



Clarifying the 1st City Credit Union Merger

Our 2015 Annual Survey results revealed that many former 1st City Credit Union members believe that Alliance Credit Union “took over” or “bought” their credit union. We would like to clarify the circumstances that led to the merger.

1st City Credit Union had lost money the past 28 quarters and would have reported a loss for 2014 if they were not merged into another credit union. Their capital decreased from \$2,653,150 to \$1,807,401. A loss of \$845,749 of the member’s accumulated capital, which equates to about \$10,000 per month since the credit union started losing money in December 2007.

1st City Credit Union’s annual losses had grown from \$24,335 in December 2007 to \$133,202 in the first three quarters of 2014. This is an annualized loss of \$177,602.

“We are just gradually bleeding our capital and we are not going to be worth anything to another credit union for a merger,” said David Moser, former board member and longtime 1st City member. “We are not getting out of this alone. We need some help

while we still have capital.”

At this pace, the credit union would have been completely out of capital in 2021. Without capital, 1st City Credit Union would have likely been forced to merge without a bonus dividend.

“We were looking for our members to get some kind of bonus dividend,” said Moser. “We were able to achieve that.”

This erosion of capital along with several other key factors caused their board of directors to actively seek out viable merger partners.

Moser stated that increased regulatory burden, inability to grow the membership and loans as well as an expensive leasing agreement led to the board’s decision to find a merger partner.

“It was not any one issue,” said Moser. “It was a convergence of several. We could not address it all by ourselves.”

After being turned down by several potential merger partners, Alliance was approached and accepted. Moser stated that Alliance Credit Union was taking on a lot of risk by accepting the

merger. The State of Missouri quickly approved the merger and waived the customary membership vote to stop further erosion of membership capital. Completing the merger by year’s end was vital in stopping the need for further regulatory action by both state and federal authorities.

“It was not easy to decide,” said Moser. “But if we did not act, the state was going to take further action.”

Merger Benefits

The merger gave more than 1,400 former 1st City Credit Union members access to a broader depth of products and services, such as improved electronic services, CDs, mortgages as well as access to five other Alliance Credit Union locations with extended hours.

“We had a limited ability to provide members with additional services-services we did not have,” said Moser.

Alliance Credit Union wants all former 1st City members to know that the merger was conducted in good faith by both parties, while taking into consideration what was best for both credit union’s respective memberships.

Deposit Checks Remotely with Mobile Check Deposit



With Alliance’s Mobile Check Deposit, you can deposit your checks remotely into your checking account simply by taking a picture using the Alliance Mobile App for supported Apple and Android devices. To download our mobile app, simply visit the app store for your mobile device and search for Alliance Credit Union app. After you download our app, you will be able to check balances, transfer funds, see pending transactions, pay bills, view statements, find branches and ATMs and more!



Delivering Value

And Our Survey Says.... Alliance Share

The results of our online survey have been tallied and your voice is being heard! Each year Alliance surveys its membership and our management team and board of directors use the results and member feedback to decide on service improvements, future product offerings, facility needs, etc.

We appreciate our members' vote of confidence evidenced by this year's survey. For example, 96% were "satisfied" or "very satisfied" with our services and 89% said they would recommend us to their friends and family members.

Other Key Findings:

- 66% consider Alliance their primary financial institution
- 71% surveyed preferred accessing their accounts electronically
- 72% had a checking account
- Personalized debit cards was the most requested new service
- Having more convenient locations was the most suggested improvement

Thanks to all the members who took the time to complete our annual survey. We are a member-owned, not-for-profit financial cooperative and your opinion counts. Credit unions listen to members- not shareholders!

And the \$500 winner is...

As promised, Alliance has awarded one lucky member \$500 for taking their personal time to take our online survey. This year's winners are:



John & Sharon Hoover of St. Louis, MO!

