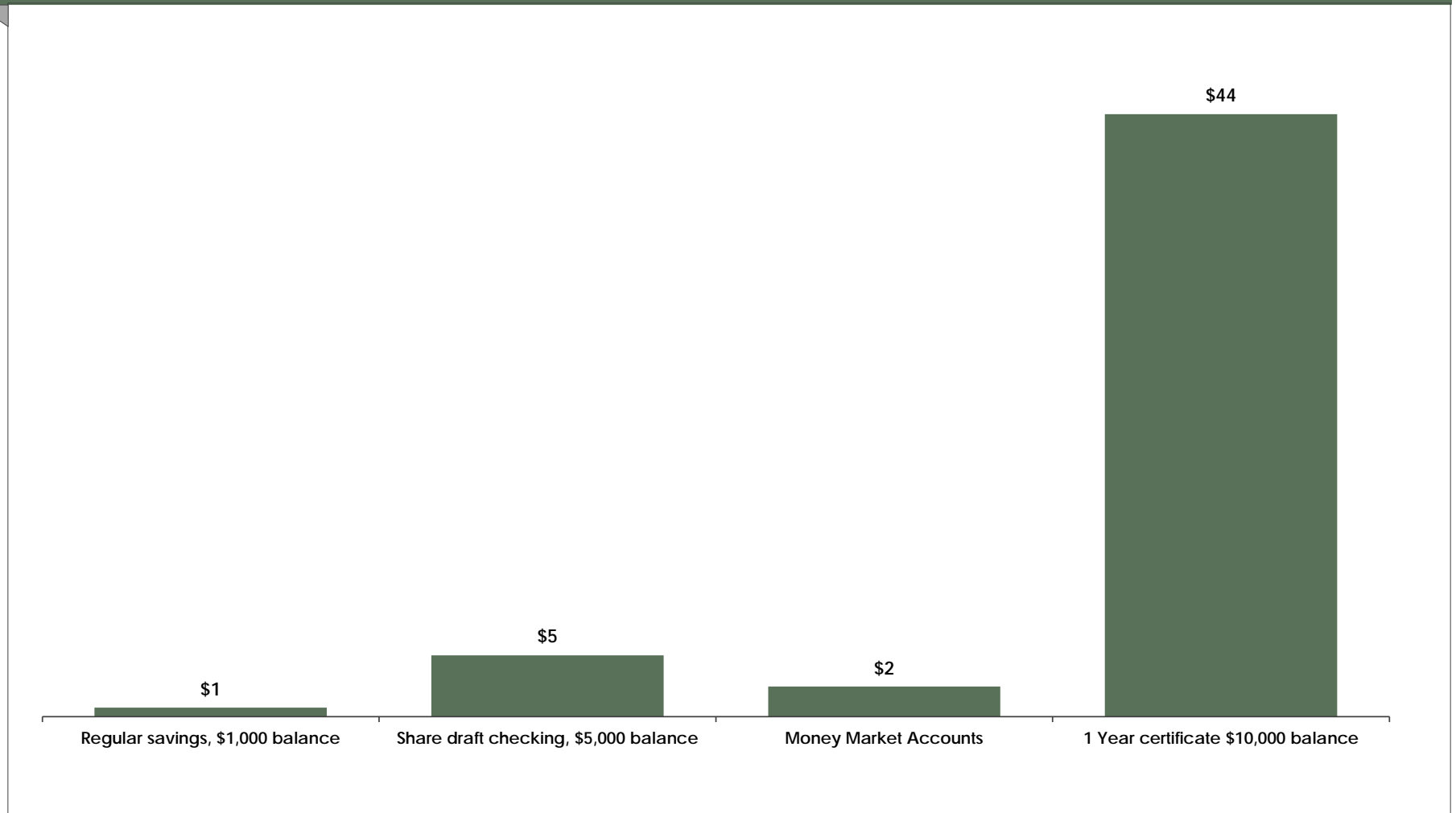
Terms on loan products included are as follows:

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 Communication FCU

Loans	Avg. Balance at Your Credit Union (1)	Rate Difference vs. Oklahoma Banks (%) (2)	Financial Benefit to Your Members
New car loans	305,470,079	-2.05	\$6,262,137
Used car loans	413,462,450	-2.28	\$9,410,405
Personal unsecured loans	33,659,851	2.32	-\$779,899
5-year adjustable rate 1st mortgage	389,614	0.00	\$0
15-year fixed rate 1st mortgage	53,563,700	-0.56	\$297,814
30-year fixed rate 1st mortgage	122,608,403	-0.32	\$394,799
Home equity / 2nd mortgage loans	51,755,884	-0.85	\$439,407
Credit cards	17,965,554	-2.44	\$528,591
Interest rebates			\$0
Total CU member benefits arising from lower interest rates on loan products:			\$16,553,255
<i>Savings</i>			
Regular shares	201,649,151	0.07	\$131,072
Share draft checking	181,836,177	0.09	\$163,653
Money market accounts	253,090,326	0.04	\$111,360
Certificate accounts	479,097,039	0.44	\$2,122,400
Retirement (IRA) accounts	79,762,621	0.24	\$194,222
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$2,722,706
<i>Fee Income</i>			
Total CU member benefit arising from fewer/lower fees:			\$953,298
Total CU member benefit arising from interest rates on loan and savings products and lower fees:			\$20,229,260
Total CU member benefit / member:			\$214
Total CU member benefit / member household:			\$450

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of March 2021 and March 2020 according to the NCUA call report.

(2) Rates and fees as of 8/11/2021. Credit union rates provided by individual credit union, bank rates provided by Datatrac.

Certificate of Excellence

is hereby granted to:

Communication FCU

The Credit Union National Association has determined that Communication FCU provided \$20,229,260 in direct financial benefits to its 94,420 members during the twelve months ending in March 2021. These benefits are equivalent to approximately \$450 per member household.

