

Your Credit Union NEWS & UPDATES



A Source for Financial Security and Freedom Since 1925 • Chattanooga Federal Employees Credit Union



Hours of Operation

8:00am - 4:00pm Mon. - Thurs.
8:00am - 6:00pm Friday
423.892.3738 • 423.499.5185 fax
www.cfecu.coop

Holiday Closings

October 10, 2011	Columbus Day
November 11, 2011	Veteran's Day
November 24, 2011	Thanksgiving Day
December 26, 2011	Christmas Holiday
January 2, 2012	New Year's Holiday

Inside This Edition

Christmas Club Check Disbursement.....	pg 2
AutoCheck	pg 2
Withholding Notice (Form 2317).....	pg 2
Holiday Loan Special	pg 2
International Credit Union Day.....	pg 2
Tornado Preparedness Checklist.....	pg 3
Certificate of Deposit Rates	pg 4
Loan/Certificate Rates	pg 4
4th Quarter Projections	pg 4

"Autumn is a second spring when every leaf's a flower."
- Albert Camus

"October. This is one of the peculiarly dangerous months to speculate in stocks in. The others are July, January, September, April, November, May, March, June, December, August, and February."
- Mark Twain

Financial Corner

As of August 31, 2011

Assets	\$41,475,619.20
Shares	\$34,767,037.89
Loans	\$24,500,479.81
Members	3,176

Your Credit Union Has Some Of The Best Loan Rates In Town!

Chattanooga Federal Employees Credit Union has some of the best loan rates in town and plenty of money to loan. Your Credit Union continually strives to be the best around by offering competitive loan and dividend rates to members. The Open-End loan product makes loans simple and easy to process, and saves the member time and money. The highly qualified loan officers are always looking for ways to save you money and offer you the best terms to fit your budget. If you are thinking about purchasing a new automobile or simply working on your budget for 2012, call the Credit Union today and perhaps we will be able to refinance your vehicle or combine your credit cards to help you maintain a healthy budget. Remember your Credit Union is the only financial institution you need!

Skip-A-Payment Time Is Almost Here Again!

The holiday season is quickly approaching and your Credit Union is able to offer the skip-a-payment option again this year. A fee of \$25 per loan will allow you to skip one payment during the holiday season with the exception of your mortgage loan and your Visa payment. The skip-a-payment offer is only applicable to loans that are not past due. You choose November, December or January, sign the appropriate form, pay the \$25, and skip-a-payment. Hopefully, this will enable you to purchase that extra gift, possibly pay a higher than normal electric bill, or simply deposit the payment amount into your share account to save for a rainy day. This offer is simply a way of helping to make this holiday season the best one ever. Call the Credit Union and let one of the friendly member-service representatives, help you decide which month is best for you.

Christmas Club Check Disbursement

The Christmas Club Checks will be ready on Tuesday afternoon, November 1, 2011. The dividends will be posted prior to distribution. Your Christmas Club Account will remain open and deposits will continue as they are currently set-up. If you do not have a Christmas Club Account, this is a great time to open one and plan for the 2012 Holiday Season. Call the Credit Union today and make next year the best Christmas ever.

AutoCheck

Get More Reported Accident Data

AutoCheck is a new and valuable service for members buying or selling a used vehicle.

A report from AutoCheck researches points of concern including:

- Has an accident ever been reported on the vehicle?
- How many owners?
- Flood, fire, hail or other natural disaster?
- Is the odometer mileage accurate?
- Has the vehicle ever been recalled?
- Was the vehicle used as a service vehicle (police, taxi, rental, fleet)?
- Has the vehicle ever had a branded title (e.g., junked, salvaged, or rebuilt)?
- Was the vehicle ever repossessed or stolen?
- Has the vehicle ever been sold at auction?
- Is there a lien on the vehicle?

A complete written report is available for a member-only price of \$10.00 at the Credit Union.

Withholding Notice (Form 2317)

- Payments from your IRA are subject to federal income tax withholding, unless you elect no withholding.
- You may change your withholding election at any time prior to your receipt of a payment. To change your withholding election, complete the appropriate form provided by your Credit Union.
- Withholding from IRA payments, where combined with other withholding, MAY relieve you from payment of estimated income taxes. However, your withholding election does not affect the amount of income tax you pay.
- You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are insufficient.