Member Compliments... *(Thanks for the kind words!)*

"I have been a member for about 30 years now and cannot thank Alliance Credit Union enough for all they have done to help my family with getting through life just knowing when we were in need. Alliance Credit Union was always there to help!! Thank you Alliance Credit Union!" - James K.

"I have been very satisfied with the level of service and support from Alliance Credit Union over the years...a real comfort factor in certain times of need.." - Wilbert T.

"The new bank at Fenton with the drive up facility is awesome. Great looking facility; tellers were very friendly." - Philip W.

"I am very pleased with the personal banking service and Courtesy Pay services!" - Jacqueline U.

"The Alliance associates have been extremely polite and efficient over the years I've had banking accounts with Alliance. I've always used Alliance for my primary banking institution for this reason." - Jennifer S.

"Since joining I have refinanced my house and car loan. Staff is very fast and knowledgeable." - Louis W.

"I am very happy with the service you provide. Best I have ever used. You do a great job. Keep up the good work." - Jack A.

"I like that even though I have moved to another state, Alliance credit union is still meeting my needs." - Carolyn S.

Delivering Value, Enriching Lives





Delivering Value

Member Results and Answers Key Questions

"I would like the ability to take a picture of a check and get it deposited into my account."

Mobile Deposit is built into our mobile app. If you would like to deposit a check with your mobile device, simply download our free app inside the App Store for iPhones or Google Play for Android devices.

"I would like more security on my debit card."

For improved security, Alliance will be moving away from magnetic strip cards and using EMV chip technology on their debit cards in early 2016. EMV debit cards will offer greater protection against fraud.

"I do not like the \$3 fee to use Shared Branching."

This convenience fee is similar to that of using a foreign ATM and simply covers our cost of providing the service. As a financial cooperative, we only ask members to pay the cost for added convenience services that they wish to use. Keep in mind, there is never a charge for utilizing an Alliance Credit Union-owned branch.

Visit www.co-opsharedbranch.org or download the Shared Branch Locator app for iPhone or Android to find branches nearest you.

"The online banking and bill pay tools need to be brought up to par. The interface is not visually appealing and some of the tools are a bit antiquated in the way they operate and look."

We are currently evaluating our options for upgrading both our Online Banking and Bill Pay platforms. We should improved versions of both platforms in 2016. Keep reading our newsletter to be updated on any new developments!

"I wish I was able to make a loan payment from another financial institution in Virtual Branch."

Virtual Branch has always had this feature, but it was not in the most noticeable spot. To correct this, we have added a "Make a Loan Payment" button on the "Quick Links" section below. Please note that this free service will post to your account in two days.



RATES

As of 10/02/15

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Loan Rates

New Autoas low as 2.49% APR*
 Used Autoas low as 2.49% APR*
SPECIAL: 1.99% APR on 36-Month New & Used
 New Boat/RVas low as 4.50% APR*
 Used Boat/RVas low as 4.75% APR*
 New Motorcycle/ATVas low as 4.50% APR*
 Used Motorcycle/ATVas low as 4.99% APR*
 Home Equity Line of Credit.... as low as 3.25% APR*

Home Loans call (636) 343-7005, option 3 or visit www.alliancecu.com to apply online.

*APR = Annual Percentage Rate

Deposit Rates

Certificates of Deposit

6 months31% APY*
 12 months51% APY*
 24 months81% APY*
**Rate Bumps available on our longer terms with
 Booster Bumps on 48-month CDs (new bump
 rate +5 basis points) & 60-month CDs (new
 bump rate +10 basis points).**
 36 months 1.16% APY*
 48 months 1.56% APY*
 60 months 1.81% APY*

Daily Investment Fund

\$2,500 to \$9,99916% APY*
 \$10,000 to \$24,99926% APY*
 \$25,000 to \$49,99931% APY*
 \$50,000 to \$74,99941% APY*
 \$75,000 to \$99,99942% APY*
 \$100,000 and greater43% APY*

IRA Savings

\$100 to \$5,00040% APY*
 \$5,000 to \$25,00045% APY*
 \$25,000 to \$50,00050% APY*
 \$50,000 to \$75,00060% APY*
 \$75,000 to \$100,000..... .70% APY*
 \$100,000 and greater95% APY*

*APY = Annual Percentage Yield

All rates subject to change at any time.

