



From The President

Dear Members,

During tough economic times, and especially around the holidays, society typically sees an increase in criminal activity including petty thefts, robberies, scams and fraud.

For whatever reason, some people feel that there is no alternative to raise funds other than theft. Unfortunately, this type of activity can affect the rest of us in very negative ways.

The AECU staff and our partners work diligently to minimize the risk of fraud for members. Our MasterCard® Debit and Credit Card processors monitor your accounts for fraud 24 hours a day, seven days a week. Both processors use state-of-the-art technology to detect fraud and stop it before it becomes an issue. In addition, our member service representatives receive ongoing training and information on fraud detection and prevention. They stay current on scams, suspicious activity and fraud incidents in the area so that we can help protect you. AECU also works closely with our core processor to make protecting your personal information a priority.

As some of you may know, AECU saw a spike in debit and credit card fraud in October. This fraudulent activity mainly affected our debit card portfolio. The spike in fraud was not caused by a breach in security by AECU or our processors, and it was not brought on by irresponsible card usage on the part of our members. Unfortunately, AECU was one of more than 100 financial institutions across the United States that were targeted by what appears to be the same fraud organization. MasterCard, VISA®, Discover® and American Express® cards were involved, and all of those companies, along with the Secret Service, are participating in the investigation to pinpoint exactly where the data breach occurred. Preliminary information points to a data breach by a national merchant processor. We will share any additional information with our members as it is released by the authorities.

Needless to say, this is the first time that we as a credit union have had to deal with fraud on this scale. By all accounts, we detected the fraud quickly and dealt with it swiftly and aggressively. Additional security measures were put in place to limit possible fraudulent transactions, and we stayed in contact with the Columbia Police Department, MasterCard's Fraud Department and our card processors to stop any further fraudulent activity as quickly as possible.

Dealing with fraud can be a challenge for all involved. As much as it was a daunting task for the staff, it was really a pleasure working through this with our members. We want to thank each of you for your patience and understanding. Our entire membership — including the members that weren't affected — was extremely supportive, which made the process run smoothly and provided a lift for our hard-working staff.

Debit and credit cards are still one of the safest forms of payment. The level of fraud we saw in October was highly abnormal. Situations such as that are very few and far between, but of course, there is some risk with all payment options. Monitoring your account with online access or the voice response unit can help you detect fraud quickly. Keep a transaction register and balance your account often. Safeguard your personal information, PINs and statements. If your card is lost or stolen, or if you think there has been fraud on your account, contact the credit union immediately. If it is after business hours, call 1-800-528-2273 to report a lost or stolen debit or ATM card, and call 1-800-325-3678 to report a lost or stolen credit card. Refer to the article on securing your identity in this newsletter for more ideas on how to prevent fraud.

Thanks again to all of our members for your continued support and trust in your credit union. We will continue to work with you and for you to prevent fraud, and we look forward to serving you in the new year.

Sincerely,



Sky Poindexter
President

Securing Your Identity

How You Can Keep Your Information Safe

Keeping your personal information out of the hands of potential thieves can seem like a daunting task, but there are simple steps you can take to ensure your security.

1.) Check your credit report

Go to www.annualcreditreport.com and order your annual credit report from each of the three nationwide consumer credit reporting companies: Equifax, Experian and TransUnion. Check over these reports carefully to make sure that all items are accurate, and report those that are questionable. Keeping a close eye on these reports will help you to guard against fraudulent accounts opened in your name.

2.) Sign up for e-statements

Receiving your AECU statements online keeps important personal information out of your mailbox, out of your trash can and out of the hands of potential criminals. You'll have access to your account information over a secure Internet connection, where others can't reach it.

3.) Never give your information to unknown sources

It may seem like common sense, but criminals can be convincing. AECU will never ask for your account information over the phone or by e-mail. Check to make sure the Web sites you visit are secure, and do financial business in person whenever possible.

Following these tips won't guarantee the safety of your information, but they can make a difference. If you have any questions about what you can do to avoid identity theft, contact us at AECU. We'll help you secure your accounts.

New Legislation Brings New Security

As part of the Emergency Economic Stabilization Act of 2008, Congress has increased federal insurance on savings to \$250,000, up from \$100,000. The increase affects those accounts backed by the U.S. Government agencies of the National Credit Union Administration and Federal Deposit Insurance Corporation.

With this legislation, Academic Employees Credit Union accounts and investments are fully insured to \$250,000 by the NCUA. Members may increase their insurance coverage by putting their share and share certificate accounts into different ownership types.

Backed by this added NCUA security, AECU is the safest place for all your deposits. Move your savings accounts to AECU, and enjoy security along with competitive interest rates on deposits. Visit our Web site to learn more about your credit union's safety and soundness, as well as to check out our products and services.

Your savings federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government

NCUA
National Credit Union Administration,
a U.S. Government Agency

Let AECU Help With Your Resolutions

We all have high hopes for the new year, and we make resolutions to ensure that our goals will be met. Whether you want to cut your debt, make improvements around the house or finally get that new car, AECU can help!

