



### Winter 2002

#### DECREASE IN DIVIDEND RATE

Due to the current economic situation, the Board of Directors voted to decrease the dividend rate from 3.35% to 3.00 % effective January 1, 2002. This decision was necessary for the good of the Credit Union and therefore for the entire membership. The rate of return on investments has been drastically reduced since September 11, 2001, which resulted in an unacceptable balance between investment income and dividend payout. At 3.00 %, your Credit Union still offers a dividend rate that far exceeds any offered by a commercial institution for a savings account. At each monthly meeting, the Board considers the status of the dividends and is prepared to re-adjust the rate so that it is in keeping with the economic situation. Adjustments made prior to the next Newsletter will be posted on the Bulletin Board outside the Credit Union Office.

#### A SPECIAL HOLIDAY OFFER TO CREDIT UNION MEMBERS

To help members with holiday shopping, or pay year end bills, the Credit Union is offering signature loans (i.e., unsecured loans) at a special APR of 8.03%. This represents a significant savings for members over the present Credit Union signature loan rate (10.95%).

To take advantage of this special offer, the following requirements must be met:

1. The loan must be repaid within one calendar year of the date of the loan. Payments can be either biweekly or monthly.
2. The maximum amount that can be borrowed through this sale is \$3,000.00.
3. The sum of all signature loans can be no more than \$5,500.00. Current loans may not be renegotiated.
4. Loan applications must be received in the Credit Union office between December 1<sup>st</sup>, 2001 and February 28, 2002.

#### ANNUAL MEETING

The annual meeting for this year will be held on Wednesday February 27, 2002 in the auditorium starting at 12:00 Noon. You will hear about the progress the Credit Union has made during the past year and take part in the elections. This years nominees are:

##### Board of Directors

Tom Foglia  
Rich Konstance  
Alice Krepto

##### Credit Committee

Dina Grimes

Please try to attend, if you can, and hear all about what our latest year of success was all about.

#### Time for a New Vehicle ??



We have great rates and payments to meet your budget: The Zero Percent Interest Rate

offered by car dealers won't last forever

|           |                   |        |
|-----------|-------------------|--------|
| New cars: | 48 months or less | 6.935% |
|           | 49 mo. - 60 mo.   | 7.665% |
|           | 61 mo. - 72 mo.   | 8.395% |

|            |                      |                |        |
|------------|----------------------|----------------|--------|
| Used cars: | 1-2 yrs (_30000 mi.) | 48 mo. or less | 7.665% |
|            |                      | 49 - 60 mo.    | 8.030% |
|            | 3 yrs (_40000 mi.)   | 48 mo. or less | 8.030% |
|            |                      | 49 - 60 mo.    | 8.395% |
|            | 4 yrs (_50000 mi.)   | 48 mo. or less | 8.395% |
|            | >4 yrs               | 48 mo or less  | 8.760% |

**And borrow 100% of the purchase price**

#### OUR OTHER RATES

| <u>TYPE</u>   | <u>TERM</u> | <u>RATE</u> |
|---------------|-------------|-------------|
| Share Secured | 4 / 5 yrs   | 6.2         |
|               |             | 05%         |
| Home Equity   | 3 / 4 yrs   | 6.9         |

# E. R. R. L. Federal Credit Union Newsletter

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## STATEMENTS ENCLOSED

You'll find your semi-annual statement enclosed with this Newsletter. Please review it and let us know if there are any problems. Any errors or problems will be addressed promptly.

## CHANGE IN BENEFICIARY ??

Do you remember who is listed as your beneficiary? Do you need to change beneficiaries? Call us and we'll be more than happy to help!

## DIVIDEND RATE

**3.00 % Compounded Daily**  
**3.05 % APR**

## ADDRESS CHANGE??

The Credit Union needs to know if you have changed your address. Please keep us informed so that we can serve you better.

## PRIVACY POLICY

### Information We Collect

We collect nonpublic information about you from some or all of the following sources:

- ✍✍ Information we receive from you on applications or other forms;
- ✍✍ Information about your transactions with us, our affiliates, or others; and,
- ✍✍ Information we receive from a consumer reporting agency.

### Information We Disclose

We do not disclose any nonpublic personal information about our members and former members to affiliates or non-affiliated third parties except as required by law.

### Our Security Measures

We restrict access to nonpublic information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic and procedural safeguards that comply with Federal regulations to guard your nonpublic personal information.

## NEW YEAR'S RESOLUTION #1

## LIVING WITHOUT DEBT

**If you are in debt, you're not alone. Current studies show that more than 20 percent of the average consumer's disposable income is tied up in debt. There is no better time than the present to change your spending habits. Americans are beginning to realize that they can't keep spending more than they earn. But the key for today is to get out of debt.**

Here are some tips to help you get started:

Understand that credit is not more money. That \$5000 limit on your credit card does not mean you have \$5000...only the right to *rent* \$5000. If you are using a credit card, make sure it doesn't have a high interest rate. Credit Unions have traditionally had much better rates than other lenders.

Sit down and make a list of your debts. Include how much you owe and what rate of interest you are paying. Pay off the one with the most expensive interest rate first. Consider consolidating those high interest debts using your Credit Union.

Save first. Don't try to save out of whatever money is left after the bills have been paid. There won't be any. Making savings payments first forces you to see what you really have to live on.

## Do You Know the Truth about Your Credit Union ?

Take the following "true or false" quiz to see how much you know about your Credit Union!

1. When you retire from your job, you don't have to retire from your Credit Union.
2. Your Credit Union is owned by its members.
3. Your savings accounts in your Credit Union are federally insured up to \$100,000.
4. Your Credit Union can offer low-cost loans and good dividends because it is operated "not-for-profit, not for charity, but for service."
5. Your credit Union wants to help young people learn how to save and borrow wisely and welcomes any size savings account.
6. Your Credit Union makes loans for just about any purpose you can imagine.

**If you answered “true” to each one of the questions, you passed your credit union quiz with flying colors.**