



Update

March 2010

*Published Monthly for Members Credit Union Reps and Other Key Sponsor Personnel
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Are You in the Market for a New Vehicle?

If you are thinking about buying a car this spring there are several factors to consider before driving that new or used vehicle off the lot.



Should I buy a new or used vehicle?

Unless you are really craving the new car smell buying a used vehicle is usually the better financial move. New vehicles are typically more expensive than used and they depreciate much more rapidly. If you drive your car until the wheels fall off maybe a new car is right for you. However, if you are like most of us and trade your car every three or four years, it is wiser to purchase a good used vehicle. You may get the value of any used model by calling an MCU loan officer. Interest rates and terms at MCU for new and used vehicles are exactly the same, so there is no financing advantage to buying new.

Should I make a down payment?

Making a down payment on a vehicle purchase is always a very good idea because it builds equity

and makes your monthly payment more affordable. Additionally, at MCU you receive a lower interest rate if you put money down. A 15% down payment earns a fixed rate of only 5.25% ^{APR}. Rates increase slightly as the down payment decreases. The rate for 100% financing is 6.75% ^{APR}

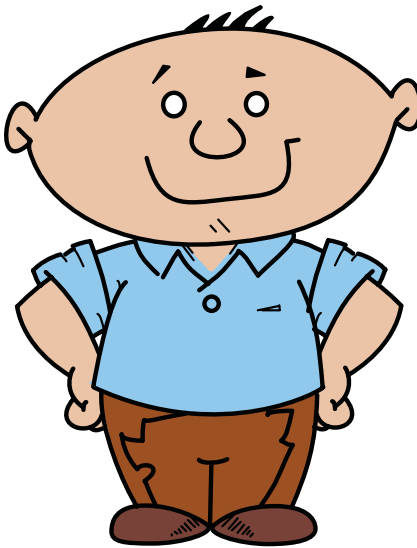
A down payment not only lowers your interest rate, but your monthly payment as well. For example, if you borrow \$20,000 with no money down for 60 months your payment would be \$393.72. Put \$3,000 down (cash, rebate, or trade-in) and finance \$17,000 and your payment is nearly \$71 less per month, a savings of over \$800 per year in payments. **Accept 0% financing at the dealership or take the rebate and finance with the credit union?**

Make sure you talk to your local credit union loan officer before accepting any 0% financing deal. Your loan officer can analyze your individual situation to see what is the best option for you. It is almost always better to use the rebate as a down payment and borrow from the credit union. Another excellent reason to take the rebate to use as a down payment is that you build instant equity in your vehicle, making it much less likely you will be upside down on your loan (owe more on the loan than the car is worth) when you go to trade.

Should I purchase the dealer's offered extended warranty or payment protection plans?

Never. The credit union offers better and much less expensive plans for extended warranty and payment protection. We can probably save you money on your auto insurance as well, with our own insurance agency MEMCU Insurance.

Meet MCU's Newest Volunteer - "The Little Guy"



Meet "The Little Guy" MCU's newest volunteer. We created "The Little Guy" to emphasize Members Credit Union's dedication and willingness to help members from all walks of life and income levels by providing them with high quality financial products and services.

"The Little Guy" will be making public appearances throughout North Carolina to promote awareness of the benefits of Members Credit Union. Feel free to invite him to any occasion you are planning, such as company picnics or benefits fairs. Call Donna Henry or Renee Fisher (800-951-8000, ext

138 or 148) to arrange a visit to your facility. He looks forward to visiting sponsor companies and meeting as many MCU members as possible throughout the year.



Free Representative Training

If you are a new sponsor company credit union representative who would like initial training, or you are a long time representative who would like a refresher course on credit union policies and procedures, please contact Donna Henry, our Director of Sponsor Affiliations, to attend a training session.

Classes are free and run from 10:00 a.m. to 1:00 p.m., with lunch provided. You can reach Donna at 800-951-8000, ext. 138, or donnah@memcu.com.

Winston-Salem - March 17, 2010

Hickory - April 14, 2010

Winston-Salem - May 21, 2010

Miscellaneous Information

- Our new Round Up Savings Account is here! Members with an MCU checking account and Visa Debit Card can have all of their Visa transactions rounded up to the nearest dollar. The difference is automatically deposited into a Round Up Savings Account.
- Reloadable Prepaid Visa Debit Cards are now available at all of our branch locations. Cards may be purchased for \$2.50 and reloaded with additional funds for just 50 cents.
- Save time and money by paying bills the easy way with eBill@MCU. All you need to get started is an MCU checking account and a computer. Go to www.memcu.com and click on eBill@MCU for a quick demo of the product.
- We are still accepting donations for the Flight of Honor project through April 1. So far members have generously donated over \$2,500, enough for five WWII veterans to make the trip to Washington D.C. to see the WWII Memorial.
- Not near a computer? You can get up to the minute account information by calling TELL-COM, our automated telephone response system at 800-951-4808. Check balances, transfer funds between products, request a check withdrawal and much more.
- Members Credit Union will be closed April 2 for Good Friday.