Save BIG with the Sprint Credit Union Member Discount

Tired of paying too much for your cell bill? We don't blame you. So we're helping you save with the Sprint Credit Union Member Discount from Love My Credit Union Rewards. As an Alliance Credit Union member, you can save on your monthly wireless bills – plus have your activation and upgrade fees waived.

Our members can get:

- 10% discount on select regularly priced Sprint monthly service
- Activation fee on new lines waived (up to \$36 in savings)
- Upgrade fee waived (up to \$36 in savings)

Our Business members get:

- 15% discount on select regularly priced Sprint monthly service
- Activation fee on new lines waived (up to \$36 in savings)
- Upgrade fee waived (up to \$36 in savings)
- Use Corporate ID: NACUC_ZDS_ZZM to claim your discount

3 Ways to Get Your Discount:

- Call 877.SAVE.4CU (877.728.3428) and let them know you're a credit union member. Ask to be a part of the NACUC_ZZM Corporate ID to save
- Click LoveMyCreditUnion.org/Sprint
- Visit your nearest Sprint store

Current and new Sprint customers need to verify credit union membership to take advantage of these exclusive discounts. Visit www.Sprint.com/verify or download the Love My Credit Union Rewards app in the Apple App Store or Google Play to verify your membership. Stop paying too much for your wireless services, start saving with the Sprint Credit Union Member Discount today.



636-343-7005, Option 0 • 800-541-6131
 Tel-A-Connect: 800-714-3319 • Online Chat Available
www.alliancecu.com • talktous@alliancecu.com



Fenton 24/7 ATM
 1280 S. Highway Dr.
 Fenton, MO 63026

Office Hours:
 Mon. - Fri. 9 am - 5:30 pm
 Saturday 9 am - noon

Drive-up:
 Mon. - Fri. 8:30 am - 5:30 pm
 Saturday 8:30 am - 12:30 pm

Jennings 24/7 ATM
 9050 W. Florissant Ave.
 St. Louis, MO 63136

Office Hours:
 Mon. - Fri. 9 am - 5:30 pm
 Saturday 9 am - noon

Drive-up:
 Mon. - Fri. 8:30 am - 5:30 pm
 Saturday 8:30 am - 12:30 pm

Hazelwood 24/7 ATM
 9150 Pershall Rd.
 Hazelwood, MO 63042

Office Hours:
 Mon. - Fri. 9 am - 5:30 pm
 Saturday 9 am - noon

Drive-up:
 Mon. - Fri. 8:30 am - 5:30 pm
 Saturday 8:30 am - 12:30 pm

O'Fallon 24/7 ATM
 1051 Hwy. K
 O'Fallon, MO 63366

Office Hours:
 Mon. - Fri. 9 am - 5:30 pm
 Saturday 9 am - noon

Drive-up:
 Mon. - Fri. 8:30 am - 5:30 pm
 Saturday 8:30 am - 12:30 pm

O'Fallon 24/7 ATM
 1167 Bryan Rd.
 O'Fallon, MO 63366

Office Hours:
 Mon. - Fri. 9 am - 5:30 pm
 Saturday 9 am - noon

St. Louis
 5011 Hampton Ave.
 St. Louis, MO 63109

Office Hours:
 Mon. - Fri. 9 am - 5:30 pm
 Saturday 9 am - noon

Call Center

Operating Hours:
 Mon. - Fri. 8:30 am - 5:30 pm
 Saturday 8:30 am - 12:30 pm



High Ridge ATM Only
 320A Emerson Rd.
 High Ridge, MO 63049

