

Prize-Linked Savings

Save to Win from Connecticut's Credit Unions

11/5/2015

SAVE TO WIN



Today We Will Answer...

- ▶ What is prize-linked savings?
- ▶ Who offers prize-linked savings?
- ▶ Who are we helping?
- ▶ How can consumers learn more and get started?



Save to Win Timeline

- ▶ 2008 - Developed by Doorways to Dream Fund (non-profit) and the Michigan Credit Union League
- ▶ 2009 - Michigan pilot attracts over 11,000 member accounts in first year
- ▶ 2011 - More states start adopting prize-linked savings legislation
- ▶ 2013 - Connecticut passes prize-linked savings legislation into law
- ▶ 2015 - Connecticut's Credit Unions launch Save to Win



Save To Win™

SAVE TO WIN

- ▶ Primary PLS program developed for credit unions
- ▶ Multi-state program (CT, MI, NE, VA)
 - ▶ “Powerball of Savings”
- ▶ Single State Programs
 - ▶ New York, Washington, North Carolina



The Program

Savings Product

- ▶ 12-Month Share Certificate /CD
 - ▶ Rate set by each credit union
- ▶ \$25 opening deposit
- ▶ Only one withdrawal allowed
 - ▶ \$25 penalty fee
- ▶ Member must be:
 - ▶ 18+ years old
 - ▶ In good standing
 - ▶ Resident of CT

Prize-Entry Structure

- ▶ One entry per \$25 deposit (month-over-month)
- ▶ 10 entries per month maximum
- ▶ Unlimited deposits
- ▶ Monthly and quarterly prizes



The Prizes

| Prizes | # of Winners | Prize Amount | Total Winners | Total Prizes |
|--------------|-----------------------------|--------------|---------------|------------------|
| Monthly | 140 | \$25 | 1,680 | \$42,000 |
| Quarterly | 1 | \$5,000 | 4 | \$20,000 |
| | 5 | \$1,000 | 20 | \$20,000 |
| | 14 | \$500 | 56 | \$28,000 |
| Total | 20 per Q / 140 Per M | n/a | 1,760 | \$110,000 |



Connecticut Results So Far...

September 2015 Results

| Credit Union | # of Accounts | Total # of Members | % of Members Participating | Total Amount Saved | Average Saved per Account | # of Winners | Total Winnings |
|------------------------------|---------------|--------------------|----------------------------|---------------------|---------------------------|--------------|----------------|
| Achieve Financial CU | 127 | 15,299 | 0.83% | \$54,880.55 | \$432.13 | 17 | \$1,875 |
| Connex CU | 84 | 47,775 | 0.18% | \$117,152.94 | \$1,394.68 | 6 | \$625 |
| Dutch Point CU (Started 5/1) | 102 | 21,107 | 0.48% | \$73,666.26 | \$722.22 | 3 | \$75 |
| Hartford Healthcare FCU | 36 | 11,161 | 0.32% | \$7,239.59 | \$201.10 | 2 | \$50 |
| Healthcare Financial FCU | 14 | 6,617 | 0.21% | \$3,312.03 | \$236.57 | 1 | \$25 |
| Seasons FCU | 36 | 18,774 | 0.19% | \$13,197.55 | \$366.60 | 3 | \$75 |
| Western CT FCU (Started 7/1) | 31 | 4478 | 0.69% | \$6,459.90 | \$208.38 | 1 | \$25 |
| Windsor Locks FCU | 19 | 4,269 | 0.45% | \$74,331.92 | \$3,912.21 | 2 | \$50 |
| Totals | 449 | 129,480 | 0.35% | \$350,240.74 | \$780.05 | 35 | \$2,800 |

Results are cumulative beginning with program launch, April 1, 2015.



Who Are We Helping?

| | |
|--|-----------------|
| Percent of accountholders who were financially vulnerable (LMI (<\$40K), Non-Saver, or Asset Poor) | 78%-91% |
| Rates at which accounts rolled over | 88%-99% |
| Average year-end account balance | \$1,100-\$3,000 |
| Total saved 2009-present | \$115M+ |
| Percentage of 18-24 year olds that have Save to Win accounts | 15% |
| Percentage of members that joined their credit union for the Save to Win product | 7%-11% |

Data compiled from participating states (2013 & 2014). CT data not available yet.



How Can Consumers Get Started?

ctcreditunions.org/savetowin

[Tweet #SavetoWinCT](#) **SAVE TO WIN**

DO YOU WANT A SAVINGS PRODUCT WITH BENEFITS?

Win up to \$5,000!

Save your money at a credit union and you could win up to \$5,000!

Open to Connecticut residents 18 or older, Save to Win is a 12-month share certificate that gives you the opportunity to win up to \$5,000 when you save your money! Who knew saving could be so rewarding?

Here's how it works:

1. Find a participating Connecticut credit union that fits you.
2. Open a Save to Win 12-month share certificate.
3. Start saving! For every \$25 you save you'll earn 1 entry (up to 10 per month) toward monthly prizes up to \$100 and quarterly prizes up to \$5,000! See your credit union's official rules for complete details.
4. Keep saving all year long!

Participating Credit Unions

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|---|--|---|---|
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Connecticut's Credit Unions

There's one for you.

Contact:

Chris Whalen

Communication & PR Manager

Credit Union League of Connecticut

203-608-7060

cwhalen@culct.coop

