

A publication of United Maryland Employees Federal Credit Union

Find Your Name and Win \$100!

Each quarter, we insert three members' names somewhere in the newsletter. If you find your name, call us and we'll deposit \$100 in your account!



TELL THAT HIGH-RATE LOAN TO HIT THE ROAD WE'LL BEAT YOUR RATE BY 3%

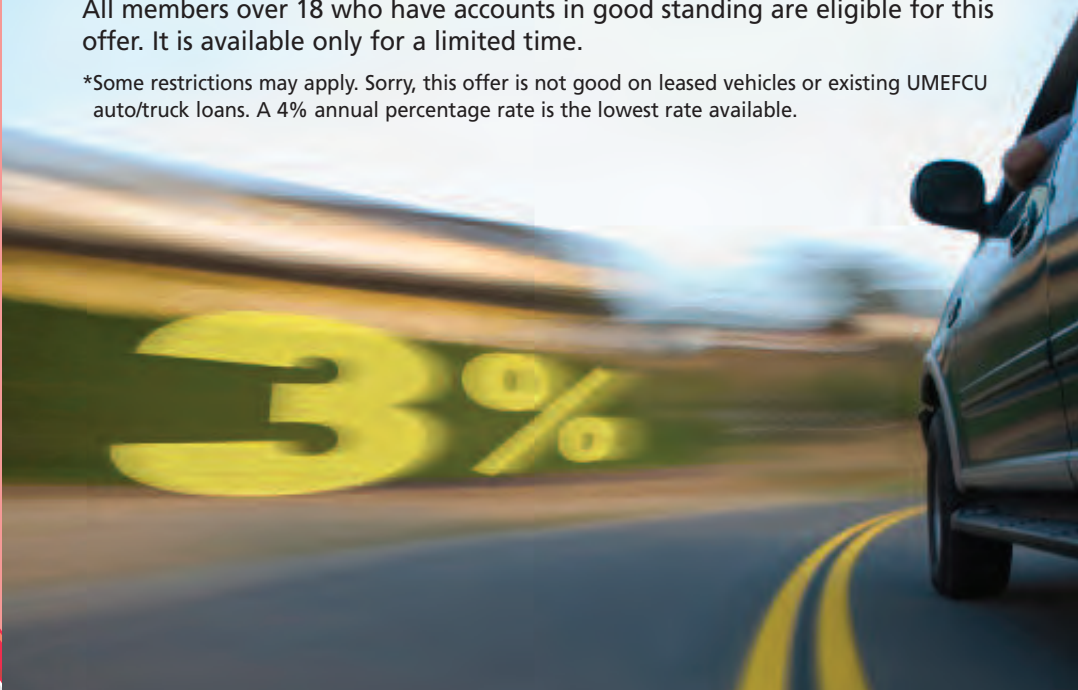
If you have a car or truck loan from another lender, even if you've had it for a while, it's time that you thought about refinancing with us. We could save you hundreds of dollars in interest over the life of your loan by lowering your rate by at least 3%. Think of the rate you have now. Is it less than competitive? Then now is the time to stop by and do something about it.

We don't require a lengthy approval process or verification of your vehicle's value. To qualify you for this special offer, all we need is proof you've made at least three months of timely payments on your current car or truck loan. Your new loan with us will be for the estimated Suzanne Stewart remaining term of your existing loan and will use a similar repayment schedule.

To get started on the road to savings, simply come into one of our branches and speak with a loan officer. Bring a copy of a recent paystub, your vehicle title, a copy of your original loan contract, a copy of a coupon or payment statement and proof that you have insurance.

All members over 18 who have accounts in good standing are eligible for this offer. It is available only for a limited time.

*Some restrictions may apply. Sorry, this offer is not good on leased vehicles or existing UMEFCU auto/truck loans. A 4% annual percentage rate is the lowest rate available.



Holidays

The credit union will be closed for the following holidays:

Memorial Day
Monday, May 31
Independence Day
Monday, July 5 (observed)



The Least Trusted Banks in America

by Jennifer Saranow Schultz

Tuesday, February 9, 2010
New York Times

Customers of the biggest banks in the United States are the least likely to believe their financial institution does what's best for them as opposed to what's best for the bottom line, according to a new report from Forrester Research.

The report, Forrester's annual Customer Advocacy rankings, ranks nearly 50 financial services firms in the United States by the percentage of each firm's customers who agree with the statement: "My financial provider does what's best for me, not just its own bottom line." The results are based on a survey of about 4,500 consumers.

The bottom seven of this year's rankings, first to last, are Bank of America, Chase, Capital One, TD/Commerce, Fifth Third, Citibank, and in last place, HSBC.

