



An Open Letter to Affinity Credit Union members about COVID-19

After spending 42 years working in the financial services industry, I was pretty sure there was nothing more that could happen to surprise us. Then the term coronavirus and eventually COVID-19 crept into our vocabulary and more importantly, our lives. What a horrible virus that literally is bringing our world to its knees. We have been providing constant updates about the steps taken to continue to provide our members with their financial services. I'd like to use this letter to explain where we're at in a little more detail.

On Monday, March 16th, we made the decision to close our branch lobbies and switch to drive-thru as our single means of in person service. Daily press briefings had already begun the previous week but the severity of COVID-19 had been clearly communicated to our country on Sunday, March 15th. We have continued to monitor rapidly changing events, frequently witnessing changes by the hour or in minutes, not days. Our response has been to adapt to these changes on the fly.

While service to our members is the reason Affinity exists, we've had great concern about the wellbeing of our employees. Today about one-third of our employees are working from their homes. Many are working in our contact center, where phone volumes have increased. Others are our front-line financial service officers, who can still open new accounts and fund loans electronically for any member with a smart phone. Many of our employees fall into the high-risk category due to their health, age, or other factors everyone is being reminded of. We have staff who have recently traveled, and several are self-quarantined at home for 14 days. Many of our employees are parents with small children who need to work from home while their kids have nowhere to go. We're not a big business so it's easy to have our human resources depleted quickly in a crisis like we've never seen before.

We have not laid anyone off and most people are putting in extra hours to keep up. The changes described above leave us short handed at the teller line so temporarily eliminating Saturday hours will help us make it through this over the next several weeks. We're actively recruiting financial service associates, as well as other positions, in order to remain strong and in a position to succeed once this pandemic subsides. In the meantime, we're asking for your patience and understanding.

I have yet to see another credit union in the Des Moines area demonstrate to its members more than Affinity Credit Union what it means to be a member-owned cooperative financial institution. We know the Firestone plant closed on March 22 and that those members (and many others) will feel the impact almost immediately. In fact, it's hard to imagine who isn't feeling the impact in some way.

Management has looked at all options to provide assistance to people who have seen their lives and livelihoods turned off in a moment's notice. From March 23 through April 30th, we're doing the following to provide our members with some financial peace of mind;Waiving all NSF and overdraft fees:

- Waiving all late payment fees
- Offering all members in good standing the option of deferring or skipping two payments on their consumer loans.
- Allowing any member to withdraw all or a portion of their CD with no penalty
- Halting all repossessions (we have no foreclosures)
- We will work with members with home loans or small business loans on a case by case basis, as the laws differ with these products.
- We're offering 90 days until first payment on all consumer loans.
- We will absorb all fees for members paying through our online payment portal

We do not necessarily believe that our members expected these steps to be taken so quickly or maybe ever. Our mission is Building Better Lives and that doesn't just mean when times are good, as they were just a few short weeks ago. The brunt hasn't fully hit Des Moines yet and hopefully it won't come close to the hardest hit areas. It has hit though, and we know many of our members are feeling it.

Let me remind you that technology is in place to permit members with a smart phone to use home banking, send checks for deposit using our free mobile app, and pretty much anything else members would like to accomplish without ever leaving your home.

We've also lowered loan rates on many products which provides an opportunity to refinance cars, trucks, homes or other bills to reduce monthly payments and also take advantage of the 90 days until first payment option.

I'll finish with one final question to you; In addition to what we've done, how else can we help you make it through COVID-19? Even though this is causing changes in how you do business with us, we're here for you.

Sincerely,



Jim Dean
Chief Executive Officer

