



Value Proposition: Lines of Credit |

Catalyst Corporate Federal Credit Union provides credit unions with a ready source of liquidity to help meet funding needs from unexpected loan demand, high share withdrawals and seasonal outflows.

Credit unions are not required to pay an origination fee for a **line of credit** at Catalyst Corporate, in contrast to banks, where a one percent assessment is common.

Catalyst Corporate's line of credit supports members' settlement activity, ensuring that all of credit unions' critical payments activity is funded, by advancing low-cost **overnight loans** *automatically* as needed to cover any shortfalls. Credit unions settling directly with the Federal Reserve are at risk for penalties and fees for overdrafts. As a result, they must employ dedicated resources to monitor their Fed accounts throughout the day, transfer funds to cover activity and ensure sufficient funds are on deposit overnight.

Catalyst Corporate also offers a non-settlement line of credit and term loans, all with flexible terms and competitive rates.

Credit unions will have the option of satisfying Catalyst Corporate's collateral requirements with a specific pledge of collateral or a general pledge of their assets.