

# New Horizons

Quarterly News Resource of the  
Census Federal Credit Union

JULY 2010

## SAVE THIS SUMMER with Second Trust and Home Equity Special Rates!

Second Trusts and Home Equities just got better! Through September 30, 2010, members who apply for a Second Trust or Home Equity Loan will receive our special summer incentive of \$200 credit towards their closing costs! This is in addition to items the credit union already pays for, such as the appraisal and flood certification. Now we're doing more to help YOU do more with your home's equity. Consolidate debts, do some remodeling, pay college tuition or whatever you choose. Take advantage of the summer savings today!

**ANNUAL MEETING**  
**June 23rd -**  
**Congratulations to**  
**Our Newly Elected**  
**Board of Directors!**

## IMPORTANT INFORMATION Regarding Dormant Accounts

If you or any of your fellow members haven't utilized the credit union in over 2 years, you may want to contact our Member Service Representative at (800) 343-6788 or (301) 763-0287. Soon we will be sending letters asking our inactive members to reactivate or close their accounts with the credit union, or we will be required by law to relinquish any funds in their accounts to the state government. Now is a good time to remember all the very good reasons why you joined Census Federal Credit Union in the first place: low-rate loans, attractive savings programs, convenient services and quality member service! So why not check us out once again . . . before you check out?

## SUMMER Splash! AUTO LOAN SALE!

### CFCU EXTENDS Auto Loan Rate Discounts

Our recent Auto Loan Sale was such a spectacular success, that we are extending these wonderful rates for an additional quarter! Through September 30, 2010, you can take advantage of the lowest auto loan rates we have ever had! This applies to both new and used auto loan rates. Even if you've recently purchased a car, you can refinance your car loan from an outside lender and take advantage of these REDUCED RATES! (No refinances of existing Census FCU auto loans.)

#### New Autos

3.99% APR\* for 36 months  
4.19% APR\* for 48 months  
4.39% APR\* for 60 months  
5.39% APR\* for 72 months (for amounts over \$25,000)  
6.39% APR\* for 84 months (for amounts over \$30,000)

#### Used Autos

2006-2009 Used Autos	2002-2005
4.49% APR* for 36 months	6.79% APR* 90% financing up to 48 months
4.69% APR* for 48 months	1999-2001
4.89% APR* for 60 months	7.79% APR* 90% financing up to 36 months
5.89% APR* for 72 months	

Be sure you get your loan pre-approval before you shop for your new or used car! Apply online or stop by our office for a loan application today.

\*Annual Percentage Rate

## Understanding Doublespeak in Car Dealerland

In the market for a new car? Before you hit the dealership, remember that a savvy buyer knows the lingo before he or she goes. We like for our members to be informed and ready to bargain, but not to be taken advantage of. Whatever it is that lures you into a particular dealership — a newspaper or radio ad, for example — it's wise to have a healthy dose of skepticism before you go. "If it sounds too good to be true..." You know the rest. Here are a few tricks to be on the lookout for:

- **Zero-percent financing:** In tiny print, you'll find a phrase such as: "With approved credit," or "All financing subject to credit approval." To qualify for zero-percent financing, you must have a high FICO credit score, which means 700 or above.
- **"\$4,000 for your trade no matter what the condition":** If the dealer is paying you too much for your trade-in, this amount and more will be added to the price of the new car. And your negotiating power just went out the window. The best defense? Become aware of the value of your car through the **Kelley Blue Book** and **Edmunds websites** — [www.kbb.com](http://www.kbb.com) and [www.edmunds.com](http://www.edmunds.com).
- **"Buy it now for just \$189 a month":** Plug in just about any figure you like, because no matter what the total price of the car is, you can make your payments come out to any figure just by juggling the amount you put down and the terms of the loan. The \$189 deal could also be a lease amount, which involves annual mileage restrictions and money down at the beginning or end of the lease. (Really small print may even specify a HUGE down payment.)

continued on reverse

CHECK OUT OUR WEBSITE: [www.censusfcu.com](http://www.censusfcu.com)



# Understanding Doublespeak continued from front

For an offer with nothing down, if you don't have excellent credit, the payments will likely be higher. That fabulous price may pertain to only one car on the lot . . . which may be stripped, that is, without any of the options most people want.

- **“We'll pay off your old car no matter how much you owe”:** Let's say you owe \$8,000 on your present car and it's worth only \$3,000. When the dealer says it will pay off your old car, forget about \$8,000 being deducted for your trade; instead, it means the dealer may add the \$8,000 to the cost of your new car. It gets even worse: Because the new lender (a financial institution or finance company, but not the credit union) is fully aware that the amount being financed exceeds the value of the new car, your loan will be treated as an unsecured loan and will carry a significantly higher interest rate.

What can you gain from all of this information? Some inside scoops, plus the strategy of coming to see the credit union FIRST before you are roped into any deal. In addition to handling your loan pre-approval, we can help you compare dealer pricing to our auto industry resources for the best decision on your new car.

## Opt In or Out?

Effective July 1, 2010, new rules set by the Federal Reserve affect debit and ATM card users if they rely on overdrafts. A \$27 overdraft fee can apply each time you overdraw your account, which makes it possible to incur hundreds of dollars in overdraft charges in one day if you are not careful. To protect against this, new rules took effect on July 1, 2010, which now prohibit financial institutions from charging overdraft fees for ATM and one-time debit card transactions unless consumers consent or opt in to the overdraft service for those types of transactions. Here's what you need to know:

- You must give your permission to apply overdraft services to everyday debit card and ATM transactions before you can be charged overdraft fees.
- If you do not opt in, starting August 15, 2010, you will not have overdraft protection for your debit card and ATM transactions. Instead, these transactions will be declined if there is not enough money in the account.
- New accounts opened on or after July 1, 2010 cannot be charged overdraft fees by the financial institution for everyday debit card and ATM transactions unless you opt in.
- The new overdraft rules allow you to opt in and cancel at any time.
- These new rules do not cover checks or automatic bill payments that may be set up for paying bills such as your mortgage, rent or utilities. A financial institution may still automatically enroll you in their standard overdraft service for these transactions.