Communication FCU provided loyal high-use member households \$1,048 in direct financial benefits.

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

Communication FCU Performance Profile

Demographic Information	Mar 21	Mar 20
Number of branches	22	22
Total assets (\$ mil)	1,599	1,369
Total loans (\$ mil)	1,098	934
Total surplus funds (\$ mil)	441	382
Total savings (\$ mil)	1,332	1,131
Total members (thousands)	98	91
Growth Rates (Year-to-date)		
Total assets	16.8 %	11.3 %
Total loans	17.6 %	7.2 %
Total surplus funds	15.4 %	22.1 %
Total savings	17.8 %	14.6 %
Total members	8.0 %	6.0 %
Earnings - Basis Pts.		
Yield on total assets	359	337
- Dividend/interest cost of assets	91	126
+ Fee & other income	87	86
- Operating expense	219	251
- Loss Provisions	25	56
= Net Income (ROA)	110	-11
Capital adequacy		
Net worth / assets	12.6	13.2
Asset quality		
Delinquencies / loans	0.3	0.5
Net chargeoffs / average loans	0.6	0.7
Total borrower-bankruptcies	77	95
Bankruptcies per 1000 members	0.8	1.0
Asset/Liability Management		
Loans / savings	82.5	82.5
Loans / assets	68.7	68.2
Long-term assets / assets	30.4	31.7
Core deposits/shares & borrowings	32.4	27.4
Productivity		
Members/potential members	35.3	33.3
Borrowers/members	66.6	69.4
Members/FTE	430	404
Average shares/members (\$)	13,584	12,458
Average loan balances (\$)	16,827	14,819
Salary & Benefits/FTE	80,429	76,678



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:

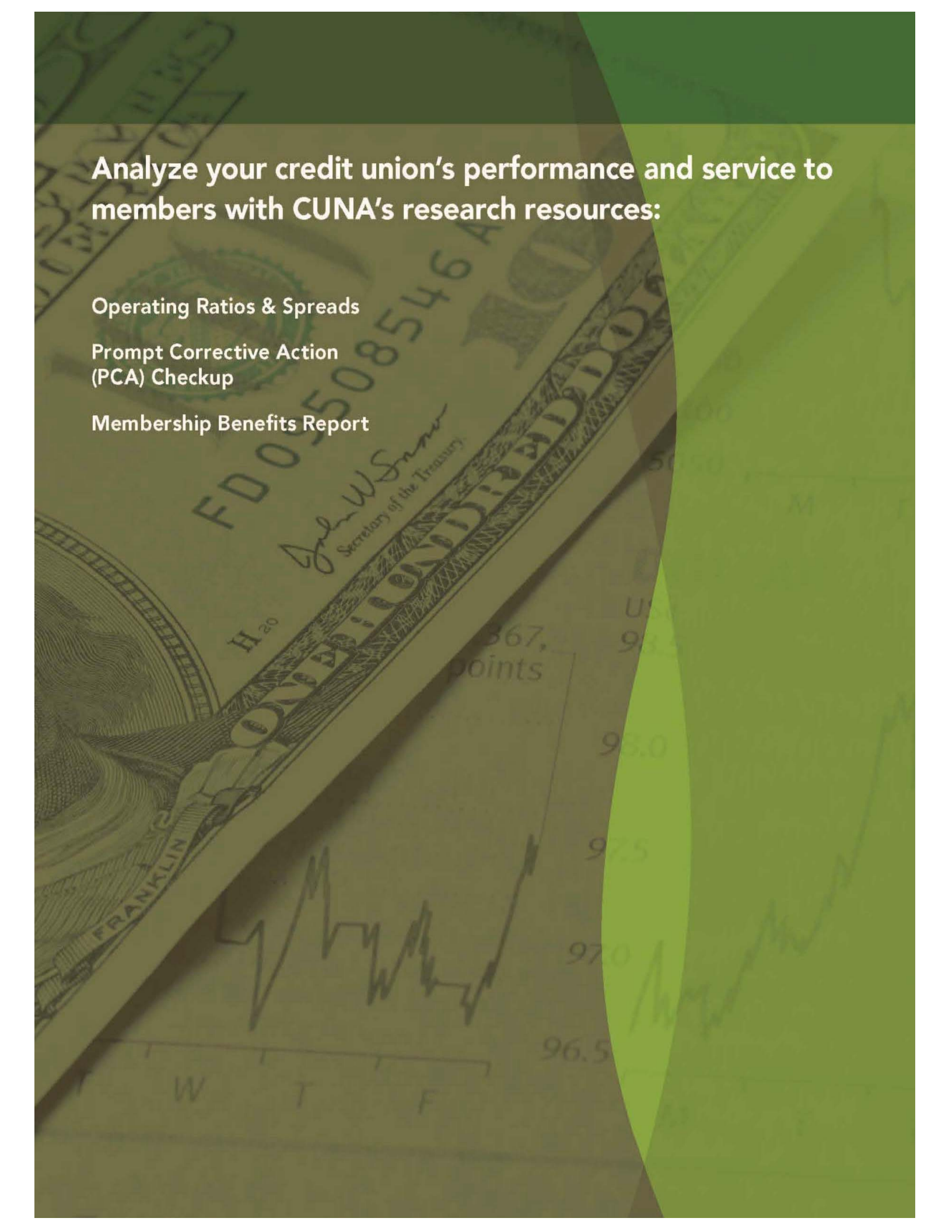
- How much you saved your entire membership last year in interest and fees compared to the competition
- How much they will save on their next loan with you
- How much more they will earn on their deposits with you

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 to see live examples, schedule a demo and receive a free competitive analysis.

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