



Credit and Debit Aid Members in Disaster

How prepared is your credit union?

No one out there can be completely prepared for various types of natural disasters that may impact us at one point or another. Hurricanes Harvey and Irma have reminded us of that. The unknowns and uncontrollables – severity of impact, power, availability of fuel and household goods, necessity to travel and medical attention, just to name a few – can wreak havoc for even the best-prepared individuals and businesses.

In the credit union space, there is one universal certainty in these situations: the need for members to access cash and credit frequently, and in amounts that are likely higher than their usual needs. Other variables further complicate the situation: many of these members may be displaced from their homes, without power or access

to regular mail delivery, or just plain digging out from damage.

As part of any credit union's playbook for preparing to deal with disaster-related events, consideration should be given to how to help members in the most immediate way possible: by making it easier to access and use cash, debit and credit cards in an emergency situation.

Below is a list of options to consider as part of your credit union's disaster preparedness planning. While each comes with an associated cost, the benefits of providing such a valuable service far outweigh the costs not only during times of need but in the goodwill and loyalty generated among thankful members that extend far beyond the immediate crisis.

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- Enable no-fee skip pay programs for qualified credit card accounts (and other consumer loans like auto and unsecured personal loans)
- Waive any replacement card and rush fees for both debit and credit cards
- Provide temporary (or permanent) credit line increases – including any separate cash advance limit
- Waive any credit card cash advance or balance transfer fees
- Suspend credit card late and return check fees
- Increase any daily withdrawal, transactional and dollar volume limits for both credit and debit cards
- Suspend non-credit union ATM fees and refund surcharges assessed by other financial institutions
- If a widespread ATM outage exists, message members to remind them of the availability of surcharge-free networks (if applicable), credit union shared branching locations (if you are evacuating) and getting cash back at retail merchants
- Fully stock ATMs with cash (versus partial stock) and temporarily utilize a higher denomination of currency (\$20 bills versus multiple denominations)
- If you have domestic geographic limitations of card use or fraud controls based on domestic geography, consider loosening or removing them
- Protect members' credit scores by providing disaster codes and comments when reporting credit data to a credit bureau; establish hardship and collection plans that can include interest rate decreases, re-aging and no payment required programs for up to 90 days, where viable, and determine if holding some accounts for charge-off based on circumstances is warranted
- Include debit and credit card changes/actions as part of any key member communications; additional communications or linkage can be provided by way of email, social media, statement messages, and text messaging



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- Related digital services that can be promoted include E-statements, online/mobile banking, bill pay, online cash advances (where available) and adding authorized users for credit cards

Credit unions should consider establishing a relationship with a third-party partner that offers call center support services. Cardholder calls can be routed to these partners during situations in which credit union facilities are non-operational or key credit union personnel are unavailable. PSCU provides comprehensive 24/7/365 member support through multiple call centers located throughout the United States.

Swiftness and accuracy in implementing changes are essential to avoid further disruption. Quick decisions must be made about the extent, duration and temporary nature of any interventions. These options provide credit unions with the means to take quick action to address one of the most important needs of members in a time of crisis: urgent, easy and fair access to cash and credit.

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Advisors Plus

Founded in 2004, PSCU's Advisors Plus offers consulting services for credit unions to help fuel growth and achieve financial and business goals. From project analysis to implementation and management, Advisors Plus offers an end-to-end portfolio of consulting services including business strategy, business and affinity cards, credit and debit cards, contact center optimization, risk and collections analysis, branch sales training, marketing services, and B2C campaign execution. Whether your credit union is looking to expand its offerings, build a legacy of community involvement, create the strongest possible capital footing—or all of the above—Advisors Plus consultants bring the strategic vision, deep industry expertise, and proprietary data analytics needed to help credit unions better serve their members and their communities. For more information, visit advisorsplus.com.