

Benefits

About the Securities Safekeeping Program

A securities safekeeping program is used by a credit union when it invests in marketable securities and needs a safe place to keep them. All securities are eligible for safekeeping via Alloya's program, including U.S. government and agency securities, regardless of maturity date and amount. The program accepts any type of negotiable or non-negotiable security, in any form: Federal Book Entry, Depository Trust Company (DTC), even physical paper securities, if necessary.

Evaluating Programs

While the programs offered by Alloya Corporate offer extensive features and support, programs offered by other providers vary. Ask...

- How valuable is the ability to view your credit union's securities, interest paid, transaction activity and reports in one place, as well as other accounts and services at the corporate?
- Is there an advantage to receiving support from knowledgeable individuals you know at the corporate, instead of from a competitor's for-profit banking staff? What is the extent of research support available from others?

Advantages of Alloya's Program

Credit unions cite the following benefits when asked to summarize the Alloya difference.

▲ Peace of Mind

- ✓ Purchases and sales are settled through the delivery-versus-payment (DVP) method, greatly mitigating risk. Since securities and proceeds are exchanged simultaneously via a third party, the credit union is protected against the dealer failing to follow through with delivery.
- ✓ Alloya's Member Services team contacts the credit union if a trade is not delivered, or if the value is different than expected.
- ✓ Payments of interest and principal are credited directly to the credit union's Transaction Account at Alloya.
- ✓ As a corporate credit union, Alloya complies with NCUA regulations pertaining to custody services.
- ✓ Alloya notifies the credit union about voluntary or mandatory actions initiated by the issuer.
- ✓ The credit union retains ownership and control of its securities at all times; the securities will never be used as collateral without the credit union's authorization.

▲ Save Time

- ✓ Since safekeeping investments are held in the credit union's own safekeeping account at Alloya, the credit union reconciles only one statement.
- ✓ Alloya's Member Service staff researches and resolves issues quickly.

▲ Reduce Efforts

- ✓ Security safekeeping reports and transaction activity can be easily viewed online (via Premier View).
- ✓ A monthly Market Valuation Change Report helps the credit union monitor its investment portfolio.
- ✓ A Securities Inventory Report, included with the monthly statement, facilitates accounting and auditing.

Learn More

Contact your Senior Business Consultant for more details and an overview of the set-up process. If you are not currently a member, please email solutions@alloyacorp.org to be connected with a team member.