

November 2005

# genfed.community

**Where it pay\$ to be a member**

## Loophole Shields Business, Hurts Consumers

The contract giveth, but the fine print taketh away your rights --if you let it. Most consumers, however, don't even know they've signed a contract that contains a legal loophole called a binding mandatory arbitration (BMA) clause.

BMA's are buried in the fine print of many contracts--including those for credit cards, health plans, auto purchases, home improvements and employment. **The clause stipulates that if you have a dispute with the company, it will be settled not in a courtroom but in proceedings without judges and juries.**

Consumer advocates contend that consumers have little hope for a just resolution because the case will be decided by an arbitrator selected by the company and who may have no legal training, yet

who earns up to \$300 an hour--**paid by the company with which you are in dispute.**

**More than two dozen consumer groups are trying to stop the use of BMA clauses.**

Companies that add BMA clauses to their contracts often announce it in bill inserts that few people read. Even if you're lucky enough to find the announcement and exercise your right to opt out within 30 days, it's likely your account will be closed, according to AARP lawyer Deborah Zuckerman.

**Here are tips to avoid BMA clauses:**

- Get credit cards issued by credit unions or smaller financial institutions, which usually doesn't include BMA clauses. GenFed MasterCard rates are as low as 9.96% APR and ask about our rebate offers!
- Get car and other loans from credit unions instead of commercial banks. Ask car dealers if they have BMA clauses in their contracts; if they do, shop somewhere else. Plus, with GenFed's 'Flex Rate' program we'll try to beat your best rate offer.
- Contact your elected official and request that the practice of including BMA clauses in contracts be stopped.



### *Congratulations, Jim Duncan!*

Tim won the Father's Day basket of goodies from GenFed's Wadsworth branch raffle. The branch earned \$190 toward their 'Warm The Soles' project where they provide new shoes to needy children.

### 5 – 17 Year Olds: WIN MONEY!

Each quarter, GenFed Junior Members receive a GenFed Googolplex Newsletter specially designed for young credit union members their age. There are quarterly contests for each age group outlined in each newsletter. Correct contest entries are placed into drawings for \$25 for children between the ages of 5 and 12, \$50 for ages 13 and 14 and \$100 for ages 15 - 17.

**Your child's not a GenFed member? Stop by your local branch to get them started on the right financial track. Once they have an account they will start receiving the GenFed Junior Member Newsletter. This holiday season, start your child on a road to financial success.**

**When a parent or grandparent opens a family child's membership with a \$25 deposit, GenFed will add an additional \$5.**

Make the request when you open your child's account

## Pick a Rate Discount Out of Our Stocking

Have you been good this year? We think so. That is why we are allowing our members to draw a rate discount from a stocking when they open a Holiday Loan during November and December. Get a rate discount of up to 0.50% APR off our already low rates! Plus, we'll help you start saving for next year with a GenFed Christmas Club Account. Stop by your local branch to get started.

### Branch Phone Numbers

Akron	330.784.5451
Antwerp	419.258.5151
Bryan	419.636.1053
Centralia	618.532.9524
Fairlawn	330.835.9103
Lorain	440.282.4606
Mt. Vernon	618.244.1077
Sheffield Lake	440.949.1782
Shelbyville	317.392.6230
Wadsworth	330.336.2150
Wadsworth Great Oaks	330.336.3556

**Loan Phone: 877-GF-LOAN-0**

(Apply for a loan during some branch closed hours)

FREDI

Touch-tone Teller:  
Akron area:  
330.794.1220  
Toll Free:  
800.850.5451



[www.genfed.com](http://www.genfed.com)

## GAP Insurance can pay off!

**Just ask GenFed Member  
Jim Hankinson!**



A few months after Wadsworth member Jim Hankinson purchased a Sport-Utility Vehicle, he was in an accident. Thankfully, no one was seriously injured but he totalled his new car. And because Jim hadn't owned his vehicle very long, he was at risk for not getting enough money from his insurance company to pay off his vehicle loan.

