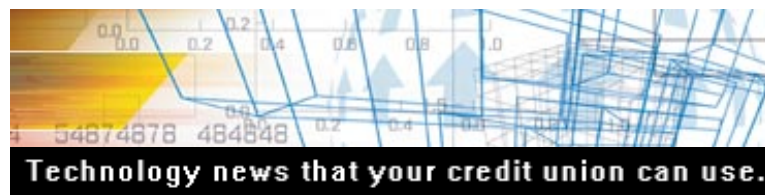




Winter 2006



# Shared Branching Success Stories

## ***System Provides More Flexibility for Retail Employees CU's Members***

Member convenience was the driving force behind two metro Atlanta credit unions' decisions to join the shared branching system this year.

Karyl Boyd, operations manager with Retail Employees Credit Union (RECU), says her credit union went live with shared branching in late October. RECU (formerly Rich's Employees Credit Union) is an "issuer" credit union – its members can conduct business at shared branching service centers or at other credit unions known as "acquirers."

"The people who have used it, I think they really like it," says Boyd. The \$36 million credit union's headquarters is in the Perimeter area north of I-285, and its southernmost branch is in Buckhead. "Members who live outside the metro Atlanta area will love shared branching. Southside Atlantans have asked for more convenient access to the credit union for years, and shared branching is the answer. Currently members may cash share drafts and make deposits at Macy's stores in Georgia, Alabama and South Carolina. However, shared branching offers a much wider range of options at locations across the United States."

Boyd says RECU's tellers have been informing members about shared branching, and RECU has posted information about the service on its Web site. The credit union has also sent out stuffers with share draft statements, but Boyd notes that many members who only have savings accounts won't hear about the benefits of shared branching until they get their December statements.

"The hardest thing is to get people to use the correct member number," Boyd says, noting that their member number is not the same as various account numbers or identification numbers that members provide tellers when

## ***For Platinum FCU, Joining Was Easy, Members Appreciate New Options***

Kabir Laiwalla, chief operations officer of Norcross-based Platinum Federal Credit Union, says Platinum joined Georgia's shared branching system as an issuer on September 5.

"It was a no-hassle thing," Laiwalla says, noting that the



technology was "up and running in a day or two." The process goes quickly once a credit union is fully certified as capable of handling all necessary transactions once it joins the network.

Platinum, with about \$18 million in assets, serves mostly small-business owners and proprietors in Georgia and Florida, Laiwalla says. While members in Florida could use the shared branching system in that state, he says, Georgia members now enjoy flexibility, especially in making deposits, that wasn't there before.

**"As soon as we start on the acquirer side, we'll try to reduce [transaction fees] as much as we can."**

***Kabir Laiwalla,  
Platinum FCU***

Laiwalla says Platinum is also planning to become an acquirer, handling transactions for members of other credit unions, in mid-January. Until that point, the credit union is assessing members a per-transaction charge to cover the expense of

belonging to shared branching.

they visit the credit union's own branches. RECU's own tellers may look up members' accounts using information such as account numbers, employee identification or a plastic card number, she says, but for security reasons, tellers at service centers or shared branching outlets must have the correct member numbers in order to process transactions. And, she adds, it's also necessary for the member to provide the credit union's current name, not its former name.

In the event of a disaster affecting RECU's headquarters, Boyd says, members would still be able to do business with the credit union through the shared branching network.

There's no formal process in place for getting member feedback on the adoption of shared branching, but Boyd says she's heard from more than one member who was enthusiastic about it.

"Functionally, it's pretty much complete," she says. "What's left is getting the word out to members."

Members seem to be getting the word. "When I look at the daily report," Boyd says, "I see more and more people using it." r

"As soon as we start on the acquirer side, we'll try to reduce [transaction fees] as much as we can," he says. If the acquirer side produces enough revenue, it may be possible to eliminate fees for issuer transactions, he says.

Shared branching doesn't serve as an emergency backup for Platinum's operations, Laiwalla says, because the shared branching system doesn't store Platinum's backup data and could not access it on Platinum's servers if, for instance, Platinum didn't have electricity or an Internet connection.

However, he says his credit union is working on an agreement with a Houston, Texas-based credit union, under which that credit union would serve as a backup for Platinum and vice versa. Both credit unions use the same data processor and have a similar membership base, Laiwalla says, and plans call for the backup system to be in place by January or February. r

*The Georgia Shared Branching Network currently serves 33 credit unions and has 76 locations. Contact Liz Lewis at Georgia Credit Union Affiliates for additional information on the Georgia Shared Branching Network.*