

JULY 2008

CHICAGO PATROLMEN'S
FEDERAL CREDIT UNION



Roll Call

CHICAGO PATROLMEN'S FEDERAL CREDIT UNION

**AUTO LOANS
AS LOW AS 3.22%
APR**

*Considering Your
Best Interest.*



Is the high cost of transportation getting to you? Nationwide gas prices recently topped four dollars per gallon and it has been higher than that in the Chicago market.

At Chicago Patrolmen's Federal Credit Union, we're considering your best interest. To help you combat the high cost of travel, we've lowered rates on a number of lending products to create some exceptional values for you. We now feature Auto Loans with annual percentage rates as low as 3.22%!*

These rates are exceptionally low compared to prevailing market conditions and are only available to members of the Chicago Police Department and their families. Take advantage of the opportunity now and make sure you, or your family members, don't lose out on this fabulous offering! These rates are so low, that in some cases you are better off taking the rebate from the manufacturer and financing through CPFCU, even when zero percent financing is offered on a vehicle! Simply call our Call Center today at 312-726-8814 Ext. 0 and we'll help you through every step of the way, to ensure you get the best deal for your pocketbook.

We are also offering reduced rates on our Boat and Motorcycle Loans as well. With many people choosing to vacation closer to home this summer the timing couldn't be better. So contact us at the number above and let CPFCU put you in the car, boat or motorcycle of your choice at the price that's most affordable for you!

*APR=Annual Percentage Rate. Requirements include 700 credit score, checking account with direct deposit and 20% down payment on the auto. Contact us for complete details on each of the programs.

MESSAGE FROM THE CEO

I am often asked about the difference between a bank and a credit union. While I cannot speak for any other credit union, I believe that the main difference between your credit union and any other bank or financial institution is that we tailor every one of our products and services to police officers and their families and we are uniquely placed to anticipate your needs and provide solutions when you need them.

As an example, we are currently offering Home Equity Lines of Credit at rates as low as 4.25%.

In June, we rolled out our new auto and motorcycle loan rates and I think you will find these rates to be exceptional.

If you are having some difficulty meeting your current obligations or you would just like a break from some of your monthly payments, you can

take advantage of the additional Skip-a-Payment program that we have added this year.

Also, we continue to offer a full spectrum of seminars and planning services through our Financial Planning and Education Center.

There is a lot of financial uncertainty out there, so it is more important than ever that you know we are here for you whatever your financial needs may be.

Please stop in at any of our three branches, call us, or inquire online through our website.

It is always an honor and our pleasure to be of service to you. Thank you very much for your business!

Scott Arney
CEO

ANNUAL MEETING NOTICE

The 70th annual meeting of the members of the Chicago Patrolmen's Federal Credit Union will be held on September 26, 2008 at 5:00 pm. The meeting will be held at 1359 W. Washington Blvd, Chicago, IL 60607. In accordance with the bylaws of the credit union, the Board President has appointed a nominating committee that has nominated the following persons for a three-year term as members of the Chicago Patrolmen's Federal Credit Union Board of Directors:

John Dineen • Antonio Navarrete • James Riordan

The Board of Directors has adopted the following criteria, which each nominee had to meet in order to be selected by the nominating committee:

1. Creditworthiness;
2. Member in good standing for seven years.
Good standing is defined as never having caused a loss to the credit union; and
3. Service on a committee of the Board for at least one year.

The Board has adopted these criteria and standards in order to ensure that it will continue to provide strong and dedicated leadership, serving the best interests of the credit union and its members.

Any member in good standing is also eligible to seek election to the Board as follows:

Nomination for vacancies may be made by petition signed by 204 CPFCU members in good standing. Each petition shall be accompanied by a signed certificate of the nominee stating that he/she is agreeable to nomination and will serve if elected to office. A brief statement of the nominee's following qualifications and biographical data must accompany the petition and signed certificate: number of years as a member of the credit union; number of years employed by the Chicago Police Department, if applicable; and whether the nominee is active or retired from the Chicago Police Department, if applicable.