Holiday Loan Special

Once again, the holiday season is just around the corner. Your Board of Directors and Management would like to take this opportunity to thank each member for their loyal support of the Credit Union and wish each member a safe and happy holiday season. In appreciation, we want to offer a special holiday loan rate as low as 6.00% for a 12-month term. This rate will be available beginning November 1, 2011 and will run through January 31, 2012. Higher rates will apply to higher risk loans based on the FICO or Beacon score. Stop by the Credit Union, call, or go online to apply for this loan. If you have any questions or need advice regarding this loan, please call the Credit Union today.

International Credit Union Day

Credit Unions build a better world! October 20, 2011, is International Credit Union Day. As financial cooperatives, credit unions join the United Nations' celebration of 2012 as the International Year of Cooperatives. Credit unions continually demonstrate their ability to improve the lives of individuals, families, communities and countries around the world, as they have done for generations. As we celebrate International Credit Union Day on October 20, 2011, we demonstrate with more than 186 million people worldwide that we're all part of building a better world. Please stop by the Credit Union on Thursday, October 20, and enjoy some refreshments as we say thank you to our members for making Chattanooga Federal Employees Credit Union the best credit union around.

Tornado Preparedness Checklist

2011 has been a year like none other that we can recall in regards to weather. In addition to the extreme heat this past summer, the spring brought devastation to many credit union members during the April tornados. Our Credit Union family suffered loss not only of homes and property, but more importantly, lives were lost. With these thoughts in mind, your Credit Union family wants to help you be more prepared for weather disasters in the future. A tornado is arguably one of the most destructive types of storms imaginable. Unlike a hurricane or tropical storm, a tornado may develop almost without warning, appearing within minutes and leaving little time to react. Winds can exceed 200 mph causing enormous damage in its path. The importance of being prepared cannot be overstated. When a tornado strikes, every second counts, so advance planning is key to survival.

Steps

1. **Understand that tornadoes can occur just about anywhere, at any time.** The U.S. normally has the most tornadoes each year, with Canada ranking second place, but tornadoes have occurred on every continent except Antarctica. While tornadoes are more common at certain times of the year (in the spring and summer in the U.S.) these deadly storms can strike during any month of the year, and at any time of day or night. If you don't have a plan in place, you should start now, and you should make sure your preparations are up-to-date throughout the year.
2. **Know what to watch for.** Tornadoes usually only develop in the presence of thunderstorms (though the thunderstorm may be some distance away from you), so lightning, rain, and hail (especially if occurring after a tornado watch or warning has been issued) should put you on guard. In addition, watch out for the following:
 - Darkening skies, particularly if the sky appears a sickly greenish color (indicating hail) or an orange-y color (dust being blown around by high winds)
 - Strong, persistent rotation of the cloud base
 - Very calm and quiet conditions during or right after a thunderstorm
 - A rumble or roar that sounds like continuous thunder or, sometimes, a train or jet
 - Whirling debris near the ground, even in the absence of a funnel cloud
4. **Stay informed.** Even if you know the signs of a tornado, you can't always rely on your own eyes and ears alone to know if one is coming. Listen to your local radio stations or watch local television stations to stay informed, especially during conditions that are likely to form tornadoes. Also, purchase a "self-powered" radio/flashlight combo unit. This thing will allow you to keep informed, doesn't use batteries and you'll have light.
5. **Listen for tornado watches and warnings.** The National Weather Service in the U.S. issues both watches and warnings for severe weather.
 - A tornado watch indicates that conditions are right for tornado development and tornadoes are possible in your area. If you hear a tornado watch or a severe thunderstorm watch, you should pay special attention to weather conditions.
 - A tornado warning indicates that a tornado has been seen in your area or that radar indicates the presence of a tornado. If a tornado warning is issued, you should seek appropriate shelter immediately.
 - A tornado emergency means that a tornado warning has been issued and it is heading toward a densely populated area. Seek appropriate shelter immediately and listen for additional weather reports.
6. **A severe thunderstorm warning means that a severe thunderstorm has been spotted in your area, and you should take appropriate precautions and watch for tornadoes.**
7. **Identify appropriate shelters at home, work, and school.** When a tornado strikes, you often don't have time to search for an appropriate place to seek shelter. Think about where you'll go ahead of time so that you'll be ready in the event of a storm.
8. **Prepare a family disaster plan.** If a tornado or other disaster strikes, communicating with your family may be difficult or impossible. Plan ahead to make sure everyone knows what to do in the event of a disaster. You should also maintain a disaster supplies kit at all times. If your workplace or school doesn't have a disaster plan in place, work to develop one.

