

COMMONWEALTH

Bailing Out the Banks

After dire warnings about a meltdown in credit markets, U.S. Treasury Secretary Henry Paulson got an early Christmas present. On October 2, the U.S. Senate approved a \$700 billion bailout package, the House of Representatives voted for approval the next day, and President Bush signed the bill. Paulson now has the authority to buy up a wad of mortgage-backed securities, financial instruments bundling mortgage loans. Some are sound loans; others are already in default.

How did we get to the climatic events of late September and early October? As detailed in earlier Commonwealth articles, the mortgage crisis has varied causes: Congress wiping out Glass-Steagall, a 1930s law erecting a wall between banks and investment houses; enormous growth in sub-prime mortgages; more issuing of mortgages by independent entities instead of credit unions and banks; the advent of mortgage-backed securities as a major force.

Each of these securities bundles together hundreds or thousands of mortgages, slicing and dicing them like a pizza pie. As the securities are sold around the United States and the world, the mortgages then float into a financial netherworld. No bank carries the mortgages on its books; no institutional entity receives blame for non-performing loans.

What are the prospects for reforms in this area? Well, it's a mixed bag. On one hand, resurrecting Glass-Steagall appears to be a non-starter in Congress. It's also uncertain whether the government will regulate independent mortgage companies more stringently. On the other, it seems likely that the Treasury Department will monitor large banks' activities more closely.

In addition, several state legislatures are considering significant reforms. Predicting what will happen in those

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Keeping Your Money Safe

Credit unions have been keeping their members' savings Safe and Sound for over 150 years. Because Cooperative Federal keeps 100% of your savings right here in Syracuse, in the form of loans to other members—not on Wall Street—your money is as safe as ever despite the foreboding economic outlook. We are well capitalized, and have NO money invested in Lehman Brothers, Bear Sterns, AIG, Fannie Mae or Freddie Mac. Plus, Share Insurance from the National Credit Union Administration (NCUA) guarantees that Cooperative Federal accounts are insured to at least \$100,000, and backed by the full faith and credit of the U.S. government. Ask a teller for a NCUA Insurance Brochure to learn more.

Want to move your money into an insured, high-yield Cooperative Federal savings certificate?

Call Jack at 473-0275 or check out our rates and terms at <http://www.cooperativefederal.org/en/rates>. When you keep your savings in Cooperative Federal, you get the added satisfaction of knowing that your money is being used in a socially responsible way, right here in Syracuse.



Ojo

Nuevos Números Telefónicos

Esperamos que los nuevos números telefónicos les haga más fácil la comunicación con la persona que usted necesita.

473-0290: SERVICIO AL SOCIO, EN ESPAÑOL

Mediante esta línea usted será conectado al próximo teller disponible de habla hispana en cualquiera de nuestras oficinas.

671- CASH: "PHONE TELLER"

Phone Teller les brinda información acerca del balance de su cuenta, incluyendo una lista de sus más recientes transacciones. Usted puede también hacer transferencias usando este servicio. Esta información se le brinda al minuto de usted contactar como si estuviera hablando con nuestros tellers, y puede usted tener acceso las 24 horas del día. Si usted no está registrado todavía para uso del teléfono, llame a nuestro Servicio al Socio en español al (315) 473-0290.

473-0291: PRESTAMOS Y CRÉDITOS

Llame para hablar con alguien acerca de préstamos, prestamos de negocios o para consejos y ayuda para alcanzar tus metas. ¡Nosotros estamos aquí para apoyarte!

476-1451: CONSEJERÍA Y CLASES

Usted puede llamar para registrarse a las venideras clases de educación financiera o preparar presentaciones especiales para su grupo u organización. Nuestras clases te ayudan a comprar un carro, evitar engaños financieros, malos acuerdos, construir un buen crédito y a prepararte para la compra de una casa.

Cambios de las Cargas

Efectivo el 1ro de Noviembre del 2008, nosotros presentaremos nueva lista de cargos. Muchos cargos permanecieron sin cambios (como son los correspondientes a los cargos anuales). Algunos otros se han incrementado moderadamente.

Por favor note en los honorarios de nuestros cargos que cuando nuestros representantes lo llamen y usted no presente los suficientes fondos en el tiempo acordado en la cuenta para pagar cheques o transferencias automáticas recibidas en la misma; debido a sus compras realizadas, mediante la tarjeta de crédito; estos cargos continuarán con el importe de \$20.00; sin embargo los cargos, si usted no portara los fondos suficientes en el tiempo establecido para que estos no sean retornados; estos serán de \$22.00. Los cargos de transferencia de protección sobregiro aumentarían a \$5.00. No existen cargos todavía si usted presenta una línea de crédito con sobregiro de protección. Si usted desea solicitar una cita, llámenos al 473-0290.

