

# THERE ARE RISK-FREE OPTIONS FOR CREDIT UNIONS TO OFFER WHAT MEMBERS WANT



More and more credit unions are getting into the credit card arena. Jumping into a new program can be scary, or at least overwhelming, with all the requirements of getting it set-up, initial fees, etc. However it's becoming a resource many members want; some even demand when choosing a new financial resource to manage their money. After all credit cards are no longer the scary gamble popular opinion once branded them. They are a fantastic tool for responsible members to keep more money on deposit and build their credit rating.

Even members who never use cards like having them at their disposal in case of emergencies. If the car breaks down or the washing machine goes silent, better to take advantage of traditionally lower rates on a credit union credit card than put the family budget in constraints. Not to mention many cards offer attractive rewards programs.

Fortunately for credit unions, getting into a credit card program doesn't need to be overwhelming, or frightening. There are programs that mitigate many of the risks, and some that remove them from the equation completely. A credit union just has to make sure they look at certain key aspects before committing.

For instance, a major issue can be start-up fees and the operational headache of getting a new credit card program off the ground. There are referral programs specifically designed for credit unions that cost nothing and require no implementation effort of the CU's part. They simply set you up with a website to enter interested members' applications, and they will take over the process, from underwriting to printing and delivering the plastic and managing the accounts. That means they also assume the associated risks that might have kept your credit union from offering a card in the past.

The best of these will even provide your credit unions with free marketing materials for your branch and banners for your website to let you members know to come to you for any credit card needs. Such programs provide all necessary documentation and disclosures, right down to the necessary disclaimers to make sure your credit union is never at risk of non-compliance.

While compliance and low-risk are major priorities for credit unions when looking at credit card programs, let's face it, the question we all ask is "how does this benefit my members and my credit union?" We've already talked a little about the benefits credit cards provide to members, so let's look at what's in it for you. Put simply, free money. If you pick the right program, that is. The EZ Launch program offered by LSC® is a prime example of a risk-free credit card referral program for credit unions. Aside from charging no set-up fees and providing free marketing materials, EZ Launch pays credit unions. That's incremental income to you for a simple referral.

These are the programs your credit union needs to look for if you're serious about providing a credit card option to your members. The time is definitely now. Over 60% of credit unions across the country offer a credit card. It's what your members want, and can truly be a great tool for them. Find the right program that meets their needs and increases your credit union's bottom line.

**"FORTUNATELY FOR CREDIT UNIONS, GETTING INTO A CREDIT CARD PROGRAM DOESN'T NEED TO BE OVERWHELMING, OR FRIGHTENING."**