

Patelco Credit Union Takes First Place in National CUNA Louise Herring Philosophy-in-Action Member Service Award

Top honors awarded for Patelco's ScoreUp Credit Builder Loan designed to support members' financial health and wellbeing

DUBLIN, CALIFORNIA - CUNA's National Awards Committee recently awarded Patelco Credit Union, a Bay Area-based credit union dedicated to the financial wellness of its members and communities, the 2021 Louise Herring Philosophy-in-Action Member Service Award. State CUNA Leagues across the nation selected winners in various asset sizes, these league winners are then considered for the National Awards.

Patelco's ScoreUp Credit Builder Loan was awarded a first place Louise Herring Award for credit unions with more than \$1 Billion in assets. The Louise Herring Award recognizes credit unions that demonstrate the internal application of credit union philosophy to help better financial matters and increase financial education for its members.

"There is a huge emphasis on building credit as a core component of financial health. However, so many Americans have little to no credit and the credit-building solutions for them are lacking," said Josh Garrison, VP of Consumer Lending at Patelco Credit Union. "When we took a hard look at our member base and saw that more than 38,000 members were without a FICO score, we knew we had to help change that and create something that could members no matter where they are on their own financial journey. We're extremely proud and honored to be awarded the prestigious CUNA Louise Herring Award at the state and national level."

Patelco's ScoreUp Credit Builder Loan was designed to help members establish or rebuild credit, so the barriers to entry are minimal. Here is how it works:

- Patelco collaborates with members to establish a manageable monthly payment program to create a positive credit-building experience – all while building a savings account. Members can use Patelco's ScoreUp Loan Calculator to understand the right loan amount for them and what payment they can realistically afford before applying for ScoreUp.
- Once approved, funds from each loan payment are then put into a secured savings account, where they earn interest.
- The member pays off the loan monthly and builds 'equity' in the savings account (similar to a home loan).
- Once paid in full, funds are released back to the member, building credit and savings for a double win.

A key differentiator for this product is that Patelco Payment Assistance comes with every loan. So if a member can't pay their monthly payments, the credit union closes out the loan without ding the member's credit – and any equity already built is released to the member.

Patelco's ScoreUp Credit Builder Loan is boosting members' credit scores and savings. In the first three months, 68% of members with the ScoreUp Credit Builder Loan saw an increase in their FICO score. So far, 80% of members that have taken advantage of the new lending program previously had no FICO score or a FICO score of less than 630. With 72% of ScoreUp Credit Builder Loan participants under the age of 45, Patelco is also engaging younger members and encouraging healthy financial habits.

Dublin, Calif.-based Patelco Credit Union is a not-for-profit credit union committed to serving the financial health and wellbeing of its membership. With more than 400,000 members primarily in and around northern California, Patelco is committed to improving their members' financial well-being and fueling hope and opportunity for its members by offering personalized solutions, advice, and expertise that empower them to achieve personal financial freedom. Founded in 1936 with \$500 in assets by employees of the Pacific Telephone and Telegraph Company, Patelco is in the top one percent of U.S. credit unions with more than \$8 billion in assets. For more information, visit <https://www.patelco.org/>.