Among Bank of America customers, 33 percent agreed with the statement above, while 31 percent of Chase customers agreed, 29 percent of Capital One customers agreed, 28 percent of TD/Commerce Bank customers agreed, 27 percent of Fifth Third Bank customers agreed and 26 percent of Citibank customers agreed.

Among HSBC customers, only 16 percent said they agreed with the statement, the lowest customer advocacy score ever reported in the United States, down 10 percentage points from HSBC's score last year and in line with other recent similar poor rankings of other HSBC units.

An HSBC spokesman declined to comment on the survey, since he hadn't seen it yet.

To put the rankings in perspective, large banks have generally been at the bottom of the list since the survey was initiated seven years ago, and many of the banks have alternated between the bottom spots year to year, said a Forrester vice president, Bill Doyle, who wasn't aware of anything particular HSBC has done recently that would make its score so low. Last year, for instance, Capital One was at the bottom with 22 percent of its customers agreeing with the statement. In fact, the more customers a banking institution has, the lower its customer advocacy ranking is likely to be, according to Forrester.

Why the poor rankings for the big banks? "Part of it is that the banks are preoccupied with their bottom line. They are public institutions who are in business to make money for their shareholder and inevitably, that shows to customers," Mr. Doyle said.

A high customer advocacy ranking means that customers tend to believe their bank takes their side in disputes, does what is right even if it's not required by regulation to do so, gives fair rates or performance comparisons and is clear about charges and fees, Mr. Doyle said.

Wells Fargo/Wachovia, by contrast, did better than the other big banks. About 40 percent of its customers said they believed

the bank does what is best for them, with Wachovia's customers probably pulling up Wells Fargo's ratings, Mr. Doyle said. Wachovia has generally done substantially better in the rankings than the other big banks.

According to Mr. Doyle, customer advocacy rankings are a predictor of customer retention and attrition, and customers who rate their financial service firms high are more likely to consider their firm for additional products. In contrast, customers who give their banks a low ranking are most likely to switch in the next year and are "going to be reluctant to put any more money and open new accounts at those institutions," Mr. Doyle said.

This means the low rankings don't bode well for the bigger banks, many of which are reaching federal limits for how much they can increase deposits by acquiring other banks and must rely on attracting more customers to increase revenue.

Credit unions ranked much higher than the big banks, as they have in previous years, with 70 percent of credit union customers saying their financial institution puts their interests first. Mr. Doyle said this is because of credit unions' different operating model – they are owned by customers – and because they tend to emphasize customer service.

ATTENTION

Why not utilize
YOUR Credit Union for all your financial needs?
Checking, Savings,
Auto Loans, Visa
Credit Cards
and more!

After credit unions, the bank run by USAA, a financial services company that serves the military and their families, came in next with 64 percent of its customers agreeing with the statement. It was followed by ING Direct, with 46 percent. Regional banks including PNC, U.S. Bank and BB&T came in next with rankings similar to Wells Fargo/Wachovia. Regional banks, which often can't afford big advertising campaigns, tend to emphasize customer service, Mr. Doyle said.

Insurance firms, meanwhile, remained the highest rated firms for customer advocacy, with more than half of all customers rating their insurers high on customer advocacy and insurers representing two-thirds of the firms in the top half of the rankings. The ranking of investment firms, meanwhile, fell below banks for the first time since the rankings began. Investment firm rankings tend to fall when the market isn't doing well, Mr. Doyle said.

Protecting Kids from Identity Thieves

According to the latest figures from the Federal Trade Commission, 5% of all identity theft victims are under 18. The commission says the number would probably be higher were it not for a lack of reliable data for that age group.

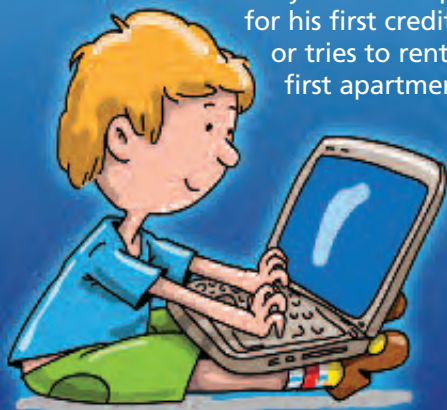
The use of social networking websites can increase one's vulnerability to identity thieves. If you have children who have access to the Internet — and most older children do these days — it would be wise to talk with them about the dangers of posting personal information on such sites. Here are a few tips you might want to pass along:

Restrict access to the information you post. Before joining a site, it's a good idea to consider the potential audience for postings to the site and how much control you'll have over access to yours. Some sites may not give you enough. When you do join a site, you may want to limit access to only certain people, assuming that's possible.

Never post certain information. Some information kids should not disclose on a social networking site: Social Security numbers, their real names, account numbers of any sort, their addresses, their phone numbers and their ages.

