

Assets: \$2,084,079
Loans: \$345,403
Shares: \$1,773,760
472 Members
September 30, 2011

Queen of Peace Arlington Federal Credit Union

P O Box 4509 Arlington VA 22204
703.521.8615 Fax: 703.521.1960

Located on the first floor of the Ministry Center
Not for Profit, Not for Charity, But for Service

www.qpafcu.com email: qpafcu@qpafcu.com

October 2011 Newsletter

Office Hours:

Sunday: 10:45 am – 1:00 pm
FIRST Thursday of the month:
7:30 pm – 9:00 pm
Saturday: 4:30 pm – 5:25 pm

Credit Union Service – Prepaid Debit Card: We offer a prepaid Mastercard debit card to members. The card can be used to make purchases everywhere Mastercard is accepted. The initial purchase fee is \$5, and the card can be reloaded with cash or a savings transfer. The card can be used at ATMs as well. Consider this card for teens and students.

During the last several months, our prepaid debit card provider has gone through a conversion from the previous “Debitpass” card to the new “Paycard”. The process has been very difficult, both for the credit union and for members with cards. There have been multiple difficulties in getting new correct and operational cards to members, our ability to put money on the cards, and other problems. We apologize for any inconvenience and, as of late September, the Paycard system seems to be operating correctly. Because of the problems with the transition, we investigated terminating this program and offering another one. However, we concluded that there is nothing coming anywhere near the low cost (both to the credit union and member) and utility of the Paycard. We are optimistic that all the problems have been addressed by the provider. If you have any questions, contact Treasurer Dan Morrisey.

PLEASE Keep Your Account “Active”: If an account is “inactive” for 5 years, Virginia laws and regulations require that the funds be turned over to the state (“Escheat” laws). In August, we sent letters to members whose accounts have been inactive for three or more years and the balance is under \$100. We also sent letters to members whose accounts have been inactive for five years, and will be turned over to the Commonwealth of Virginia. You may activate your account with a deposit of any amount, a withdrawal of any amount or a written request to keep the account “active”. Balances under \$100 may also be subject to a low balance/inactive account fee if the account is inactive for more than 3 years. We do NOT want to turn over any member funds to the state, but must comply with Virginia laws and regulations.

Important Information – Account/Owner Designation: Each credit union member is assigned an account (or member) number. When you opened your account, you chose from various ownership options, such as individual, joint with survivorship, etc. You may also have changed or updated ownership by adding a joint owner or adding a POD (Payable On Death) beneficiary. You may have Club Accounts (Christmas and Vacation) and Share Certificates under this same member number. In this credit union, all account types under one member number must have the same ownership. If you wish different ownership options, you must open a separate account.

Citizenship Loan: For qualified borrowers, the credit union now offers a low rate (7.00% Annual Percentage Rate) loan for a 30 month term for the fee (currently \$680) for applying for U.S. Citizenship. See the credit union for conditions and details.

Supervisory Committee: This committee (Dick Melia, Chair) conducts an annual audit, as well as member account verification every two years. For unresolved account problems, contact Chair Dick Melia, 4303 S 6th St, Arlington VA 22204. (703.892.6891).

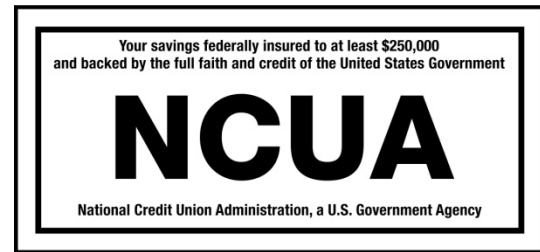
Your Credit Union Account and Electronic Parish Giving: Credit Union members may use their credit union account to participate in the parish’s electronic giving program through Faith Direct. *Faith Direct* can use a credit union account as the source of the regular parish donation. Because credit union accounts are savings, rather than checking, a

few details may be different when using a credit union account. See us for details.

Another Credit Union Product VISA Gift Cards – We now have VISA Gift cards (not reloadable) for sale. You can purchase these cards at the credit union with cash, or from the money in your savings. A \$3 fee will be charged for each card. These are accepted anywhere VISA gift cards are accepted.

