

Money Matters

October, 2009 Newsletter

www.necreditu.org

Kearns, Utah

How did NECU Get 135 Branches Statewide?

How did NECU with two offices gain another 135 branches statewide? Easy.

For some time now your credit union has been a member of the Credit Union Service Center organization. Many members don't realize what that means.

It means you can go into almost any credit union in the state and transact business on your Newspaper Employees Credit Union account. You can make loan payments, cash checks, make transactions between accounts, make deposits and purchase money orders, travelers checks and official checks.

Of course, some functions you can't perform at a Credit Union Service Center. You can't complete a loan transaction, because some things have to be done in person. And of course, you can't visit with our personable staff, who you've gotten to know on a first-name basis. By the way, as a member of the Credit Union Service Center, we also can help you with transactions on that other credit union you belong to (because we know many persons are members of more than one credit union.)

Service Centers can be invaluable whether you are away in another city in Utah, or you just need a quick transaction in your neighborhood. You may find yourself far from your hometown and you have no relationship with in any financial institution in that Utah town or city. What do you do?

Just look for a local credit union that has the Credit Union Service Center logo on the front window. Be sure you have with you your home credit union's name, your account number, valid government-issued photo identification, such as driver's license or passport.

Then walk in like you were a long-time customer. Because you are!

**Our Phone Numbers at the
NAC/Media One Plant are:**

Office: 801-204-6080

FAX: 801-204-6079

PDTalk: 801-204-6077

Gateway office numbers are unchanged.

Christmas Loans Now Available

Our special Christmas loan for qualified members is quick and easy. Check out these features:

- Borrow up to \$3,000
- Interest rate as low as 6.99% APR
- Must be repaid within twelve (12) months
- Must be carried as a separate loan
- First payment due 30 days after loan is processed
- Must maintain at least \$50 in share account during life of loan (\$25 membership + \$25 pledged)
- Sorry, Christmas loans cannot be refinanced at this rate

Each Christmas loan participant will be entered in our prize drawing. Closes December 21.

Are You Using Your Credit Union For All It's Worth?

- ATM machines at NAC and Tribune
- Online Access
- Share Accounts
- Share Draft Accounts
- Direct Deposit from Payroll
- IRA Retirement Accounts
- Savings Certificates
- Notary Service
- Used Car N.A.D.A. Values

If you are happy with Newspaper Employees Credit Union, tell your friends and neighbors. We are now open to all in Salt Lake County. We are waiting to serve you with all your financial needs, and we would like you to help us spread the word. We've got savings plans, checking, credit cards and more.

Best of all, we've got money to loan!

The Care and Keeping of Your (Excellent) Credit Score

Sometimes called your “magic number,” your FICO, or credit score, is arguably more important to you than your salary, the amount of money in your checking account or the number of friends you have on Facebook.

Your credit score determines how much your mortgage will cost, whether you can buy a car, whether you can get a credit card and what you will pay for auto insurance.

At first glance, your FICO seem like a mystery calculation pulled out of thin air by people who don't know you and may not like you. But it's based on solid concepts (and is

dedicated to impartiality) and the financial industry relies on it heavily to determine your credit-worthiness.

FICO is a number that predicts, for lenders, your likelihood of repaying your loans. The higher the number, the more eager the lenders are to do business with you.

You can be approved for a loan very quickly with a score in the 700-range; but around 500 you probably won't be able to get a standard loan at all.

Every adult should know his/her credit score, and respect what it takes to keep it clean—and high. FICO scores range from 300 to 850.

Here's how it's weighted: payment history, 35 percent; total debt, 30 percent; length of credit, 10 percent; new credit, 10 percent and type of credit, 10 percent.

Payment history: Pay your bills on time and the number in this category will be high. Start paying timely if haven't been timely in the past, and your credit score will begin to improve over time.

Total debt: In general, higher debt works against you. Keep your “usage ratio” low: don't max out your credit cards, and generally don't use all the credit available to you.

Duration: Longtime use of credit with a good history works for you here. Keep your old credit card accounts open even if you don't need them, keep them active by setting up a utility bill to be paid monthly on one or more.

New credit: Number of new credit inquiries made by you, as presumably you look around for places to borrow money. The more there are, the more lenders worry.

Type of credit: Believe it or not, credit accounts can be of differing “quality”, with bank credit being weighted better than department store credit.

Differences in credit scores can lead to huge differences in loan costs. For instance, in one published example, on a loan for a \$25,000 Honda Accord, a FICO of 720+ would see the borrower enjoying a 6.42% interest rate. But if the FICO was 620-659, the interest rate would be at 12.79% and below 500, the loan would cost the borrower 18.43%—if it was granted at all.

It should be remembered that you never have a permanent credit score. Computers calculate and recalculate constantly, and your score can go up or down based on reports made to them by your lenders. Favorable FICO scores can be restored, even after a bankruptcy, but it takes work and diligence on the part of the borrower.

The three credit bureaus that rate borrowers, TransUnion, Equifax and Experian, have joined to create VantageScore, a different system of measuring your credit-worthiness. This is in competition to the Fair Isaac Corporation, presently the rating system used by your NECU.

Here's the government web site where you can learn how to dispute an erroneous credit score: <http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cre21.shtm>.

Savings Rates			
Share certificates, IRA certificates, Roth certificates			
	Min. Deposit	Rate %	APY* %
6 months	\$500	1.00	1.004
12 months	\$500	1.20	1.205
18 months	\$500	1.45	1.458
24 months	\$500	1.50	1.508
36 months	\$500	1.65	1.660
48 months	\$500	2.00	2.015
60 months	\$500	2.50	2.524
Christmas Club		0.75	0.752
Share savings	0.50 (3Q) **		
Loan Rates			
New vehicle	as low as 5.49%	to 72 mos.	
Newer used	as low as 6.49%	to 72 mos.	
Used	as low as 6.49%	to 60 mos.	
Signature closed end	as low as 10.99%	to 36 mos.	\$5,000 max.
Signature open end	as low as 13.49%	to 36 mos.	\$3,000 max.
Part secured	as low as 9.49%	to 48 mos.	min. 50% secured

* APY (Annual Percentage Yield) Based on quarterly compound interest, retained to maturity.
 ** Unlike other rates, share savings dividends are set after the close of the quarter in which the shares remained on deposit. The rate shown above is for the quarter ended September 30, 2009. The credit union cannot predict or promise what future dividends will be.
 • IRA and ROTH Certificates: Interest paid quarterly.
 • \$500 minimum deposit for all certificates.
 • Christmas Club interest not paid if money is withdrawn before maturity.

PDTalk's new telephone number is 801-204-6077.

Check out our Bill Consolidation Loan program on our web site at <http://www.necreditu.org/consolidate.htm>.

Online access to your account is available just by phoning our office and having staff set up your logon, password and instructions.

Our ATMs are free when you use your NECU card.

We will be closed Monday, October 12, Columbus Day; Wednesday, November 11, Veteran's Day; Thursday, November 26, Thanksgiving Day; Friday, December 25, Christmas Day.

Our Addresses:

NAC Office
 4770 S. 5600 West,
 Kearns, UT
 801-204-6080
 8:30 a.m.—5 p.m. Monday
 through Friday

Gateway
 90 S. 400 West, Ste. 600
 Salt Lake City, UT
 801-257-8550
 Monday 9 a.m.—noon;
 Friday 9 a.m.—5 p.m.