A good rule of thumb is to always keep your checkbook up to date. The easiest way to avoid overdraft fees is to always know how much money you have to spend, and you can **sign up for Overdraft Protection** for extra security. For more information on the new overdraft rules, go to [www.federalreserve.gov/consumerinfo/wyntk\\_overdraft.htm](http://www.federalreserve.gov/consumerinfo/wyntk_overdraft.htm).

All members with Debit or ATM cards have received notification of the Opt-In rule. If you have not already returned your form, we would appreciate it if you would do so at your earliest convenience. You may also call us or stop by our office for another form. Your prompt attention to this matter will be greatly appreciated!

## Holiday Closings

**Independence Day** — Monday, July 5 (observed)  
**Labor Day** — Monday, September 6



4600 Silver Hill Road, Room 1K250  
 Washington, DC 20233

For loan payments and member correspondence, please use mailing address:

P.O. Box 733, Suitland, MD 20752

301-763-0287 • 1-800-343-6788  
 Fax: 301-735-8367

Internet: [www.censusfcu.com](http://www.censusfcu.com)

## SUPERVISORY COMMITTEE

Robert Cleveland, Chairman  
 Helena Best  
 Francis Boucher  
 Lisa Donaldson  
 Jennifer Whitaker



## RATES

Effective July 1, 2010

TERM	ANNUAL PERCENTAGE RATE
<b>SIGNATURE</b>	
Up to 3 yrs. . . . .	10.50%
4 yrs. . . . .	11.50%
5 yrs. . . . .	14.50%
<b>REDICASH</b> . . . . .	16.50%
<b>BALANCE CONSOLIDATION</b> . . . . .	
	14.50%
<b>PREMIER LINE</b> . . . . .	
Variable Rate Loan	Based on 3% over <i>Wall Street Journal Prime</i> with a 9% floor
<b>SHARE SECURED</b>	
Up to 60 months. . . . .	3.00%
<b>NEW AUTO</b>	
36 mos., 100% financing . . . . .	4.75%
48 mos., 100% financing . . . . .	5.25%
60 mos., 100% financing . . . . .	5.75%
72 mos., 100% financing . . . . .	7.00%
84 mos., 100% financing . . . . .	8.00%
<i>Add 1% to these rates for 110% financing (incl. tax &amp; tags). Finance amt. over \$25,000; terms to 72 months. Finance amt. over \$30,000; terms to 84 months.</i>	
<b>USED AUTO (Model Years 2006-2009)</b>	
36 mos., 100% financing . . . . .	6.25%
48 mos., 100% financing . . . . .	6.75%
60 mos., 100% financing . . . . .	7.00%
72 mos., 100% financing . . . . .	7.50%
<i>Percentage down does not include tax, tags or extended warranties.</i>	
<b>USED AUTO (Model Years 2002-2005)</b>	
48 mos., 90% financing . . . . .	7.50%
<b>USED AUTO (Model Years 1999-2001)</b>	
36 mos., 90% financing . . . . .	9.00%
<b>MOTORCYCLES</b>	
New . . . . .	6.75%
Used . . . . .	7.75%
<b>BOATS &amp; RVs (NEW)</b>	
Up to 10 yrs. . . . .	7.75%
<b>BOATS &amp; RVs (USED)</b>	
Up to 7 yrs. . . . .	9.00%
<b>CERTIFICATE SECURED</b>	
<i>2.0% above face of Certificate (rate rounded up to a full percentage point.)</i>	
<b>2nd TRUST (FIXED RATE)</b> <70% LTV   70% LTV   80% LTV   90% LTV	
5 yrs. . . . .	5.55%   5.79%   6.24%   7.24%
10 yrs. . . . .	5.55%   5.99%   6.74%   7.74%
15 yrs. . . . .	5.55%   6.19%   7.24%   8.24%
<b>HOME EQUITY</b>	
15 yrs. . . . .	6.00%
<i>(variable rate tied to Prime)</i>	
<b>SAVINGS RATES</b>	
	Dividend Rate   Annual Percentage Yield
Share Savings (\$50 & above) . . . . .	0.50%   0.50%
Share Draft Checking (\$500 & above) . . . . .	0.25%   0.25%
Share IRA (Variable Rate) . . . . .	1.50%   1.51%
Share Plus (\$2,500 & above) . . . . .	1.50%   1.51%
<i>Rates subject to change without notice.</i>	

## BOARD OF DIRECTORS

Eli Serrano . . . . . *Chairperson*  
 Duane Cavanaugh . . . . . *Vice Chairperson*  
 William Russell . . . . . *Treasurer*  
 Francina Kerr . . . . . *Secretary*  
 Thomas Berti . . . . . *Director*  
 Robert Scott . . . . . *Director*  
 Gerard Moore . . . . . *Director*

## MANAGEMENT

Pamela S. Hout . . . . . *President/Chief Executive Officer*  
 Pete Oestringer . . . . . *Vice President/Lending/Collections*

## FINANCIAL FOCUS

Assets	\$56,954,823
Savings	\$46,310,455
Loans	\$26,940,535
Members	7,000