

Your Funds Are Safe, Secure At Associated Credit Union

With all the media focus on the financial institutions that are facing challenges from risky lending practices, we know that many of you want to be assured that your money is safe at Associated Credit Union.



You can take comfort in knowing that:

Savings in every federally insured credit union are backed by the National Credit Union Share Insurance Fund (NCUSIF), a fund maintained by the U.S. Treasury. The NCUSIF is administered by the National Credit Union Administration ([NCUA](#)) which insures your savings up to at least \$250,000. Federal insurance protects your money at Associated CU in share savings, checking, money market, CDs and retirement accounts.

Funds in ACU can be insured to a much higher level than \$250,000, depending on how your accounts are structured. So it's important to understand that, depending on the type and ownership of accounts, you can have more than \$1 million in share insurance coverage. Below are an example which can help explain the process of insuring various accounts under your name.

Husband and Wife With Insured Accounts Totaling \$2,000,000

| | |
|---------------------------------------|--------------------|
| Individual Accounts | |
| Husband | \$250,000 |
| Wife | \$250,000 |
| Joint Account | |
| Husband & Wife | \$500,000 |
| POD Account | |
| Husband in trust for Wife | \$250,000 |
| Wife in trust for Husband | \$250,000 |
| Individual retirement Accounts | |
| Husband | \$250,000 |
| Wife | \$250,000 |
| Total | \$2,000,000 |

Safety & Soundness Facts About Associated CU & Georgia's Credit Unions

Associated CU is healthy, with a strong balance sheet.

- Credit unions nationally are well capitalized. Overall capital-to-asset ratio stands at a very solid 11.1% (compared to 10% for banks). In dollars, that's a capital cushion of \$90 billion.
- Associated CU is well capitalized. Our capital-to-asset ratio stands at 13.62%, almost twice the 7% level considered to be well-capitalized by regulators. Associated CU has over \$120,000,000 in capital.
- Credit union mortgage delinquencies at the end of the second quarter stood at only 0.7% of total assets.
- Associated CU's mortgage delinquencies at the end of August were only .36%.
- Nationwide, credit union loan delinquencies have edged up, but still are at a very low 1.0% of total assets.
- Associated CU's loan delinquencies stand at .75%

Credit unions have steered clear of the subprime mess. We're still lending responsibly.

- In the first four months of 2008, mortgages at credit unions grew faster than all other loans.
- In the 12 months ending March 2008, mortgages at Georgia credit unions grew by 14.9%, their fastest increase in over five years.
- Why? For one thing, credit unions operate more conservatively.
- Secondly, credit unions are member-owned and not-for-profit cooperatives. We exist to serve our members, not profit from them. Unlike the banks and brokers, we're not out to force loans on our members just to make a quick buck.

Credit unions are a safe harbor for consumer savings.

- Savings at credit unions so far this year have grown nearly 7%. In today's economy, consumers are increasing their savings in response to concerns about their economic future.
- Savings at Georgia credit unions grew by over 9% in the 12 months ending March 2008.
- More people seeking to put their money in a stable source offering good rates are turning to credit unions.
- Consumers saved \$10.9 billion last year by using credit unions rather than banks. The savings come in the form of lower fees, higher savings rates and lower loan rates. That works out to about \$126 per credit union member or \$239 per household. Georgia consumers saved \$189 million last year by using Georgia credit unions rather than Georgia banks. The savings come in the form of lower fees, higher savings rates and lower loan rates. That works out to about \$110 per credit union member or \$209 per household.

Federal insurance covers credit unions, too.

- All credit unions in this state are federally insured by a fund that, like the FDIC, is backed by the full faith and credit of the U.S. government.
- Just as the FDIC does for banks, the National Credit Union Share Insurance Fund (NCUSIF) insures a person's savings up to at least \$100,000 -- with higher total insurance coverage available if the member has a combination of individual, joint, payable-on-death trusts and other types of accounts; in addition, there is separate insurance coverage of up to \$250,000 for individual retirement accounts.
- The NCUA recently reported that the NCUSIF at mid-year remained strong, with an equity-to-insured deposits ratio estimated at 1.24% as of June 30 and projected to rise to 1.28% by year end.

So be assured that at Associated Credit Union, your money is safe and secure.