In order to be a valid signature on the petition, the member's printed name, home address and last four digits of the member's social security number must accompany each signature. Any member who feels they possess the qualifications necessary to serve on the Board may obtain a petition at the credit union by contacting the Treasurer. If there is only one nominee for each position to be filled, the election will not be conducted by ballot. There will be no nominations from the floor when there is at least one nominee for each position to be filled. Any nominating petitions must be submitted to the care of the Secretary of the Board at 1359 W. Washington Blvd., Chicago, IL 60607 no later than 5:00 pm on Monday, August 4, 2008.

SAFE DEPOSIT BOXES ENHANCE CPFCU OFFERINGS

Employees are now accepting applications for safe deposit boxes at the north branch. The boxes are available in three sizes – 3” x 10”, 5” x 10” and 10” x 10”. The annual rental fees start at \$60 and vary based on the size of the box selected.

The boxes are safe, secure, and fire resistant and they provide access to your valuables. Please stop in at our north branch, or contact our Call Center for complete details.

There's an easier way to protect your valuables...



Open a safe deposit box from CPFCU!

CURRENT RATES

SAVINGS RATES

Share Savings Accounts (Regular and Special)

| | | |
|-------------------|-----------|-----------|
| \$100-2,999.99 | 0.25% APR | 0.25% APY |
| \$3,000-24,999.99 | 0.80% APR | 0.80% APY |
| \$25,000 and up | 1.30% APR | 1.30% APY |

Share Certificates**

- Minimum Deposit of \$2,500.00
- Senior Saver Option Available
- 55 and older members earn an additional .25% and our 55 and older members earn an extra .25% for having a CPFCU checking account with direct deposit.

Non-compounding

| | | |
|---------------|-----------|-----------|
| 6 Month Term | 3.15% APR | 3.15% APY |
| 12 Month Term | 3.30% APR | 3.30% APY |
| 24 Month Term | 3.45% APR | 3.45% APY |
| 36 Month Term | 3.65% APR | 3.65% APY |

Compounding

| | | |
|---------------|-----------|-----------|
| 6 Month Term | 3.15% APR | 3.20% APY |
| 12 Month Term | 3.30% APR | 3.35% APY |
| 24 Month Term | 3.45% APR | 3.51% APY |
| 36 Month Term | 3.65% APR | 3.71% APY |

Checking Accounts

| | | |
|----------------|-----------|-----------|
| \$1,000 and up | 0.25% APR | 0.25% APY |
|----------------|-----------|-----------|

Christmas Savers Accounts**

- Funds Available on 10/01/08
- | | | |
|--|-----------|-----------|
| | 1.30% APR | 1.30% APY |
|--|-----------|-----------|

Individual Retirement Accounts**

| | | |
|-----------|-----------|-----------|
| Share IRA | 3.50% APR | 3.56% APY |
|-----------|-----------|-----------|

Traditional, Roth (\$1,000 Minimum) and Educational (\$500) IRA Certificates

| | | |
|---------------|-----------|-----------|
| 12 Month Term | 3.30% APR | 3.35% APY |
| 24 Month Term | 3.45% APR | 3.51% APY |
| 36 Month Term | 3.65% APR | 3.71% APY |

Money Market Accounts

- \$2,500 minimum to open
 - \$15 per month fee if the average daily balance falls below \$2,500. Limit of six withdrawals or transfers per month.
- | | | |
|---------------------|-----------|-----------|
| \$0 - \$24,999 | 2.00% APR | 2.02% APY |
| \$25,000 - \$49,999 | 2.30% APR | 2.33% APY |
| \$50,000+ | 2.80% APR | 2.84% APY |

LOAN RATES

Auto Loans

| | |
|-----------|---------------------|
| New Auto | 3.22% - 14.47% APR* |
| Used Auto | 3.62% - 14.87% APR* |

