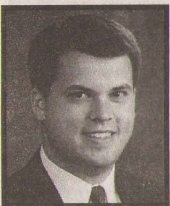


SOUND OFF

Credit union executives weigh in on how the economy is affecting their business

1. Have you made more or fewer loans since the financial crisis began?
2. Are your customers having more trouble staying on time with their credit card and car loans?
3. What will your business look like when the economy recovers? What's the new normal?



Brian K. Akin

President and CEO,
North Georgia Credit Union

Loans: All in all, we have made fewer loans (not dramatically lower) during the economic crisis, but not because of any restrictive lending practices on the part of the credit union. Our members' borrowing habits seem to be affected by the news that comes out of the financial markets, both good and bad. When the stock market started to rebound recently, we started seeing consumers loosen the grip on their wallets a bit.

Late payments: Like most institutions, we have seen an uptick in our loan delinquencies. We are in the process of partnering with a prominent consumer credit counseling service.

New normal: As a general rule, credit unions across the country remain in solid financial health, and North Georgia Credit Union is no exception. However, as the economy recovers from what's been coined "The Great Recession," it is fairly evident that all financial institutions will likely be faced with more regulations.



Kabir Laiwalla

CEO, Platinum Federal
Credit Union

Loans: Loan demand overall has decreased since the financial crisis has begun. Purchase and sale of businesses, home renovation, etc., have slowed down, hence the slow-down in personal loan applications.

Late payments: We have definitely seen an increase in delinquency, especially credit cards. The delinquency has increased to almost 10 percent in our credit card portfolio. Thankfully, our credit card portfolio is only 5 percent of our total loan portfolio. Some members have dropped off their cars at our branches, managing with one car in the family. This is because they cannot afford another discretionary payment or because they don't need two cars.

New normal: Most commercial banks have stopped or reduced their business lending. A majority of our members are small-business owners. We have identified a huge potential and have launched business loans for small businesses.



Denise S. Swan

President,
GEMC FCU

Loans: GEMC FCU has seen a shift in our members' loan demand from vehicle and personal loans to mortgage refinance and purchases. Our members are pleased with our low, fixed-rate credit card program, which has created an 11 percent increase in outstanding balances over this same time last year.

Late payments: There are more consumers finding themselves in an unfavorable financial position right now. We've taken opportunities to provide educational seminars about budgeting to our employee sponsor groups as well as meeting with members one-on-one for financial counseling. We are seeing more members commit to workout debt plans.

New normal: Demographics are changing — home values will have a prolonged recovery, as will personal wealth. As consumers age, they will find it more important to save and we will create more products to promote savings on all levels.



Annlouise Peroutka

President and CEO, The
Coca-Cola Company Family
Federal Credit Union

Loans: The-Coca Cola Company Family Federal Credit Union (TCCCFFCU) has seen lending remain strong. While our mortgage portfolio has shown a strong increase in both new purchases and refinances, we have seen growth in other segments as well. Our spring car sale surpassed our targets in both numbers and dollar amount of new loans.

Late payments: As a single sponsor, our membership has been relatively stable, but all consumers are being faced with financial challenges. We work with our members not only one-on-one, but through our partnership with Consumer Credit Counseling.

New normal: Prior to the current financial crisis, TCCCFFCU had been focused on upgrading our lending portfolio, strengthening policies and underwriting. We've increased our product offerings, especially in mortgage products, to provide more options for our members.

What is credit union membership worth to