Para una lista completa acerca de nuestros nuevos cargos, por favor chequee nuestros nuevos statement (la lista actualizada fue insertada) estos cargos son también posteados en nuestro pasillo (lobby) y en nuestro sitio web, www.cooperativefederal.org.

Traducido por Nancy Legra

Cooperative Federal · Eastside Office (& Mailing Address) · 723 Westcott Street · Syracuse, NY 13210

Southwest Office · Southwest Community Center · 401 South Ave · Syracuse, NY 13204 · Northside Office · 800 North Salina Street · Syracuse, NY 13208

Telephone 471-1116 · www.cooperativefederal.org · info@coopfed.org

Cancel credit card debt

Consolidation loans with rates as low as

6.45% APR*

Greg - 473-0230

Thinking about buying a home?

- One-on-one advising
- Group Workshops
 - FHA lender
- Customized mortgages to fit your needs



Call Susan - 473-0231

Tell me about your car loan...

Trapped by high rates?
Refinance at Cooperative Federal and get rates as low as

4.45% APR*

Patricia - 473-0212

Good For You & the Community

Ask about
NCUA-insured
savings certificates

Call Jack
473-0275

New Phone Numbers

You can still call us at 471-1116 – but these numbers are more direct.

Can't remember them all? That's why we have handy magnets! Pick one up in the lobbies today.

671-CASH: PHONE TELLER

Phone Teller gives you up-to-the-minute information on your account balances – including a listing of your recent transactions. You can also make transfers using Phone Teller. This info is up-to-the-minute – the same as you'd get when speaking with a teller – and you can access it 24/7. If you aren't registered to use Phone Teller, call Member Service at 473-0220.

473-0220 - MEMBER SERVICE

This line will connect you with the next available MSR at any office. If you'd like to call a specific office, you can dial 473-0260 for Southwest, 473-0270 for Westcott, or 473-0280 for North Salina.

473-0242 - PERSONAL LOANS

For personal and auto loans!

473-0244 - MORTGAGE & HOMEOWNERSHIP PROGRAM

We offer a range of mortgage options, including both fixed and adjustable rates and with different downpayment options. We also offer HUD-approved counseling to help you get ready to purchase a home.

473-0249 – SMALL BUSINESS SERVICES

We offer accounts, loans, and one-on-one advising and free workshops. Cooperative Federal is dedicated to supporting local small businesses, organizations, and non-profit groups.

476-1451 FINANCIAL EDUCATION AND CREDIT ADVISING

Call us to register for upcoming workshops or arrange a special presentation for your group or organization. We also provide help budgeting and planning for your financial future.

Christina Sauve

Northside Office Open for Business!

Cooperative Federal's Northside Office, located at 800 North Salina Street in Syracuse (at the corner of Catawba Street), is now open to members. That's right: Cooperative Federal members can now take their pick of three full-service, bilingual offices across the City of Syracuse.

Our Northside Office is open from 12 pm to 6 pm, Monday through Friday. Located in Syracuse's Near Northside district, the office is just a mile from Downtown, directly on Centro route 116. It's also a hop, skip, and a jump off of highway 81. If you live or work near that neighborhood, come check it out—and take advantage of the delightfully short teller line (while it lasts!). Patricia Farfán, Branch Supervisor & Loan Officer (473-0212), and a few familiar faces on the teller line will be pleased to help you with all the great account, loan, and transaction services you enjoy at our other offices in your choice of English or Español.

(If you're reading this and wondering, "What about the Southwest expansion plans?," please have faith! Together with the Southwest Community Center and our allies in City Hall, we're working hard and pulling out all the stops to get the expansion started ASAP. Your ongoing patience is oh-so appreciated.)

Stay tuned for word on the Northside Grand Opening Celebration, coming this autumn.

Meagan Weatherby

Quarterly Change Notice

The Commonwealth newsletter is transitioning to a quarterly publication schedule. In between issues, check out www.cooperativefederal.org for the latest news and updates.

Credit Union Job Openings

LOAN OFFICER: Full or Part Time
Interview, process, and analyze loans.

MEMBER SERVICE: Full or Part Time
Open accounts, accept loan applications, assist members

Experience required. Bilingual a plus.

For a full description and requirements visit us on the web
Send your resume to: hr@coopfed.org

*Annual Percentage Rate. Rates based on credit score, payment method, length of loan, downpayment and collateral value.