Be mysterious. Choose a screen name that isn't overly informative.

Your child may not find out that someone has fraudulently used his personal information until long after the fact. Taking the Tammy Ballard right precautions today will help ensure he doesn't get a nasty surprise someday when he applies for his first credit card or tries to rent his first apartment.



Clean Up This Spring!

Refer new members and you can cash in.

Since you already know about our products and services, you — as a member — are our best advertisement. We believe you can do a great job of telling your family and coworkers all about the benefits of joining — and we will reward you for it.

If you refer new members during our promotion, you can really clean up. For every new member who joins because you spread the word, we'll deposit money in your share account. Just how much can you earn? As much as \$105 per new member! Check out the chart below for details.

What you could earn just by telling potential members about us:

- \$5 for each referral who joins
- \$25 for each referral who opens a checking account
- \$25 for each referral who opens an IRA share account
- \$25 for each referral who takes out a loan or refinances with us*
- \$25 for each referral who is approved for a Visa credit card

Cashing in is simple. Just have your referral come in and bring the form below. If you'd like to refer more than one person, feel free to make as many copies as you need. It couldn't be easier — or more profitable — to help others save money on financial services.

Let your referrals know that they can clean up too. They'll earn exactly what you earn: up to \$105!

All monies earned for referrals will be deposited into the Existing Member's account and the New Member's account after the New Member's account has been open for at least 90 days. New Member must set up direct deposit of their net pay when opening a Share Draft/Checking Account, and it must be done the same day they open their new account. All new Share Draft/Checking accounts are verified through ChexSystems. Some new members may not be eligible for a checking account. IRA Share Account must have payroll deduction of at least \$10.00 per pay period and be opened at the same time the new account is opened. Existing members who refer New Members are only eligible to be paid referrals if they are in good standing with the Credit Union.

*Referral fee will be paid if New Member receives any new loan product within 60 days of opening the account except the Pot O' Gold loan.



New Member Referral Form

Name of current member: _____
Please print your name

Name of new member: _____



You Had the Rest, **Now Try the Best**

Lots of banks scrambled to raise their credit card rates and fees in anticipation of the Credit Card Accountability and Disclosure Responsibility Act, which went into effect on February 22. If this happened to you, it's time to get rid of those cards and get one of ours.

- Our rates remain low. Our Visa Gold rate will not exceed 9.99% APR for purchases, and our Visa Classic rate will not exceed 12.99% APR for purchases.
- We don't raise the rate we charge you, even if you miss a payment.
- We don't charge unnecessary fees. This means no annual fee, no fee for balance transfers and no fee for cash advances.
- We will continue to give you a 25-day interest-free grace period when you pay your account in full, which is longer than the law requires.

Sound pretty good to you? It should if you're paying a rate of 10% or more. If you're ready to make the switch, we'll make it easy. Just go to

www.umefcu.org and click on Apply for a Loan. Select Visa Credit Card as the purpose for the loan. Then write the card name and amount of each balance you'd like to transfer in the comments section of the loan application. We'll let you know via mail when your balance transfer has been approved.

To find out more about our credit cards, check out the Visa section of our website, or stop by and speak with a member service representative.

Credit Unions vs. Banks:

NO CONTEST

Banks trail far behind credit unions in one survey of hard data and another of public perceptions.

Better Rates All Around

Credit unions still offer a consistently better deal to consumers than banks do. Cassandra Rogers That is evident from data compiled by Datatrac, a company that tracks rates charged and paid by banks and credit unions.

At year-end 2009, credit unions, on average, posted more favorable rates for consumers than banks in 21 of 23 loan and savings categories. Credit unions provided significantly lower rates on all types of consumer loans and provided higher yields on all types of savings accounts.

Datatrac's data is available online at www.ncua.gov/dataservices/bankratedata/index.aspx.

A Higher Level of Trust

According to another survey — this one a national survey of consumers — Americans consider credit unions more trustworthy than banks.

The survey results were part of a study published January 27 by two finance professors from the University of Chicago and Northwestern University. They found that 58% of U.S. consumers trust credit unions, while only 31% trust national banks. Local banks enjoy considerably more trust than national ones: they're trusted by 53% of consumers. But only 21% trust banks in which the government has a stake.

Credit Union National Association President/CEO Dan Mica said the study revealed "that what has made credit unions

successful — service to members, transparency in operation, a real feeling of 'ownership' in the institution — are values that are honored by the American public."

Our Pledge to You

Our credit union strives to exemplify those values. That may be why you trusted us enough to become a member. Our rates may have made a positive impression on you as well. In any case, you can rest assured that we're committed to always staying worthy of your trust. We don't take it for granted — and we never will.