PLEASE review your statements! The enclosed statement includes all activity to your credit union accounts from July 1, 2011 through September 30, 2011. Please note that we have updated all joint ownership of share and certificate accounts, as well as jointly obligated persons on loans. Payable on Death Beneficiaries have also been updated. If you have any questions, or wish to change a beneficiary or update joint ownership, please contact the credit union during office hours. Please notify us of any errors.

Your Money is SAFE: Recent financial/economic news has worried many people about the safety of their savings. Your Credit Union would like to confirm again that your savings are safe and secure. The NCUA insurance logo below indicates that a credit union is federally insured to at least \$250,000 per account:



Membership Benefit, Balance Program: Credit union members can receive FREE financial information, money management counseling, debt management and review of credit reports and help in English or Spanish. Call *BALANCE* at 1-888-456-2227.

Credit Union Cherry Blossom 10 Mile Run: We are a sponsor of the race that was held April 3, 2011 benefiting the Children’s Miracle Network (Children’s Hospital). See Treasurer Dan Morrisey for more information, or to help as a volunteer next year, 2012.

Skip A Payment On Your Loan! For a \$5.00 fee, members can skip a monthly payment on most loans, up to once per year. You cannot be delinquent and it must be more than three months after the loan was issued, refinanced or restructured. See us for details.

A Share Secured Loan Can Help: You can get a low rate loan by pledging credit union shares (club accounts or certificates) on a loan. We do not consider credit reports or income. To help an adult child get a low cost loan, you can pledge your shares for their loan.

High Credit Card Rates? What interest rates are you paying on credit card balances? Rates of 20%, 25% or 30% per year are increasingly common. A credit union loan may carry a much lower rate.

Socially Conscious Investing – Why the Credit Union? As a cooperative, member savings are the source of funds for loans. We believe saving at the Credit Union is certainly “Socially Conscious”, funding loans (at low credit union rates) to fellow members of all economic levels.

Do You Have An Emergency Fund? It is recommended to have three to six months (perhaps more) of living expenses in a safe, account at a financial institution. Why not at your credit union?

Dividend Rates: For July, August, September and October 2011, the regular share dividend rate was 0.25% (0.25% Annual Percentage Yield - APY) for balances from \$25.00 to \$99.99, and the same rate for the tier of \$100 and above. Christmas and Vacation Club accounts also now receive the same rate as regular shares. Christmas and vacation Club accounts do not have any restrictions or fees to withdraw money from the accounts. Dividends are paid monthly on the Daily balance in the account. See the credit union or our web site for a full rate and fee schedule.

The rates on newly issued/renewed share certificates are as follows. Effective September 18, 2011, rates (minimum amount of \$1,000.00) on share certificates are 0.30% APY (6 to less than 12 months), 0.50% APY (12 to less than 24 month term), 0.80% APY (24 to less than 36 month term), 1.15% APY (36 month term) and 1.35% APY (48 month term). For \$10,000 or more, the rates are 0.35% (6 to less than 12 months), 0.60% APY (12 to less than 24 month term), 0.90% APY (24 to less than 36 month term), 1.25% APY (36 month term) and 1.45% APY (48 month term). The rates on certificates are fixed for the full term of the certificate. Members may pick an exact term from 6 months through 48 months. The offered rates are subject to change without notice. Check web site for latest rates. Interest rates on almost all savings and investments have dropped a lot in the past year.

Is a Certificate "Ladder" Right for You? Credit Union share certificates have a fixed rate for the certificate's term. That is a disadvantage if rates go up, but an advantage if rates drop. There are also penalties for early withdrawal. A "Ladder" of several share certificates might be a way to deal with this dilemma - e.g. a member who has \$20,000 might buy a 12 month, a 24 month, 36 month term and a 48 month term each for \$5,000. One certificate then matures every 12 months.

Direct Deposit/Payroll Deduction/Tax Refund: Loan payments and savings deposits may be deducted from your pay and sent to the credit union. We can split it between savings and loans. Provide your employer with our routing number: 256-078-459. Specify SAVINGS and your account number. Tax refunds and other federally issued checks can be sent directly as well.

Automatic Deduction from Checking Account: We offer recurring automatic transfers of your loan payment and/or savings deposit from your bank or other credit union. You may have transfers done on the 1st, 8th, 18th or the 28th of each month, or schedule transfers every other week (on Fridays, either cycle).

Credit Union Supports Other Parish Ministries: As a Ministry within Our Lady Queen of Peace Parish, the credit union makes every reasonable effort to assist and work with other ministries. Examples are below.

