

# THE EDITORIAL DIFFERENCE...

## Respected. Connected. Committed.

The *Credit Union Times* editorial product sets the standard for credit union journalism excellence. Respected by the top leaders in the industry for our straight-shooting, ethical editorial approach, *Credit Union Times* is recognized as the leading source of credit union news.

We pride ourselves on delivering more breaking news and exclusive stories than any other publication. It has taken years for *Credit Union Times* to build up a dedicated stable of sources who insist on breaking their organizations' news in the leading credit union news publication. Readers of *Credit Union Times* are getting the ultimate insiders' view of this dynamic industry.

## The Team

*Credit Union Times* has approximately 100 years of combined credit union journalism experience, far more than any other publication.

Our reporters specialize in specific beats to build up a knowledge base and perspective that allows them to show readers a complete picture no matter if it's an in-depth news story or a brief product announcement. Connecting the dots so to speak is one of our hallmarks. While any publication can report about yet another vendor merger in the space, *Credit Union Times* will offer readers the past, present and future implications of the merger. It is that in-depth reporting style that offers readers much more than just the press release spin that other publications offer.

The mantra of the *Credit Union Times* reporting staff is to report looking through a squeaky clean window. This means not dirtying up the picture with personal beliefs or by catering to advertisers. The stories are objective, unbiased and delivered with all the facts and stats readers need to make their own judgments.

## The Ultimate Credit Union Forum

Credit union leaders love to talk, network and just hang out. That's what they get to do each week in *Credit Union Times*. *Credit Union Times* prides itself on providing an open forum for industry leaders to debate important issues. We print more letters to the editor, provide more diverse opinions, and bring more expert sources to the industry than any publication. Want to find out what the bankers think about credit unions? You can in *Credit Union Times*. We believe in keeping close tabs on bankers. Their attacks on credit unions are well chronicled to ensure readers know what's coming next.

## Controversy Becomes Us

*Credit Union Times* isn't a trade association house organ. We do ruffle feathers by telling it like it is. That won't change. That is our duty to the industry. Credit unions need to be informed and educated on the inner workings of all things credit union in order to survive and thrive. Our mission is to be their guide through the industry. That means reporting on the good and the bad of the credit union world.

You have a chance to benefit from our premier editorial product by positioning your company along side our powerful brand. We welcome you on board for 2008. If last year is any indication, it is sure to be another adventurous year in credit union land.



*"As the CEO of a company that serves over 95% of all credit unions, it is imperative that I stay informed about everything going on in the credit union industry. The Credit Union Times is an important resource for me in keeping up to date on all the issues in our industry."*



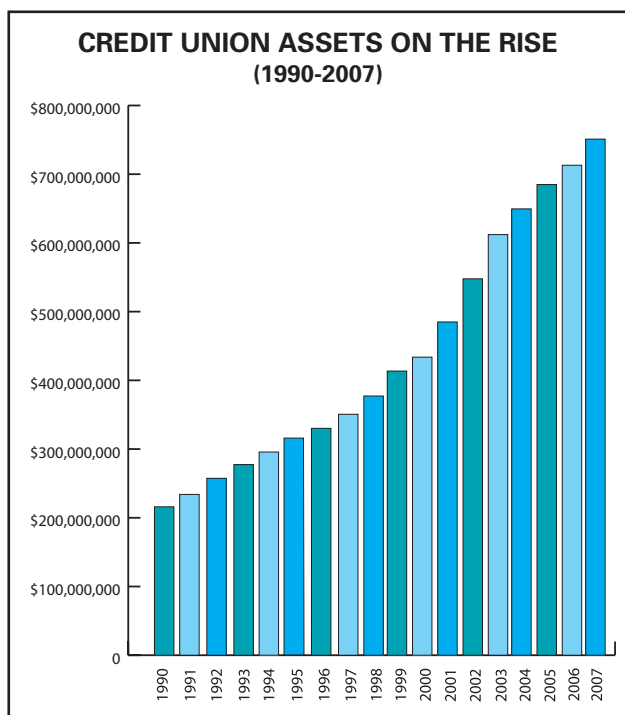
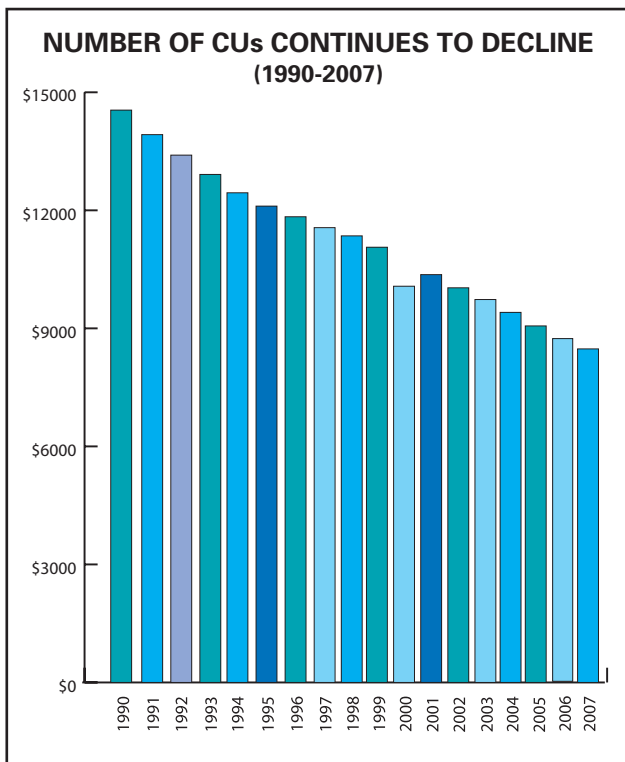
Jeff Post  
CEO  
CUNA Mutual Group