Thank goodness, Jim purchased GenFed's GAP insurance when he got his loan with GenFed. Because, in fact, the insurance company wasn't going to pay the entire amount owed on his vehicle, GAP insurance picked up the rest. Without it, Jim would have owed an extra \$1,600 for a car he couldn't drive anymore! Having GAP insurance really paid off for Jim.

GAP insurance is a great investment for most car owners. If your vehicle should become totalled, your insurance company will only pay what the car is worth - not what you owe. GAP insurance covers you for the difference. Without it, you may end up paying on a car you can no longer drive.

Don't forget to ask about GenFed's GAP Insurance on your next vehicle loan!

# GenFed is giving the gift of 'SKIP' this Christmas

Need help with holiday expenses?  
GenFed has a present for you!

We're going to let you SKIP YOUR LOAN PAYMENT in November or December!

We know you have plenty of other things to worry about this holiday season, so why not SKIP YOUR LOAN PAYMENT?

It only costs \$25 per loan and it will free up cash for other holiday expenses. Ask your local branch for a Skip-A-Pay form so you can enjoy this holiday season!

# GenFed

A Low-Cost Banking Alternative  
www.genfed.com

85 Massillon Road  
Akron, OH 44312

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AMERICA'S  
CREDIT UNIONS™

Where people are worth more than money.™

Ready to apply for your loan, but your branch is closed?  
Call GenFed's Loan Phone at 877-GF-LOAN-0!\*

## Great Rates!

### New & Used Vehicles

Includes vehicle-secured business loans.  
Rates as low as:

Cars, boats, RVs, and Campers:	
2004 and newer	4.99% APR
2002 - 2003	5.49% APR
Motorcycle Loans	6.99% APR
Mowers and Tractors	6.00% APR

**NEW** Now, participating dealerships in the Akron, Sheffield Lake, Lorain and Wadsworth Areas can provide GenFed financing!

### Real Estate Loans

Rates as low as:

First Mortgage	5.50% APR (fixed rate)
Second Mortgage	6.75% APR (fixed rate)
Line of Credit (Prime - .25%) (Prime)	6.75% APR (variable rate, LTV up to 85%) 7.00% APR (variable rate, LTV 86% - 95%)

### Personal Loans

For just about anything!  
Rates as low as 7.00% APR.

### MasterCard

Fixed and variable rates  
as low as:

Classic MasterCard	12.96% APR
Gold MasterCard	10.80% APR
Platinum MasterCard	9.96% APR

Get approved for  
up to \$300 cash  
in an hour with  
QuickLoan!

### Savings & Checking

Share Savings  
Dividend Checking  
No Fee Money Market  
(\$2000 min. to earn)  
IRA Accumulator

Min. to Open/Earn	APY
\$25 / \$100	0.50%
\$50 / \$100	0.25%
\$2,000 - \$20,000	2.58%
\$20,000 and over	2.84%
\$100 / \$100	2.32%

Certificates IRA Certificates

3 month	3.92% APY*	
6 month	4.13% APY	
9 month	4.18% APY	
12 month	4.35% APY	4.46% APY
15 month	4.28% APY	4.39% APY
18 month	4.50% APY	4.60% APY
21 month	4.39% APY	4.49% APY
24 month	4.44% APY	4.54% APY
30 month	4.60% APY	4.71% APY
36 month	4.59% APY	4.70% APY
48 month	4.75% APY	4.85% APY
60 month	5.01% APY	5.12% APY



\*3 month certificate is for MINORS ONLY with a minimum of \$500. Refinance of existing GenFed loans subject to applicable fees & conditions. Other rates and programs apply to new money only. Loans subject to approval and terms. Loan rates as of 11/2/05, include full discounts and subject to change at any time. Contact your branch to determine your discounts. Vehicle loan terms may be limited, based on age of vehicle. Variable rate HELOC with no minimum rate (floor). Rate tied to the Prime Rate and will not exceed the Prime Rate as published in the Wall Street Journal. The rate will only rise if Prime rises and will not exceed 18.00% APR, even if Prime rises above that. Annual percentage yield (APY) on regular savings is accurate as of the last declaration date of 10/1/05. Other savings rates are as of 11/1/05. Penalty will be imposed for early withdrawal on certificates. Certificate rates subject to change at any time. Disclosures available upon request. Fees or early withdrawals could reduce earnings on accounts. We may offer different rates in the future. Contact GenFed staff for more information about current rates, terms and fees. Always consult your tax advisor for tax advice.