The Social Justice Committee of Our Lady Queen of Peace has a fundraising program, selling Giant and Safeway "Gift Cards". The parish gets a 4-5% discount on the cards, which benefits the Orphans of AIDS in Africa and the parish emergency food assistance program. \$50 Cards or certificates are available in the credit union. If you shop at Giant or Safeway, why not use these Gift cards?

In December 2010, the Haiti Committee again offered "alternative" Christmas Gift cards. By buying them you make a donation to health and education needs in Haiti. The card indicates that a donation was made instead of a gift purchase. The credit union sells the cards as a courtesy and will offer these before Christmas 2011 as well.

The Credit Union made a \$250 donation to the parish Thanksgiving Food Basket Program in October 2011.

Loan Rates and Terms: Contact the credit union for full details or check our web site www.qpafcu.com.

For auto loans, members can normally choose the first payment due in up to 90 days from issuance of the loan! New auto loans (and used current and previous model year) are available at interest rates between

2.50% and 11.00% (Annual Percentage Rate - APR), depending on the term (length) of the loan and your credit score. New car rates and terms also apply to current and previous calendar year models. Used auto loans are available at rates between 3.00% and 11.00% APR depending on the age of the car, the term (length) of the loan and credit score.

Personal loans are available at interest rates between 5.00% and 15.00% APR, depending on the term (length) of the loan and your credit score. Share secured loans have rates of 2.50%, 3.00% and 3.50%, depending on the term (length) of the loan. Share certificate secured loans are also available. Total indebtedness of one person is limited to \$60,000, not including up to \$60,000 in share secured loans. Other limits are \$60,000 for an auto loan, \$12,000 for an individual personal loan and \$24,000 for a joint personal loan. Compare our rates to credit card rates.

Loan rates and terms offered are regularly reviewed and subject to change at any time. Check with us. Once a loan is disbursed, the rate is fixed for the term of the loan.

"Grace" (Payday) Loans: For members with bad credit, who need up to \$600 for a short period, we offer an alternative to the "Payday" loans that charge up to 391% (APR) in Virginia. A borrower must have been a member for 4 months, have either a payroll deduction or checking account and \$1,000 or more income per month.

Children's Accounts: Children of any age can open accounts, if they have an SSN and can show a document of identity. Parents can also open accounts for children, either in the child's name or a custodial account (VUTMA). A credit union account is a great place for birthday, holiday or other gift checks.

Life and Disability Insurance on Loans: When you get a loan, please consider credit life and disability insurance. With such insurance, your loan payments will be made if you become disabled or die.

Mortgage Loans! We have a referral program for home mortgages with Credit Union Mortgage Association, Fairfax, VA. 703.425.1204.

Attention Teens: We want teens to volunteer in the credit union and help with some programs of interest to teens, and to serve as tellers.

Who can join the credit union? Contact the credit union for full details, because the government "rules" have changed in recent years. As defined in our Federal Charter and Bylaws, in general, membership in the Queen of Peace Arlington FCU is OPEN to:

Members of Our Lady Queen of Peace Church, Arlington, Virginia; Employees of Our Lady Queen of Peace Church, Arlington, Virginia; Family members (spouse, sibling, stepsibling, parent, grandparent, stepparent, child, stepchild, grandchild) of above; household members of parish members and employees, regardless of relationship; family members and household members of a credit union member.

Account Fees and Charges: We have a one-time membership fee of \$1.00 when an account is opened. Late fees on loans are 5% of the payment if the payment is received more than 12 days past due. There is a fee for depositing a check that is returned, a fee for a returned/rejected electronic transfer, and a \$10.00 application fee for "Grace" ("payday alternative") loans.

The fee for a returned check that is deposited or an electronic transfer that is returned/rejected is \$10.00. A low balance fee, \$3.00 per quarter, will be charged to accounts that have balances below the minimum required of \$25.00. If you have NO ACTIVITY on your account for 36 months (other than dividends) and a balance of under \$100.00, a \$7.50 per quarter charge will be made to your account at the end of the quarter. Finally, if we receive a changed address on mailings (to you) from the post office on our returned mail, we will charge your share account \$1.25 to cover costs. Please check account balances and make sure there is at least \$25. If the balance is under \$100, make sure to make a transaction at least every three years. When you move, please give us your new address and make sure you have money in your account when you write a check for payment/deposit and/or for an electronic transfer.