Motorcycle Loans

| | |
|-----------------|---------------------|
| New Motorcycle | 4.22% - 12.97% APR* |
| Used Motorcycle | 4.62% - 13.37% APR* |

Boat Loans

| | |
|-----------|---------------------|
| New Boat | 5.22% - 11.97% APR* |
| Used Boat | 5.62% - 12.37% APR* |

Tuition Loans

6.90% APR

Mortgage Loans

Market Rates

Home Equity

Line of Credit

4.25% APR***

Fixed Rate

Home Equity Loan

9.90% APR

Signature Loans

8.90% - 14.90% APR

Share Secured Loans

5.00% APR

Certificate Secured

6.30% APR

Money Market Secured

5.80% APR

Member Business Lending

Market Rates

VISA Classic

| | |
|---------------|------------|
| Purchases | 13.90% APR |
| Cash Advances | 13.90% APR |

VISA Secured

| | |
|---------------|------------|
| Purchases | 14.90% APR |
| Cash Advances | 14.90% APR |

VISA Student

| | |
|---------------|------------|
| Purchases | 14.90% APR |
| Cash Advances | 14.90% APR |

VISA Platinum

| | |
|---------------|-----------|
| Purchases | 9.90% APR |
| Cash Advances | 9.90% APR |

Dividends computed based on daily balance and paid quarterly for all share products.

Rates as of 6/11/2008 & May Change at Any Time

APR = Annual Percentage Rate • APY = Annual Percentage Yield

*Call for quote, some restrictions apply.

** Early withdrawal penalty may apply.

***Variable rate adjusted quarterly.

Announcements/Reminders



SPECIAL SKIP-A-PAY PROMOTION OFFERED THROUGH CPFCU

It's back! Our popular Skip-A-Pay promotion allows our members to skip their August 2008 payment on eligible loans. It's one more way that we help you during an expensive time of the year. Skip-A-Pay applications must be completed from now through July 14 by accessing our website at www.patrolmensfcu.org.

Eligible loans include Auto, Motorcycle, Boat, Share, Certificate or Money Market Secured, and/or Personal Loans (excluding Tuition Loans). A \$30 fee per loan applies. Contact our Call Center for complete details and free up some additional cash today!

Market Volatility & Your Deferred Compensation

Is there a better way for you to ride out the current market volatility than moving your money into the "fixed" account? Is there a way to allocate your Deferred Compensation account to take advantage of the wide swings we are experiencing in the market? How do you make your decisions about which of the options to select?

You do not have to make important investment decisions about your retirement asset allocation by yourself. Our *Financial Planning and Education Center* can help you address the challenge of properly managing your deferred compensation account in good times, and in these challenging times. We can meet with you and make specific recommendations about how to position your account based on your individual needs. Whether you are on the job or already retired, we invite you to learn about our fee-based investment advisory services,* and how to invest your retirement assets for maximum potential growth, income and personal control throughout the stages of your life.

If you could benefit from professional investment advice to better manage your Deferred Compensation account, please call our Financial Planning & Education Center at (312) 499-8888 to schedule an appointment to talk to us about "Portfolio Advisor".

* Investment Advisory Services offered through Retirement Plan Advisors, LLC a federally registered investment advisor

State of Illinois "Bright Directions" College Savings

Today more than ever students need to further their education to compete in the job market. At the same time, college costs across the country continue to rise. Illinois' new Bright Directions College Savings Program (**Bright Directions**) can help families and students make this an easier and more manageable experience. This new program offers:

- Great Tax Advantages
 - Illinois state income tax deductible
 - o \$20,000 for married couples filing jointly
 - o \$10,000 for individuals
 - Tax-deferred growth
 - Tax-free withdrawals for qualified college expenses
- Excellent investment diversity & flexibility
- Multi-managed with well-respected fund families
- Three age-based portfolios
- Seven target portfolios
- 25 individual fund portfolios
- Investment professional assistance throughout the process
- No minimum contribution
- High maximum contribution limit
- Funds may be used nationwide at public and private colleges and universities; vocational, trade, technical, and professional institutions; and even some foreign schools

Call the Financial Planning and Education Center for an appointment to discuss your education college savings options: (312) 499-8888.

