

# Building Interest

FALL 2006

Lose  
the Clutter and  
Choose  
eStatements!



## THANK YOU FOR 75 YEARS



This year marks the 75th anniversary of your credit union. In 1931, a small group of Dallas teachers were looking for a smarter way to bank and applied for a credit union charter. And Dallas Teachers Credit Union was born!

What started in a classroom drawer with thirteen members has grown into eleven locations with over 195,000 members. Although a lot has changed since 1931, our dedication to our members remains just as strong.

To commemorate this anniversary, we are planning a member appreciation week. The focus of the week-long celebration is to thank our members for their support and loyalty, but most importantly to recognize that without our founding members—educators—CUofTX would not be one of the largest credit unions in the area today.

Help us celebrate the past you helped create and our strong future ahead! We will keep you posted as we finalize these anniversary celebration plans.



## CHOOSE eSTATEMENTS

If you are looking for a way to clear up some space in your filing cabinet and keep your financial information more secure, then we have the answer for you. Stop the delivery of your paper statements and view the same information on-line with eStatements. These eStatements are an exact copy and contain the same information as your current paper statements. You can view and print these statements on-line—we even archive copies of your statements and cleared checks for easy reference. No need to worry about sensitive information being lost in the mail or taken from your mailbox! Here's how easy it is to discontinue your paper statement:



- Log on to Home Banking (If you do not already have access to Home Banking, you can find a Home Banking Application in the Application & Forms section of [www.cuoftexas.org](http://www.cuoftexas.org).)
- Select eStatements on the left.
- Click the eStatement Settings button.
- Check the box to cancel your paper statements and enter your e-mail address so that we can notify you when your eStatement is ready to view. It's as simple as that!

CREDIT UNION OF TEXAS

FEATURES

2 Trick Yourself into Saving

3 Test Your Knowledge About Mortgage Interest Rates

4 John Lederer Appointed Interim President/CEO

## YOU CAN TRICK YOURSELF INTO SAVING BY PAYING YOURSELF FIRST

Most experts agree that the best way to save money is to pay yourself first. Instead of paying your bills first and trying to save what is left over, set money aside before you pay your bills. It's always a good idea to keep three to six months worth of living expenses in an emergency fund so you don't have to raid your retirement account (and pay steep penalties) if unexpected expenses arise. It's also essential to pay off high-interest credit card debt first so you don't waste money on monthly interest charges.

But once you've met these obligations, the best way to maximize your money is to get it into savings before you can spend it. With a 401k, the money is subtracted from your paycheck before you see it. Even just \$100 a month can add up to \$1,200 a year. And if you're 30 now, keep saving at that pace for the next 35 years and your investments earn 8 percent annually, you'll have about \$220,000 tax-free by the time you're 65.

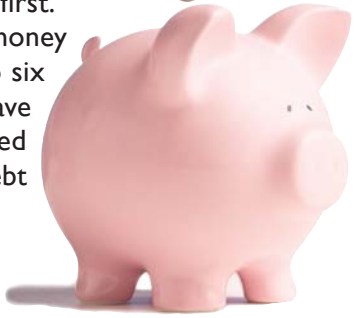
While you'll still need to increase your savings rate when you can afford to, these examples show it's never too early to start. And it's easy to increase your savings rate whenever you get a raise, bonus, tax refund, gift or any other form of extra money. When you're used to living on less, it's easy to invest the extra cash before you can spend it.

To find out how we can help you reach your investment goals, schedule an appointment with one of our on-site Financial Network Representatives:

- Contact **Marcus Stell** at (972) 263-9497 x1546 or 1020 Gross Road, Mesquite
- Contact **Conrad Bautista** at (972) 263-9497 x1246 or 601 N. Plano Road, Richardson

*Investments are not guaranteed and not insured by any Federal Government Agency or the NCUA. Any funds invested are not considered a deposit and may lose value. Securities are offered through Financial Network Investment Corp., a registered broker/dealer and member SIPC. Financial Network and CUofTX are not affiliated.*

NO CREDIT UNION GUARANTEE	NOT A DEPOSIT
NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY	MAY LOSE VALUE NOT NCUSIF INSURED



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## NEW CD TERMS—GRAB ‘EM WHILE THEY’RE HOT

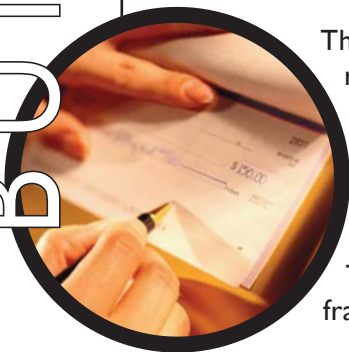
Credit Union of Texas is now offering competitive rates on 9 and 15-month certificates! Grab them while they're hot, as this is a limited-time offer. For more information, please call a Member Service representative at (972) 263-9497 or visit [www.cuoftexas.org](http://www.cuoftexas.org).