TIPS

1. **Don't wait until you hear the sirens to take cover. Many times sirens don't ring until it's too late.**
2. **If you live in a mobile home, leave it and go somewhere else when there is a tornado watch.**
3. **It is a myth that open windows will lessen the effects of a tornado. It is best to keep them closed.**



Loan Rates

Effective Date: July 16, 2010

LOAN TYPE	APPROXIMATE TERM	ANNUAL PERCENTAGE RATE*	
Vehicle	36 months	2.90%	
	48 months	3.90%	
	60 months	4.25%	
Greater than \$20,000	72 months	5.25%	
Greater than \$30,000	84 months	6.50%	
Motorcycle	36 months	4.99%	
	48 months	5.25%	
	60 months	5.50%	
	Greater than \$20,000	72 months	6.25%
Other Secured**	36 months	4.99%	
	48 months	5.25%	
	60 months	5.50%	
	Greater than \$20,000	72 months	6.25%
	Greater than \$30,000	84 months	8.50%
Signature	12 months	6.00%	
	24 months	7.00%	
	36 months	7.50%	
	48 months	8.00%	
	60 months	8.50%	
Share secured	Variable; 2% above dividend rate paid on shares securing loan		

*Your Annual Percentage Rate may vary and is based on your credit score obtained from a credit reporting agency.

** "Other Secured" loans include boats, watercraft, campers, recreational vehicles, farm equipment, ATV's, and other types of acceptable collateral.

P.O. Box 22205 Chattanooga, TN 37422-2205 Phone 423.892.3738 Fax 423.499.5185
www.cfecu.coop

Share Certificate Rates

Term	Minimum	Rate	APY
6-Month**	\$2,500	0.75%	0.75%
12-Month	\$1,000	0.90%	0.90%
18-Month	\$1,000	1.00%	1.00%
24-Month	\$1,000	1.25%	1.26%
36-Month	\$1,000	1.50%	1.51%

NOTES:

- * Rates are subject to change every Wednesday. Rates are as of May 11, 2011.
- ** Minimum dollar deposit for the six month certificates is \$2,500.00.
- *** Rates are stated in Annual Percentage Rate (APR) and Annual Percentage Yield (APY). APY may be greater than stated APR based on compounding.

1ST MORTGAGE

Maximum \$200,000
 30 yrs. 6.00%
 20 yrs. 5.50%
 15 yrs. 5.00%

HOME EQUITY

Maximum \$100,000
 60 mo. 4.25%
 120 mo 5.25%

Rates are subject to change.
 Call the Credit Union to confirm rates.

4th Quarter Projected Dividend Rates

*These are still
the best savings rates in town!*

The following dividend rates are projected for the 4th quarter, 2011:

Share Account (savings)	.25%
Priority Checking	.25%
1st Class Checking	.20%
Christmas Club	.25%
IRA Accounts	2.25%
Special Savings \$500-\$9999.99	.75%
\$10,000 & over	1.00%

NEWS & UPDATES

is published quarterly for the Chattanooga Federal Employees Credit Union P O Box 22205 2011 Stein Drive, Chattanooga, TN 37421 423-892-3738 • fax 423-499-5185

Graphic Design – GraphicSource
 Publisher – Sam Phillips

Please forward any comments and/or suggestions to Sam Phillips.
 P.O. Box 21211, Chattanooga, TN 37424

