

# Member credit union Connection

## Credit Union Accounts Insured to \$250,000

The Emergency Economic Stabilization Act of 2008 temporarily increases federal savings insurance coverage from \$100,000 to \$250,000, until at least Dec. 31, 2009. Federal insurance protects your savings, and investment accounts.

## Holidays Ahead

The Credit Union will be closed in observance of the following:

**Memorial Day** Monday, May 25  
**Independence Day** Friday, July 3

## Dividend Rates

Type	Rate	APY*
Regular Shares		
0 – \$10,000	1.00%	1.00%
\$10,000 – \$25,000	1.10%	1.11%
\$25,000 up	1.50%	1.51%
IRA	2.25%	2.27%
CD 6 mos.	1.50%	1.51%
CD 12 mos.	2.10%	2.12%

\* Annual Percentage Yield. Rates are subject to change without notice.

## Our Current Loan Rates

Loan Type	Max Term	APR*
Signature	12 Months	8.90
New Auto	60 Months	5.50
Used Auto	48 Months	5.50

\* Annual Percentage Rate for qualified borrowers with "A" credit score. Lower credit scores result in higher rates.



### Amarillo Postal Employees Credit Union

2400 Hobbs Road  
Amarillo, TX 79109  
(806) 354-2166  
Fax: (806) 354-8860

#### Lobby & Drive Thru Hours

Monday - Friday 9:00 a.m. to 5:00 p.m.

Postal Payday: 9:00 a.m. to 6:00 p.m.



"We do business in accordance with the Federal Fair Housing Law and the Equal Credit Opportunity Act."

## Credit Unions: Different by Design

Can credit unions stay healthy in these tough economic times? Mike Schenk, an economist with the Credit Union National Association in Madison, Wis., answers a few questions.

### How are credit unions doing in this troubled economy?

Despite the challenges today, credit unions remain well capitalized, with average capital ratios that are roughly double the minimum required by regulators. What that means is that credit unions have a lot of wiggle room to absorb mistakes or losses.

### Why are credit unions doing well while other types of financial institutions are struggling, even failing?

Most credit unions didn't participate in the activities that caused the economic problems, namely subprime mortgage lending. Unlike credit unions, the for-profit lenders made a lot of profit for themselves by originating these mortgages, but at the expense of incautious consumers, many of whom shouldn't have been given these loans in the first place.

### Why didn't credit unions make these mortgages?

One key reason is that their members are owners. Credit unions knew that ultimately these mortgages would not be in their members' best interests. The for-profit sector's primary concern isn't consumers' best interests. They're focused on generating income for stockholders.

### Should I worry about the money I have in my credit union?

There's no need to worry. Credit unions have federal insurance just like bank deposits do. Congress has temporarily increased the insured deposit limit from \$100,000 to \$250,000 until Dec. 31, 2009. Congress will decide in 2009 whether or not to make the increase permanent. If you have questions about coverage limitations ask us.

### So credit unions truly are different?

In normal times, the difference between credit unions and other players in the financial marketplace isn't quite as obvious to a lot of people. In the current economy, the credit union difference is more visible to everyone—consumers and policymakers. Credit unions are well positioned to do what they do best: help people in times of need.

Visit us today. You'll see we stand behind our mission of making our members No. 1.



# Member Connection

## Old Electronics Could Hand Crooks Your Identity

When discarding computerized electronics, such as PDAs, cell phones, and computers, you may be setting yourself up as an identity theft victim. How? By improperly erasing—or not erasing at all—your personal information from the device.

Data deleted via the computer's recycling bin only erases the record of the file, not the data the file points to. With the right tools, deleted data often is still retrievable. Similarly, erasing data on cell phones or PDAs by resetting them—or using the "clear" option on the interface—leaves private information stored in flash memory and available for thieves.

Identity theft can cost victims countless hours and dollars trying to salvage their credit and clear their name. Follow these tips to help protect yourself:

For mobile devices:

- Consult the user's manual or manufacturer's Web site for advice about permanently resetting the device.
- Remove SIM (subscriber identity module) cards from phones containing them.

- Delete the contact list; any lists of calls; voice mail, e-mail, and text messages; organizer folders; Web search history; and photos.
- Follow the manufacturer's guide for properly erasing USB drives or iPods, which may hold private data as well.

For computers:

- Be sure to totally erase your hard drive (so it's "wiped")—either hire someone or do it yourself.
- If wiping the drive yourself, go to [download.com](http://download.com) and type "erase hard drive" into the search box. Here, you can find downloadable software that safely and permanently erases data from your hard drive.

After data is deleted, companies such as Green Disk ([greendisk.com](http://greendisk.com)) safely recycle and dispose of a variety of electronic devices. Also, the Environmental Protection Agency offers information about recycling programs at [epa.gov](http://epa.gov).

You also could consider physically destroying an item when unsure about the safety of your personal information.

## STAY HOME, HAVE A BLAST



Gas prices and other budget busters have many families plotting new ways to get away from it all—by staying at home for a "staycation." You can find lots of local resources, many free or at low cost, to make this kind of event memorable.

- Visit your library. You can get free or very cheap DVD rentals.
- Go straight to the source—almost all museums have free days or partial days. Find out when they are and arrange your visit around those days. See if your children's museum, science center, zoo, or aquarium has free times or free special events.
- Treat your hometown like a vacation destination; check its Web site and the local visitors' center to find neighborhood festivals and art fairs. Check out local factories and ask if they offer tours; a plant tour can be fascinating.
- Ask yourself, what would I show a visiting friend? You'll discover things you never knew about your community when you approach it this way.
- Make it a game to see how much fun you can have without spending a nickel. Have your kids compete to come up with ideas.

Your staycation may turn out to be so much fun that you'll repeat it even when finances take an upturn.

## Payday Loans: Hard Truth About

Short on cash? Step right up and take out a payday loan. This increasingly popular line of credit will provide you the \$100 or \$200 you need to get by until your next paycheck. The price? Only average interest rates of 470% APR (annual percentage rate).

Also known as cash-advance loans, postdated check loans, or delayed deposit check loans, payday loans are a star product at check-cashing outlets. Touted as a convenient financial Band-Aid, they exact exorbitant fees from consumers.

Typically, a customer writes a postdated personal check to a check casher for the amount he or she wishes to borrow—plus the fee. The check casher holds the check until the customer's next payday, say two weeks down the road, at which time the consumer can redeem the check with cash or a money order;

allow the check to be deposited; or renew, or roll over, the loan by paying an additional fee.

Companies frequently assess fees of \$10 to \$35 per \$100 borrowed. So, if the fee is \$20 per \$100, a customer needing \$100 would write a postdated check for \$120, dated 14 days down the road.

Stated as an APR, the fees are shocking. According to a 2005 Public Interest Research Group (PIRG) report on the payday loan industry, the most common APR on \$300 borrowed for 14 days was 521%. The fees climb even higher if a consumer rolls over the payday loan. Before long, escalating charges dwarf the original balance.

Your first stop for loans always should be your credit union. Check with us first, before visiting the payday loan store.