## LEAVE A LASTING MARK

The National Check Fraud Center estimates check washing, a type of check fraud, costs Americans \$815 million each year. One way to reduce your chances of becoming a victim of check washing is to **secure your signature** with a special pen. These pens contain special color pigments that "trap" ink in the paper, making check washing virtually impossible.

The pens can be purchased for less than \$2 at most office supply stores and come recommended by former master forger Frank Abagnale. Mr. Abagnale, whose life is chronicled in the blockbuster movie "Catch Me If You Can," is one of the world's most respected authorities on the subjects of forgery, embezzlement and secure documents. For over thirty years he has lectured to and consulted with hundreds of financial institutions, corporations and government agencies around the world.

To learn more about these pens and other ways to protect yourself against check fraud, log on to the **Security Awareness** section on [www.cuoftexas.org](http://www.cuoftexas.org).



# TEST YOUR KNOWLEDGE— WHO CONTROLS MORTGAGE INTEREST RATES

## True or False?

- ① The President meets with his financial advisors quarterly to decide if rates should go up or down or stay the same
- ② Mortgage interest rates are based on the value of the dollar
- ③ Mortgage interest rates are set by the commodities market
- ④ 30-year treasury bonds directly affect 30-year fixed mortgage rates
- ⑤ Mortgage rates are affected somewhat by the weather in New York compared to Tokyo
- ⑥ Ben Bernanke analyzes the market quarterly and sets the interest rate for 30-year fixed mortgage loans
- ⑦ Every credit union and bank sets their own mortgage rates based on prime

If you answered false to all the statements above, **you are right!** Mortgage interest rates—and how they are set—are probably one of the most misunderstood aspects of finance. But here are the simple facts:

- Ben Bernanke and the Federal Reserve do not set mortgage interest rates. The rate set by "the Fed" is the federal funds rate, which is the rate at which banks lend money to each other.
- The federal funds rate reflects short-term lending.
- Mortgage loans are the ultimate in long-term lending.
- When short-term rates go down, people generally borrow and spend more. That kind of consumer behavior can cause inflation.
- When there is concern about inflation, long-term rates go up. Therefore, when the Fed cuts the rate, mortgage rates may go up, not down.

- However, it's only possible that they may go up; it's not certain that they will, because it's not certain that consumer behavior will change or that concerns about inflation will rise.
- But that's only half the answer, because mortgage rates are really affected by something else and that is the Mortgage Backed Securities, or MBS. The MBS are bonds issued by Fannie Mae and Freddie Mac.
- When the MBS bond prices go up, the interest rates go down. When bonds go down, rates go up.

## Learn more. Apply on-line.

Contact your CU Members Mortgage representative, **Michelle Wright** at (214) 929-3559 or by e-mail at [michellec@homeloancu.com](mailto:michellec@homeloancu.com). You can also learn more about the mortgage process and get pre-qualified on-line at [www.cuoftexas.org](http://www.cuoftexas.org).

## DOLLARS FOR SCHOLARS

Each year, Credit Union of Texas recognizes outstanding student members through our Scholarship Program. These scholarships are available to high school seniors, current college students, and members who want to further their education. Candidates are judged on academic achievement, leadership qualities, extracurricular activities, community service, and evaluation of a written essay.

Scholarship applications for the 2007-2008 school year will be available in January 2007. In order to be eligible for a CUofTX scholarship, applicants need to be a member on or before November 1. Visit [www.cuoftexas.org](http://www.cuoftexas.org) for more information.



CREDIT UNION OF TEXAS—IT'S THE SMART CHOICE!

# AT YOUR SERVICE



**Meet John Lederer** — John B. Lederer was named Interim President and Chief Executive Officer by the CUofTX Board of Directors on August 28. John has over 28 years of experience in the credit union industry. He joined CUofTX in 1996 and has most recently held the position of Vice President, General Counsel. Prior to joining CUofTX, John spent 18 years with the Texas Credit Union League (TCUL) where he served in a legal capacity and as a member of the senior management team. Lederer has participated in various legal organizations and has been active in regulatory and legislative issues throughout his involvement in the credit union movement.

**Hug the Corner in a New FairLease Vehicle** — All you can see is the trees passing by and the pavement blurring below you as you hug the corner in your new convertible! The flash of candy-apple red streaks past streetlights and onlookers as if you don't have a care in the world. Sound like a dream you can't afford? It might not be as out-of-reach as you think! Leasing a FairLease vehicle can save you **25 - 40% off** of a traditional loan payment, allowing you to drive more car for less money. With high gas prices and a slower economy, saving money is important. You can afford your new dream car. Contact your FairLease consultant today at (972) 664-1088.



**You're Covered** — We can help you find the right insurance coverage through our trusted partners at **Statewide Insurance**. CUofTX members can take advantage of great low rates and complete coverage on auto, home, and other insurance packages. Your Statewide representative, **Ken Kleppe** is available to go over all of your insurance options. Give Ken a call today at (972) 235-0607 for a free, no-obligation rate quote. License # 7924

**Did You Know** — We're part of the Allpoint ATM Network with 32,000 surcharge-free ATMs nationwide. Visit [www.cuoftexas.org](http://www.cuoftexas.org) for locations.

