

CUSO grabs \$575M program of 2 recently merged credit unions

By **Margarida Correia** Published **November 06 2017, 2:02pm EST**

Two California-based credit unions that consolidated their investment programs in anticipation of their merger in March have chosen CUSO Financial Services as broker-dealer for their joint \$575 million program.

California Credit Union and North Island Federal Credit Union had both used CUSO as their third-party broker-dealer in the early 2000s but eventually left to join LPL's platform. North Island returned to CUSO in 2015, while California CU remained with LPL until now.

The two credit unions have one program manager and nine financial advisors in Los Angeles and San Diego who collectively have \$575 million in assets under management, according to CUSO. They also employ 11 additional staff, including one sales assistant and five advisor associates as part of their combined investment program.

The two operate in several southern California geographic areas under two different names. Although both now have state-focused community charters, North Island has a history of working with military and civil service employees, while California CU has a strong background serving school districts and other educational groups.

In selecting CUSO as their broker-dealer, the two institutions looked at payouts, technology and the broker-dealer's knowledge of the credit union market, Robert O'Grady, COO of California CU, said in a statement.

CUSO's focus on customer service and its remote-deliveries technologies were important factors that helped eliminate rivals from the running, according to CUSO.

CUSO crowed about the return of the credit unions after exploring larger broker-dealers offering "the promise of bigger options and opportunities," it said.

"Both North Island and California Credit Union experienced frustrations with other broker-dealers, and we're proud and honored that they returned to us," CUSO's CEO Valorie Seyfert said in a statement. "They join our existing clients who recognize the importance of next-generation technology tools and a commitment to the credit union philosophy."

North Island and California CU have \$2.8 billion in assets and more than 165,000 members in 24 branches across Los Angeles, Riverside and San Diego counties, CUSO said.