Youth Financial Education Award

Cooperative Federal was twice recognized in the past month for our outstanding community development programs.

Each year the Credit Union Association of New York (formerly the New York State Credit Union League) awards the **Desjardin Youth Financial Education Award** to one New York credit union per asset category, for excellence in providing financial management training to youth. This year Cooperative Federal was the recipient of that award in the low- to modest-means category, and we will be entered into the running for the national award from the Credit Union National Association (CUNA). Thomas Dellwo, Financial Education Coordinator, and Ron Ehrenreich, Treasurer/CEO, will accept this award on behalf of the credit union at the 2008 Association Convention in Niagara Falls in early October.

Students with disabilities were the

Banks continued...

legislative bodies is difficult at best. However, we should not underestimate the willingness of some state legislators to pass bills with a bite. Several years ago, the North Carolina legislature passed a tough bill restricting subprime mortgage lending. As a result, fewer households in that state are facing mortgage default.

It's a bit unrealistic to think that reform is a given. Indeed, the mortgage crisis has generated a barrage of commentary. Several conservative columnists have blamed the fiscal crisis on poor people, saying lenders approved risky loans because of pressure by liberal members of Congress and housing advocates. They wanted more poor people to own houses. Ultimately, the failure of poor households to make mortgage payments set off a financial crisis.

This analysis is largely fantasy. The households involved with subprime loans are a varied lot, including working poor in Baltimore as well as middle-class families living in the suburbs of Cleveland, St. Louis and Fresno, California.

Certainly CRA (Community Reinvestment Act) requirements didn't play a major role. The CRA says federally insured banks and thrifts must offer loans, consistent with prudent lending practices, in any neighborhood they serve. More than half of the subprime mortgage loans originated with independent mortgage companies; they aren't bound by CRA

focus of the second award, presented by the **New York State Rehabilitation Association**. The Syracuse City School District won this award for the third year in a row in recognition of the collaborative Life Skills program, of which Cooperative Federal is a founding partner. Cooperative Federal trainers teach the financial management portion of this program at all four Syracuse public high schools, while other community organizations teach goal-setting, resume writing, career planning, and other crucial skills that help students with special needs transition into life after high school.

Cooperative Federal has been teaching financial education to youth in the city of Syracuse and beyond since 1999. In 2007 we released our very own, unique curriculum designed to target youth with various education levels and learning styles, including students with special needs. Programs are taught in classrooms and at after-school programs for students K-12.

Thom Dellwo

rules. Moreover, it's worth noting that CRA regulations were relaxed for some banks in 2004.

Finally, the subprime mortgage orgy didn't happen because of neighborhood organizations' lobbying. Lenders pursuing a fast buck issued mortgages to borrowers who had minimal ability to make the payments. The tools of the trade included high-pressure sales tactics, extensive use of no-documentation mortgage applications, and teaser loans offering a low introductory rate and then skyrocketing within 12 to 15 months.

Don't the borrowers share some responsibility? Of course, they do. When a household signs on for a mortgage payment \$300 larger than its monthly income, something is very wrong. Beyond that, some people took out mortgages without knowing if the loan had a fixed interest rate or a variable one.

Yet the lion's share of the blame belongs to lenders who made risky loans again and again, with little interest in whether borrowers could actually make the payments. The companies fixated on loan issuance and corporate profits.

In the next issue of *Commonwealth*, we will again focus on the aftermath of the mortgage crisis. This time we will concentrate on mortgage programs that work: non-exploitative, prudent lending that helps average people to own a home.

Carl Mellor

Financial Tip #5: Be careful with credit!

Applying for credit too often will lower your credit score.

Upcoming financial and business workshops

10/28 • Get Certified! MWBE

10/28 & 30 • Quickbooks Intro

11/5 • Buying a Car

11/6 • Legal Issues for Small Businesses

11/10 • Marketing on a Shoestring

12/16 • Financing Your Small Business

Call Nick at 473-0223 or visit www.cooperativefederal.org for times, locations or registration

Celebrating Credit Unions

This October, Cooperative Federal recognized International Credit Union Week (October 12 – 18) and the "People Helping People" philosophy embraced by credit unions worldwide by participating in some exciting events.

On Wednesday the 15th we joined a crew of CNY Credit Unions to landscape a Home HeadQuarters property at 166 Grace Street, on Syracuse's Near Westside. The home, which was severely dilapidated when Home HeadQuarters purchased it from the City for just \$1, has been entirely rehabilitated from the roof, bathroom, and kitchen to the furnace, interior paint, and siding. Thanks to some extra TLC from local credit unions, the future owners will now have a lovely lawn to match! Check out our website for photos and more details.

