

## **Major Credit Card Companies Charging New Fees—Credit Unions Cards recommended by Today Show**

Alpena, Michigan, November 3, 2009—If you are the cardholder of a major credit card, be aware of the new fees major banks are implementing against their cardholders to drive profits higher.

According to the “Today’s Money” segment that aired October 27<sup>th</sup>, 2009 on the “Today Show”, default rates are double what they used to be and Debit card usage is up, so some credit card companies are creating new fees to generate income.

- If you pay your balance in full every month to avoid paying interest charges, certain major credit card companies will be charging an annual fee, ranging from \$29.00 to \$99.00 per year
- A major credit card company will charge a new fee ranging from \$29.00 to \$39.00 per month for customers who carry an average balance less than \$2,400.00
- Some credit card lenders are instituting a monthly inactive fee if you do not utilize their card over a certain period of time

“They’re coming after you if you use your card like I do—for rewards, for points, for cash back, if you pay it off in full every month... so they’re going to sock you with an annual fee—a big one,” Carmen Wong Ulrich, a personal finance expert at CNBC explained to Matt Lauer.

“Because they can’t make money on interest off of you if you’re paying your bill off in full,” Matt Lauer restated

Credit card users do have an alternative to paying these fees—they can shop around.

“80 percent of credit cards still don’t have these fees... especially credit unions. We’re talking no fees and great rates,” Wong Ulrich said.

The clip from the “Today Money” segment can be viewed at the Michigan Credit Union League (MCUL) website at <http://mcul.cubetvonline.com/FP3/index.php?channel=11>.

Upon hearing the news of the implementation of these new fees by banks, President and CEO of Alpena Alcona Area Credit Union Donald J. Mills stated, “Our Alpena Alcona Area Credit Union VISA card is designed as a service to our members rather than a means of generating profits for our not-for-profit cooperative organization.”

Alpena Alcona Area Credit Union offers a VISA Classic and a VISA Platinum card. AAACU’s VISA cards offer low, fixed rates, no annual fees, no transaction fee for cash advances, and are accepted world-wide. There are no balance transfer fees if members wish to transfer a balance from another card. AAACU VISA cards are administered locally in-house, which means that all questions and payments are handled by Credit Union staff.

“We see this as an opportunity to help our members. Simplify your life with a card you can trust,” Mr. Mills added.

Alpena Alcona Area Credit Union serves members primarily in Alpena, Alcona, Montmorency, and Iosco counties with 8 locations—a main office located in Alpena, with branch offices in Ossineke, Lincoln, Atlanta, a Tiger Branch in Alcona Community Schools, Oscoda and Tawas offices, and an additional branch in Alpena. As of September 30th, 2009, Alpena Alcona Area Credit Union provides service to 27,017 members and has total assets equal to \$237,805,000.