



September 2008

Polam News

Special Edition for September 2008

Polam Federal Credit Union continues to be Very Safe, Strong and Growing:

With so many banks declaring losses and failure, many people are very worried about their money, and in certain cases they should be.

By now, you may have read in the papers or seen on the news that a lot of banks are in serious trouble primarily because of bad lending practices such as making Real Estate loans without verifying the income of the borrower, poor credit scores, inflated values of the property, negative amortization and lending more than the actual value of the property - these types of loans are often referred to as "Sub-Prime Loans".

"Polam does not make Sub-Prime loans"

The Federal Deposit Insurance Corporation (FDIC) has identified about 90 banks that are troubled or at risk of closure. Even though these banks have FDIC insurance, that does not mean that all the deposits are fully insured as was clearly shown with the failure of IndyMac Bank in July of this year. About 10,000 depositors at IndyMac Bank with accounts over \$100,000 might be paid out at 50% of the original amount or not at all, and all the earned interest is lost.

As many banks suffer losses from bad loans, they attempt to improve their financial position by offering high interest rates on deposit accounts and it is common to see them offer CD rates that are one to two percentage points higher than what any other bank is offering.

People should be very careful about depositing their money in any institution that is offering a very high interest rate in comparison to other banks as this may be an early indication that the bank is in financial trouble. Although the FDIC does not make the list of troubled banks public, many financial analysts on Wall Street have identified banks that seem to be having severe problems or are "at risk".

"Polam FCU is committed to protecting your hard earned savings"

Polam will gladly match the CD interest rate of any competing bank as long as that bank is not troubled or at risk. We urge all of our current members and potential new members to take a close look at their investment and deposit accounts to make sure they are at a safe, strong and healthy institution like Polam Federal Credit Union.

Your savings accounts at Polam Federal Credit Union are insured to at least \$100,000 and retirement accounts are insured separately up to \$250,000 and backed by the full faith and credit of the United States Government. On the following page is a table showing how much you can deposit with Polam FCU without risk and still have full deposit insurance on your money provided by the National Credit Union Administration NCUA - A U.S. Government Agency.



Office Information and Hours

Main Office - Redwood City

770 Marshall Street
Redwood City, CA 94063
Phone: (650) 367-8940
Fax: (650) 367-8945

Concord Branch

1010 Oak Grove Road
Concord, CA 94518
Phone: (925) 609-8500
Fax: (925) 609-8008

San Francisco Branch

5923 Geary Boulevard
San Francisco, CA 94121
Phone: (415) 752-7760
Fax: (415) 752-7783

Sacramento Branch

6201 Greenback Lane # F
Citrus Heights, CA 95621
Phone: (916) 727-0730
Fax: (916) 727-0733

Hours

Mon - Thurs 9 A.M - 4 P.M
Friday 9 A.M - 6 P.M
Saturday 9 A.M. - 1 P.M

New Britain Branch - Connecticut

55 Broad Street
New Britain, CT 06053
Phone: (860) 223-0200
Fax: (860) 223-0202

Hours

Monday 9 A.M - 1 P.M
Tues & Wed 10 A.M - 4 P.M
Thurs - Fri 10 A.M - 7 P.M
Saturday 9 A.M. - 1 P.M

Audio Response Teller

1-888-268-8008

Internet Address

www.polamfcu.com

E-mail Address

polam@polamfcu.com

To use our internet banking and bill pay site, contact us at
(650) 367-8940
or visit our website



❖ Your Insured Funds at Polam Federal Credit Union ❖

Family of Two - Up to \$1,100,000 in Insurance:

Husband Individual	\$ 100,000
Wife Individual	\$ 100,000
Joint Tenancy Husband & Wife (Joint)	\$ 200,000
Revocable Husband as Trustee for Wife	\$ 100,000
Trust Accounts Wife as Trustee for Husband	\$ 100,000
Retirement Account - Husband	\$ 250,000
Retirement Account - Wife	\$ 250,000
Total NCUA Insurance Coverage:	\$ 1,100,000

Family of Three - Up to \$1,950,000 in Insurance:

Husband Individual	\$ 100,000
Wife Individual	\$ 100,000
Child Individual	\$ 100,000
Joint Tenancy Husband, Wife & Child	\$ 300,000
Husband as Trustee for Wife & Child	\$ 200,000
Wife as Trustee for Husband & Child	\$ 200,000
Child as Trustee for Mother & Father	\$ 200,000
Retirement Account - Husband	\$ 250,000
Retirement Account - Wife	\$ 250,000
Retirement Account - Child	\$ 250,000
Total NCUA Insurance Coverage:	\$ 1,950,000

Family of Four- Up to \$3,000,000 in Insurance:

Husband Individual	\$ 100,000
Wife Individual	\$ 100,000
Child #1 Individual	\$ 100,000
Child #2 Individual	\$ 100,000
Joint Tenancy Husband, Wife & 2 Children	\$ 400,000
Husband as Trustee for Wife & Children	\$ 300,000
Wife as Trustee for Husband & Children	\$ 300,000
Child-1 as Trustee for Mother, Father and Sibling	\$ 300,000
Child-2 as Trustee for Mother, Father and Sibling	\$ 300,000
Retirement Account - Husband	\$ 250,000
Retirement Account - Wife	\$ 250,000
Retirement Account - Child-1	\$ 250,000
Retirement Account - Child-2	\$ 250,000
Total NCUA Insurance Coverage:	\$ 3,000,000

Special Note:

Even more coverage may be available when you define your accounts as "payable on death," or POD, account. To set up a POD account, depositors must name a beneficiary or beneficiaries who will receive money if the primary account holder dies. For each qualified beneficiary, the NCUA will boost insurance coverage by up to \$100,000.