# THE CREDIT UNION MARKET: GROWING, EVOLVING.

The credit union industry is not what it used to be. The days of 25,000 credit unions are over. Today's market is consolidating rapidly, to the tune of one a day.

But while the number of credit unions is shrinking, the assets are exploding. Credit unions have grown from \$547 billion in assets just five years ago to \$751 billion in 2007 and there is no end in sight. The following data illustrate these trends:



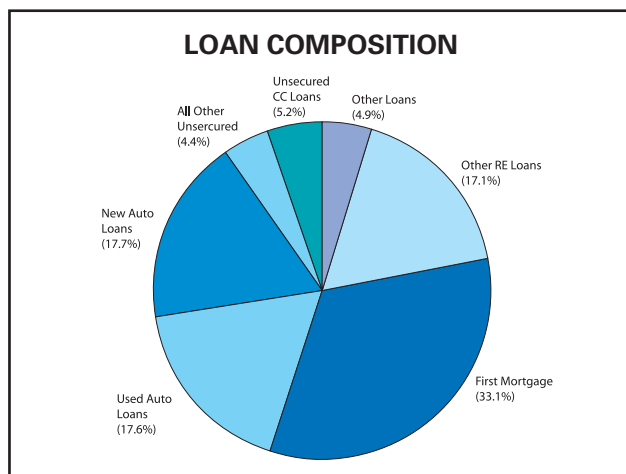
## Adding Members. Adding New Products

So just how are credit unions keeping up their sharp growth pattern? Simple. Credit union membership is at an all-time high. Today, 87 million Americans belong to credit unions. Credit unions have benefited from more liberal rules on who can join a credit union. It used to be that the prime avenue for credit unions to add membership was through sponsor companies. No more. Credit unions can now adopt what is known as community charters, allow-

Source for all data: Callahan & Associates

ing them to serve a defined geographic area of people who work, live or worship in a specific region. Credit unions can also now utilize what's known as a TIP charter, or trade, industry, profession charter. This allows credit unions to add an industry, such as the airline industry, to its field of membership. These charter enhancements have spurred the membership growth credit unions are enjoying.

Diversity in the loan portfolio is another driver of credit union growth. For years credit unions relied too heavily on auto loans to drive loan growth. While still a major loan category, credit unions are becoming bigger players in the mortgage market. Mortgages now account for the largest slice of credit union loan portfolios, making up 50%. The below chart highlights credit unions' growing presence with mortgages and also shows they are still a leader in auto loans.



## FAST FACTS ON CREDIT UNIONS

- Credit unions are not-for-profit cooperatives owned by their members.
- Credit union boards of directors are made up of unpaid volunteers who are also members.
- Credit unions on average charge lower fees and higher rates on deposits than banks.
- The average bounced check fee at a bank is \$7 higher than at a credit union.
- Credit union credit cards are on average 2.5% lower than bank cards.
- A U.S. Public Interest Research Group study found that consumers could save \$90 a year and \$165 a year by keeping their checking account at a credit union versus a community bank or commercial bank.
- Credit unions benefit from a national surcharge-free ATM network and shared branching network that is cooperatively owned by hundreds of credit unions.
- There is legislation currently in Congress that would add to credit union powers. Known as the Credit Union Regulatory Improvements Act, the law would allow credit unions to do more commercial lending, give them more capital powers by instituting risk-based capital and would open up field of membership to low-income, underserved areas.
- While growing, credit unions' share of the overall financial services marketplace is just 6%.
- Credit unions rely heavily on third-party vendors and credit-union owned credit union service organizations for many of their technology, card, lending, and other product needs.
- Credit unions are represented on Capitol Hill by two primary trade associations: the Credit Union National Association and the National Association of Federal Credit Unions.
- There are now over 100 credit unions with more than a billion dollars in assets.