If you're looking to eliminate debt or better manage your money in 2009, we have options that can streamline any budget. Transfer your high-interest credit card debt to a low, fixed-rate AECU MasterCard, and enjoy a manageable payment with no balance transfer charge or annual fees! Want to consolidate all of your bills into one easy payment? Look to our Financial Freedom Loans. We offer competitive rates that will help you pay debt down fast! Not sure which option is right for you? Bring your financial statements to AECU, and our friendly staff will personalize a plan to get you on the road to financial security and success.

Plenty of people will have a goal tied to the scale, but at AECU, we help you lose wait! We believe that you shouldn't have to wait to get access to your accounts or your money. That's why we offer Payroll Deduction and Direct Deposit. Filling out a simple form will allow your payments to arrive quickly and automatically in the appropriate account. No more driving to the bank to make deposits or waiting for the check to clear. With AECU, your money is ready when you are! Plus, you don't have to wait for office hours to manage your

accounts. With Online Banking, our 24-hour Voice Response Unit and access to surcharge-free ATMs, you can get the information and service you need, 24 hours a day!

If your resolution involves a new ride, don't just wish for a classier chassis. Come to AECU and make it happen! We can put you in a new vehicle that fits 1297-00 your needs, or even refinance the car you're already driving to lower your payments. You'll be riding in style for less this year.

AECU even supports your resolution to relax more! With competitive loans that can cover the cost of your new computer, appliances or even minor remodeling in your home, you won't be worried about the upgrades you need. You'll be able to e-mail your friends while running your quiet new dishwasher and relaxing in your cozy, refurbished living room — all for payments that will fit your budget!

No matter your goals for 2009, remember that your credit union is here to serve. Let us know how we can help make your resolutions a reality!

New Year's Resolutions

1. Reduce credit card debt
2. New siding on house
3. New car



Seasonal Savings Start Now

More than 120 AECU members reaped the rewards of year-long saving this Christmas season, when they received transfers from their Christmas Club Accounts and headed out to complete their holiday shopping. Perhaps the best gift they gave this year was the one they gave to themselves by planning ahead with smart saving.

If you were not one of those members who saved Christmas — and their budgets — with a stash of holiday cash, now is the time to start planning for 2009. By depositing just \$25 every two weeks, you'll have more than \$500 in time for next year's shopping! That's more than enough to stuff each holiday stocking!

Christmas isn't the only reason to save, though. That's why AECU offers Specialty Savings Accounts to members who want to fund a summer vacation, a major purchase or even next year's taxes. Deposits can be made through regular payroll deduction or at the AECU office, and you'll earn dividends on the funds just as you would in a regular share account.

Don't wait to save! With Christmas Club and Specialty Savings Accounts, your 2009 can be the most prosperous year ever!

AECU Brings Financial Freedom

You've read the headlines, seen the news reports and felt it in your own homes: times are tough. Thankfully, as a member of AECU, you can still achieve Financial Freedom.

Our Financial Freedom Loans are designed to help you streamline your budget and get a handle on your finances. They will consolidate your bills into one manageable payment with competitive interest. Plus, our flexible terms mean that you'll find a program that is right for you and your budget.

If you're struggling to make ends meet, don't wait until it's too late. Even if you are behind in your payments to us, we can help you find solutions for stretched budgets. AECU service representative and loan officers are trained to help you manage your money, so come in and see how we can help you today!

Ready To Retire? Ask Us About PSRS And PEERS Benefit Options

Each year, many AECU members retire from the school district. However, they might not be aware that the investments and benefits they choose may cost them or their beneficiaries a substantial amount of money.

If you are retiring this year, call and set up a time to talk with our financial planner, Mel Roberts. He can show you how to increase your benefits by making the right choice for yourself and beneficiaries. The difference could mean as much as 15% more of your lump sum benefit.

Contact the credit union at (573) 445-1845 to set up an appointment today!

INFOBOX

Rates

Effective Dec. 31, 2008:

	APR*	APY**
Primary shares		
\$100 - \$4,999.99	.40%	.40%
\$5,000 and up	.60%	.60%
Specialty Shares	.40%	.40%
Christmas Club	.40%	.40%

*APR = Annual Percentage Rate.

**APY = Annual Percentage Yield Rates are subject to change.

Contact the credit union or visit www.academiccu.com for rates on other term share certificates.

Holiday Closings

Academic Employees Credit Union will be closed in observance of the following holidays:

Martin Luther King, Jr. Day
Monday, Jan. 19
Presidents Day
Monday, Feb. 16

Remember, even when our office is closed, you can still access your account 24/7 with your ATM or debit card, the convenience of our Voice Response Unit and online with CMYCUINFO!

Account Number Search!

Can you find your account number hidden in this issue of Pencil Points? If so, you have won our account number search! Contact us by **February 14, 2009** to claim a great prize.



2804 W. Ash • Columbia, MO 65203

Phone (573) 445-1845
Toll-free (888) 470-7770
Fax (573) 445-2068
www.academiccu.com

24 Hour VRU
(Voice Response Unit)
1-888-BCTCU24
(1-888-228-2824)



Office Hours

Lobby
Monday, Tuesday,
Wednesday, Friday:
9 a.m. – 5 p.m.
Thursday: 10 a.m. – 5 p.m.

Drive Up
Monday & Tuesday:
8 a.m. – 5:15 p.m.
Wednesday: 8 a.m. – 6 p.m.
Thursday: 10 a.m. – 5:15 p.m.
Friday: 8 a.m. – 6 p.m.