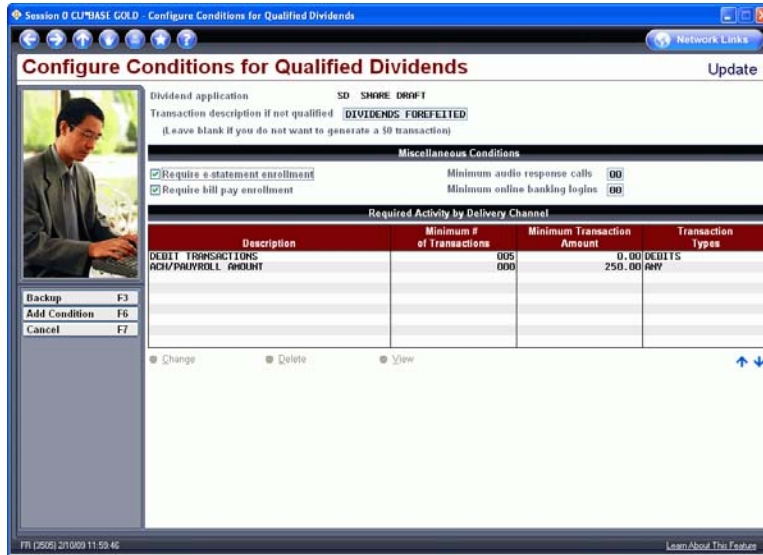


# Qualified Dividends

## The CU\*BASE<sup>®</sup> Answer to “Rewards” or “High Interest” Checking

*Reward your members—for their enrollment in bill payment and e-Statements, for using their Debit Card, and for making direct deposits—by offering them a dividend with a higher rate.*



Use MNCNFA #IShare Products to set up your requirements on the Conditions for Qualified Dividends Configuration Screen

CU\*BASE now allows you to set up a Qualified Dividends program for your members!

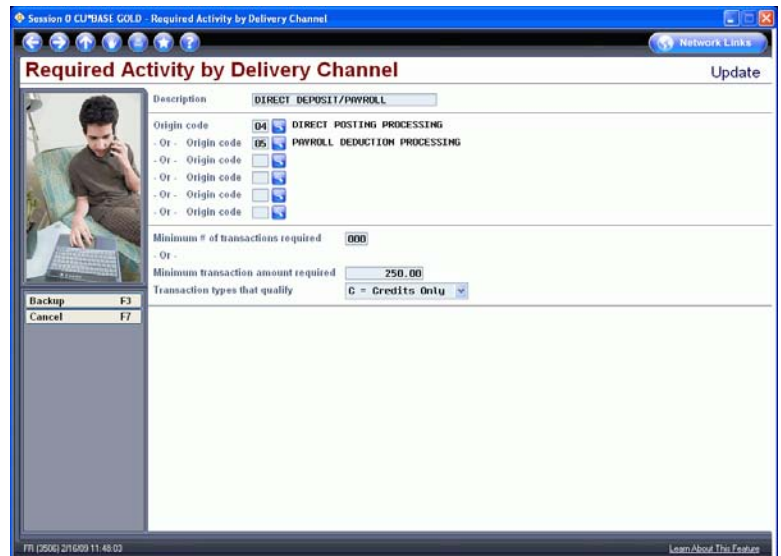
Offer a higher rate to members on selected checking accounts depending on their activity with your credit union. Encourage participation in your credit union by requiring certain activity in exchange for a higher rate, such as enrollment in bill pay and e-Statements, a minimum number of Debit transactions, a minimum dollar amount of Payroll and ACH transactions or other criteria you choose.

Set up a Qualified Dividend rate by entering a new code on the Share Dividend Configuration screen and then configuring certain conditions required to receive higher rate, including specific enrollments and transaction activities. Selecting F6-Add Condition allows you to specify the number and dollar amount of the transaction origins you include.

### Offering Qualified Dividends

#### Special Points of Interest

- > Set up Qualified Dividend Programs for Checking Accounts
- > Offer Reverse Tiered Rates to reward higher rates on lower balances
- > Configure for flexible control of PIN based—ATM/PIN based—POS transactions



Use this screen to select the transactions required for a member to receive the qualified rate.

Choose to generate a zero dollar transaction message for your members who fail to qualify, including the amount of forfeited dividends, to remind them of the value of your program each month.

When dividends are posted, Qualified Dividend Scoring report is archived in CU\*SPY. Use this report to monitor reasons members failed to qualify for the qualified dividend to gauge the effectiveness of your program and to answer member inquiries. Two files, one of members who qualified and one of those who did not are also created for use with Member Connect. During the month, you can simulate the CU\*SPY report using MNRPTB #10.

1/31/09	15:56.25		CU*BASE TEST CREDIT UNION	PQDPRT
QUALIFIED DIVIDEND SCORING REPORT				
**POSTING**				
MEMBERS NOT MEETING QUALIFICATION REQUIREMENTS				
DIVAPL	ACCOUNT	MEMBER NAME	REASON/S NOT QUALIFIED	
DIVIDEND APPLICATION: SD SHARE DRAFT				
SD	6000-070	MARY MEMBER	ATM TRANSACTIONS 13 & 16 E-STATEMENT ENROLLMENT	
SD	12000-070	JOHN MEMBER	ATM TRANSACTIONS 13 & 16	

Use this report to monitor reasons that members failed to qualify for your qualified dividends, to answer members' questions, and to encourage increased participation.

## Interested?

Interested in offering Qualified Dividends to your members? Careful planning is necessary for the successful execution of your program. For example, dividend applications offering a Qualified Rate must meet certain requirements regarding how dividends are calculated, and how often dividends are paid. Additional credit union procedures are needed, as well as special disclosures for the adjustable rate.

For more information on offering qualified dividends to your members, check out the booklet "Qualified Dividends" under "Q" on the CU\*Answers Reference Page [http://www.cuanswers.com/client\\_reference.php](http://www.cuanswers.com/client_reference.php).



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