

CHELSEA EMPLOYEES FEDERAL CREDIT UNION

205 City Hall
Chelsea, MA 02150
Phones (617) 884-3599
Fax (617) 889-6740
www.ChelseaEFCU.org

NEW OFFICE HOURS

Monday 8:30 AM - 3:30 PM
Tuesday 8:30 AM - 7:00 PM
Wednesday 8:30 AM - 3:30 PM
Thursday 8:30 AM - 3:30 PM
Friday 8:30 AM - 12:00 PM

4th Quarter 2008

YOUR SHARES ARE SAFE & INSURED AT CEFCU

Protecting your savings with the highest level of security available is a priority at Chelsea Employees Federal Credit Union. With all the media attention being given to concerns about today's economy, we want to let you know of a great way to protect your savings. As a member, your deposits are covered by two of the nation's strongest insurers: the National Credit Union Administration (NCUA) and the Massachusetts Credit Union Share Insurance Corporation (MSIC). It is reassuring to note that no member of a federally insured credit union has ever lost even a penny of their insured savings.

Chelsea Employees FCU enjoys the safety and security of federal deposit insurance through the NCUA. The National Credit Union Share Insurance Fund (NCUSIF), an arm of the NCUA, is the credit union equivalent to the FDIC for banks. Your coverage through the NCUA means that your deposits are protected up to \$100,000 (IRA accounts are protected up to \$250,000), and backed by the full faith and credit of the United States Government.

Your excess shares and deposits above the NCUA coverage, up to the protected limits, are also insured. The Chelsea Employees FCU, through the Massachusetts Credit Union Share Insurance Corporation (MSIC) provides you, our members, with additional excess deposit insurance with combined limits of up to \$500,000 for single accounts, \$600,000 for joint accounts and unlimited for IRA accounts. The credit union provides this added protection to you automatically and at no extra cost to you, a benefit that adds tremendous value to your membership.

Chelsea Employees Federal Credit Union was established in 1935 in the wake of

the Great Depression and the inability of banks to provide banking services to city employees. For over 70 years, through recessions and receivership, the credit union has remained strong and secure. Our Net Worth Ratio is over 14%, more than double than is required for well-capitalized credit unions. If you have

concerns about share insurance, do not hesitate in contacting us or visit www.NCUA.gov or www.MSIC.org.



LOAN SPECIALS



New & Used Auto's

2006-08 Models

4.90% APR*

2001-05 Models

5.90% APR*



**with 10% down or trade and automatic payments rates apply to terms up to 72 months for new & 60 months for used*

** with Payroll Deduction or Direct Deposit*

MAKING IT THROUGH!

With an economic downturn hanging over our heads - there are some options to consider - and some words of caution.

Aiming for Financial Security? -

- Always save a little bit of your check, no matter how much or how little you make. Pay yourself first. Save something! Build up an emergency fund.
- Save hard for the first 10 years of your adult life. Live like a broke college student.
- Know the difference between needs and wants. You need food. You want steak.
- Don't pay interest on anything that loses value. Borrow only to buy property or other assets that will appreciate.
- If you need more money – go out and make more money. Often the fastest way out of debt and into wealth is generating more income.
- To achieve financial security, you have to make it happen by taking charge.

Thinking about a Payday Loan? - With a payday loan, you could end up paying an interest rate higher than 100%. Before you opt to go down this path for short term relief, check out the options below:

- Sell something! Anything! The quickest way to raise cash may be to have a yard sale.
- Check with your credit union. Credit unions worry about their members. Check to see if there are short-term loan options that would help in your situation.
- Get a cash advance on your credit card. This is a last resort, but your interest rate will be less than the payday loan.

What about a Title Loan? – They come with triple digit interest rates also and short payback periods. The big difference is if you fail to pay, the lender takes your car.

- If you have substantial equity in your car, sell it! Buy something cheaper. Use the difference to meet your immediate cash needs.

Don't Raid your Retirement Plan – You have to pay penalties and taxes on any withdrawal. You will lose more than \$200,000 for each premature \$10,000 plan withdrawal if you are 40 years away from retirement. \$100,000 for each \$10,000 if you are 30 years away from retirement.

- A retirement plan loan is a better alternative. They are not risk free, but they are better than withdrawals.
- But, even better, keep your hands off of your retirement fund! Don't raid your future.

If the economic downturn has your finances upside down – the best place to start on the right track may be at the Credit Union. Give us a chance to show you what options we have available for you.

LOAN RATES		
LOAN TYPE	TERM	RATE
NEW AUTOS 2006-2008 90% Financing	New 72 Mos	4.90%
	Used 60 Mos	
AUTOS 2001-2005 90% Financing	60 Mos	5.90%
AUTOS 2000 & older 100 % Financing available on all model years	36 Mos	8.90%
HOME EQUITY Variable Rate - Prime	180 Mos	5.00%
MOTORCYCLE	Auto Rates + 3.00%	
PERSONAL LOANS \$5,000 Maximum	12 Mos	8.90%
	24 Mos	10.90%
	36 Mos	12.90%
SHARE SECURED	60 Mos	3.75%
<i>Rates listed above are for loans paid through payroll deduction or ACH.</i>		
DIVIDEND RATES		
SHARE TYPE	RATE	APY
SAVINGS / CLUBS		
TIER I	\$25.00	0.75%
TIER II	\$5,000.00	1.00%
TIER III	\$10,000.00	1.25%
TIER IV	\$50,000.00	2.00%
IRA SHARES	3.00%	3.04%
SHARE DRAFTS	0.25%	0.25%

Sign up for e-Statements and You Could Win \$100 for the Holidays



Sign up for e-Statements today and opt-out of receiving a paper statement in the mail. Each month you will receive an e-mail notifying you that your statement and newsletter are available online through our secure website.

To sign up for e-Statements, go to the “Services” section in CEFCU ONLINE and fill out the Change e-Statement Options request form to opt for the “e-Statement Only”.

Every member who signs up for the “e-Statement Only” by November 30, 2008 will automatically be entered in a drawing to win a \$100 Gift Certificate.