Roll Call

FINANCIAL SERVICES

Loans

Boat
Home Equity
Member Business Lending
Mortgages
Motorcycle
New & Used Auto
Share & Certificate Secured
Signature
Student and Secured Cards
Tuition
VISA Platinum
VISA Classic

Savings Accounts

Christmas Saver
Individual Retirement Accounts
Money Market Accounts
Regular and Special Purpose
Share Certificates

Free Checking Account

ATM/Debit Cards
Free Overdraft Protection

Convenient Access

Audio Telephone Teller
Electronic Bill Payment
Home Banking
Internet Access
No-Fee ATMs

Payment Origination Services

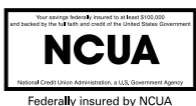
Debit Origination
Direct Deposit
Direct Payment
Payroll Deduction
VISA Automatic Payment

Additional Services

Certified Checks
Notary Public
Safe Deposit Boxes
Signature Guarantee
Travelers' Checks
Wire Transfers

ATM NETWORKS

Look for these symbols
when using your ATM Card or
your credit union CheckCard.



DID YOU KNOW . . .

In order to keep your Home Banking Account active, you must log on at least once every 60 days. You must also view a statement or e-check at least once every 60 days to keep your e-documents option active.

Great America tickets are available through CPFCU. The price through CPFCU is \$34.00 (gate price \$56.64) and the season pass sale price is \$88.00 through CPFCU (gate price \$99.00). Contact our Call Center for complete details.

We will be closed in observance of the following holidays:

July 4 & 5 Independence Day
August 30 & September 1 Labor Day
October 13..... Columbus Day

COMMON FEES

(Effective 8/15/08)

| | |
|---|---------|
| Under minimum monthly share fee | \$10.00 |
| Transfer from savings or money market to share draft/checking to cover an overdraft (each occurrence) | \$10.00 |
| Stop payment (all items) | \$30.00 |
| Photocopy of draft (each item) | \$3.00 |
| Non-sufficient funds item (each) | \$35.00 |
| Collection item processing..... | \$30.00 |
| Certified Check..... | \$5.00 |
| Deposited checks and other items returned unpaid | \$30.00 |
| Domestic outgoing wire transfer | \$20.00 |
| International wire transfer (minimum) .. | \$40.00 |
| Western Union wire transfer..... | \$20.00 |
| International Western Union fee (minimum)..... | \$22.00 |
| Bad Address fee | \$5.00 |
| Account research | \$25.00 |
| Copy of statement | \$5.00 |
| Under minimum average daily balance money market fee | \$15.00 |
| Late Loan Payment..... | \$30.00 |
| Uncollected Funds fee..... | \$35.00 |

HOME BANKING FEES

| | |
|---|---------|
| Bill Payer Fee (per month, if applicable) | \$9.95 |
| Bill Payer / Insufficient Funds (NSF) ... | \$35.00 |
| Bill Payer Check Copy | \$20.00 |
| Bill Payer Stop Payment Fee | \$30.00 |

ATM DEBIT CARD FEES

| | |
|-------------------------------------|---------|
| Replacement ATM or Debit Card..... | \$10.00 |
| Replacement PIN | \$10.00 |
| VISA® Credit Card Replacement | \$10.00 |

There is a charge of \$1.00 for each withdrawal, transfer, point-of-sale, or inquiry in excess of five per month using your ATM or Debit Card.

**Fees are subject to change.*

| | |
|--|--------------------|
| Traveler's Check Fee..... | 2% of check total |
| Bank Check Fee | \$2.00 |
| Temporary Checks | \$2.00 |
| Check by Phone | \$5.00 |
| Late Mortgage Payment | 5.0000% of payment |
| Late Home Equity Loan Payment | \$25.00 |
| Payoff Letter for Real Estate Loans | \$10.00 |
| Verification of Deposit | \$10.00 |