## Holiday Closings

Thanksgiving Day  
(Thursday, 11/24)  
Christmas Day Observed  
(Monday, 12/26)  
New Year's Day  
Observed  
(Monday, 1/2)  
Martin Luther King Day  
(Monday, 1/16)  
President's Day  
(Monday, 2/20)

## Swipe and Sign and get \$250!

How good does an extra \$250 sound? Between now and December 31, 2005 every time you use your GenFed Debit Card and sign for the transaction, you will be entered to win a drawing for \$250 CASH! Your GenFed Debit Card can be used anywhere MasterCard is accepted. That means gas stations, restaurants, stores, anywhere you can use a MasterCard you can use your GenFed Debit Card; just remember to select 'Credit' and sign for the transaction. 'Swipe and Sign' and get a chance to win!

### Borrow at the Dealership!

While we always prefer the personal interaction with our members in our branches, we understand some members desire the convenience of dealership financing, so we're now offering an option to our Akron, Sheffield Lake, Lorain and Wadsworth members to complete the financing of their next vehicle loan at participating dealerships. Call us for details!

### Need to find a surcharge-free ATM?

Visit your local branch for a list of surcharge-free ATMs in your area. And remember, if there is no ATM nearby, you can use your PIN at the register at most grocery stores, including Wal-Mart, and get cash back!

### Student Loans and Programs

The Carroll, Prather, Young Scholarship awards two \$1,000 scholarships to GenFed members or their children. Plus, Wadsworth's Community Scholarship offers a \$1,000 scholarship to a student living in Wadsworth. Applications will be

accepted until March 31, 2006. Ask us for details. Application forms are now available. And don't forget that we offer student loan options to fit your needs!

### \*Ready to apply for your loan, but your branch is closed?

Call GenFed's Loan Phone at 877-GF-LOAN-0! Our Loan Phone can be available 1-2 hours before and after normal office hours as well as Saturday mornings. Exact times vary by time zone.

### Acme Receipts for 'Warm the Soles'

GenFed's Akron, Ohio branch is once again collecting Acme receipts for 'Warm the Soles'. The money will be used to purchase new shoes for local children who have never owned new shoes.

### Let your home work for you!

Over the summer, GenFed offered a chance to win a \$1000 gift certificate to all members who

opened a real estate loan over \$20,000.

### Congratulations to Kevin Sargent from our Mt. Vernon branch for being the lucky winner.

Did you know you could use your home's equity to pay for you or your child's education, medical bills, home improvements, and even automobiles. Right now, GenFed has rates as low as 0.25% APR BELOW Prime for LIFE of the loan. Contact your local branch for more information. Also, keep an eye out for an upcoming Home Equity Line of Credit promotion where you can earn up to \$500 to put toward your home.

### Earn money with your GenFed MasterCard

Earn a 1% rebate, up to \$50, when you transfer your 'other' credit card balances to your GenFed MasterCard. Stop by your local branch to transfer your balances and get your 1% rebate. Don't have a GenFed MasterCard? Stop by your local branch to apply for one and start taking advantage of our 1% rebate offer. Just one more benefit of being a GenFed member/owner.

My husband dealt with Lynn R. and was totally impressed with her friendliness, helpfulness, and professionalism. How refreshing in this day and age. We are also impressed by the 'member survey' and your effort to maintain quality customer service  
— G. Slupe, Sheffield Lake

We have done exactly what Tracey has suggested in the past and our credit rating has risen as a result. We rely on the expertise of Brenda, Tracey, and Tim for our financial needs.

— Joann, Wadsworth

Do you have a service story to share? Mail it to: GenFed FCU, Attn: Marketing Department, 2492 Wedgewood Drive, Suite G, Akron, OH 44312 or e-mail it to info@genfed.com.