**Toys for Tots** — We will once again serve as a collection site for the Toys for Tots Annual toy drive. Donations of new, unwrapped toys will be accepted at any of our full-service branch locations starting in late November. Look for more information at our branches and on our Web site.



**Giving Back to Our Community** — Credit Union of Texas is a proud supporter of **Pintail Youth Ranch**. PYR is a nonprofit organization dedicated to providing important recreational, social and learning experiences to underprivileged male youths from single parent families. Their goal is to teach youths how to be productive, capable and confident participants in life. If you know someone who could benefit from the Pintail Youth Ranch Program, contact Executive Director Geoff Wright at (972) 533-8328.

<b>Holiday Closures</b>	Columbus Day	Monday, October 9
	Veterans Day Observed	Friday, November 10
	Thanksgiving	Thursday, November 23 and Friday, November 24
	Christmas Day	Monday, December 25
	New Year's Day	Monday, January 1, 2007
	★You can access your accounts 24/7 using Home Banking and Telephone Teller.	

## Frequently Called Numbers

- All Departments
- Metro .....972-263-9497
- Toll Free .....1-800-314-3828
- FairLease .....972-664-1088
- FairHomes .....972-705-4920
- CU Members Mortgage .....1-800-607-3474
- CUofTX Investment Services ... 972-263-9497  
Ext. 1546 or Ext. 3146
- Statewide Insurance .....1-888-772-7832
- Ken Kleppe .....972-235-0607

## Building Interest

Published by Credit Union of Texas  
P.O. Box 517028, Dallas, TX 75251

### Administrative Office

8131 LBJ Freeway  
Dallas, TX 75251-7028

### Branch Offices

4600 Ross Avenue  
Dallas, TX 75204

601 N. Plano Road  
Richardson, TX 75081

3701 S. Walton Walker Blvd.  
Dallas, TX 75236

2525 MacArthur Blvd.  
Lewisville, TX 75067

1020 Gross Road  
Mesquite, TX 75149

6000 Valley View Lane  
Irving, TX 75038

5204 S. Colony Blvd.  
The Colony, TX 75056

2828 Prince George  
DeSoto, TX 75115

1128 Randlett Street (drive-thru only)  
Lancaster, TX 75146

7801 Coit Road  
Plano, TX 75024

882 W. Rusk Street  
Rockwall, TX 75087

## Board of Directors

- Ada Williams, *Chairman*
- Gwinn Blankenship, *Vice-Chairman*
- William H. Cotton, *Secretary*
- Judy Pouncey, *Treasurer*
- Ronald Ballance
- Randall Chaddick
- Jerry D. Christian
- Márelou Cisneros
- Nancy Couch
- Nellie Ruth Murphy
- Janie Worst

This Credit Union is Federally Insured by the  
National Credit Union Administration.





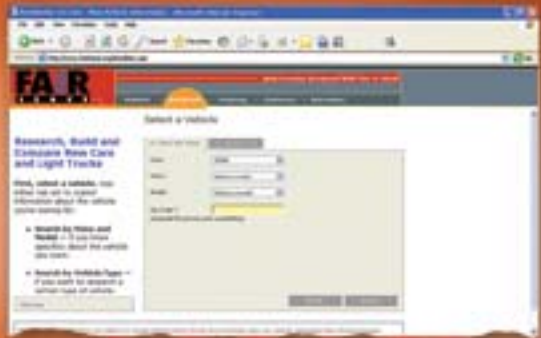
# CREDIT UNION SERVICES, INC.

"YOUR AUTO CONNECTION"

## Shop On-line and You Could Win!

Looking for a new vehicle? Why not shop online from the comfort of your own home? The Credit Union of Texas Auto Market Online program helps you determine the vehicle that is just right for you with hand-chosen options selected by you. Then request a price quote on a vehicle before you go to the dealerships!

The Auto Market program is designed to make car buying easy with the best available pricing. To utilize Auto Market Online, go to the credit union website ([www.cuoftexas.org](http://www.cuoftexas.org)) and select the "Auto Market" button:  Once selected, choose "Try the Auto Market On-Line" and follow the "AutoMarket Online, Research a Vehicle" prompts to research new auto pricing and then submit a price quote request for a new auto from our network of dealers.



Once you follow the prompts to select the vehicle you wish to purchase, hit the orange "REQUEST QUOTE" button to send your request to our preferred Auto Market contacts. You can designate how you prefer to be contacted – either by phone or email – and our representatives will contact you directly to discuss your needs.

You are under no obligation to purchase a vehicle once you request a quote. Simply utilize the information you are given to decide where to shop and what you can afford. Many members take care of everything over the phone and never have to spend hours at a dealership.

**TRY THE AUTO MARKET ONLINE PROGRAM IN OCTOBER OR NOVEMBER AND BE ENTERED IN A DRAWING TO WIN \$250 IN GAS!!!**

Just visit the Auto Market site today and request a quote. You can find out just how easy it is for you to find your next dream car.