Members got a chance to join the celebration on Friday the 17th, with our second annual Member Appreciation Day. Complimentary cider and pastries greeted lucky members who stopped by any of our three offices that day. *Meagan Weatherby*

College scholarships for High school seniors

Call Thom for an application

473-0217

or visit www.cooperativefederal.org

Around The Offices

At Southwest, Leyanis is now working at the Southwest Office, as Branch Supervisor. To call Southwest, dial 473-0260.

At Westcott, you'll see Karina, Carmen, and Brie on the teller line. Don't fret, Jack is still here! He is now doing both new accounts and consumer loans. To call up Westcott, dial 473-0270.

At the new North Salina St office, Patricia is Branch Supervisor. Behind the counter, you'll see a few familiar faces ready to serve you.. Stop by and check us out – especially now before the lines get long! The office, at 800 N Salina St in the Assisi Center, is open Monday – Friday from 12 noon – 6 pm. To call, the number is 473-0280.

Check it out - all three of our offices are bilingual!

We also welcome new staff: Sunshine, our Community Development Program Assistant, Mike, our new IT manager; and new AmeriCorps*VISTA members Geordy and Michelle. Geordy will help develop & improve products and services for members, and Michelle is working on our grant-writing and deposit program.

Congratulations Meagan! She graduated from the three-year Community Development Credit Union Institute in August. The Institute provides training needed for the management of a Community Development Credit Union.

Congratulations Maritza! She graduated from a Community Leadership program this summer, and also attended a week-long Economics conference in August.

Patricia and Kira both attended NeighborWorks Training Courses, which provides certification in credit and housing counseling. Credit concerns? Getting ready to buy a house? We are here to help! Call 476-1451 to set up an appointment or for more info.

Last but not least, a fond farewell to friends departed. VISTAs Chu and Lisa completed their year of service at the credit union. Nancy, Laurie and Paul have moved on to explore other opportunities. We'll miss them all!

Christina Sauve

Fee Changes

Effective November 1, 2008, we will have a new fee schedule. Many fees are staying the same. Some fees have increased modestly.

Please note that the fee for our courtesy call, if you don't have funds to pay for a check or ACH from a debit card purchase, will remain at \$20. However, the fee if you do not bring in funds to prevent it from being returned will be \$22. The overdraft protection transfer will be \$5.00. There is still no fee if you have a Line of Credit for overdraft protection – if you'd like to set one up, call us at 473-0242.

For a complete list of fees, please check out your September statement (the updated list was inserted). Fees are also posted in our lobbies and on our website, www.cooperativefederal.org.



Cooperative Federal

723 Westcott Street
Syracuse, New York 13210
315-471-1116

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Credit Union Hours: Eastside Office - Weekdays, 10 AM to 6 PM, Saturdays, 10 AM to 1 PM

Southwest Office - Monday through Thursday, 10 AM to 3 PM, Friday, 10 AM to 6 PM

Northside Office - Monday through Friday, 12 PM to 6 PM

VISA, lost or stolen (800) 453-4270



Alrededor de las Oficinas

En Southwest: Leyanis se encuentra trabajando en estos momentos en la oficina de Southwest; como supervisora de las tellers.

En Westcott, ustedes podrán ver a Karina, Carmen y Bri en la línea frontal de las teller, no se preocupen Jack continua con nosotros; El se encuentra ahora realizando ambos trabajos ; abriendo cuentas y a cargos de los prestamos.

Por otro lado en la **nueva oficina de North Salina**, Patricia se encuentra de supervisora de la línea de teller de la oficina en North Salina . Tómense su tiempo y lléguese por allá especialmente ahora que la línea en Westcott esta bien larga , nuestra oficina de North Salina la cual se encuentra ubicada en 800 North Salina St en el Assisi Center , permanece abierta : de lunes a viernes de 12 del medio día a 6 de la tarde .

¡Nuestras tres oficinas ofrecen servicio bilingüe!

También le damos la bienvenida a nuevos compañeros de trabajo : Sunshine es nuestra asistente del programa de desarrollo de la comunidad y presentamos también nuevos clientes de AmeriCorps Vista: los cuales se nombran Geordy y Michelle; Geordy ayudara en el desarrollo y mejora de los productos y todos aquellos servicios al cliente, y Michelle se encuentra trabajando en nuestros escritos y programas de depósitos.

Felicitaciones Meagan ! Meagan se ha graduado de tres años de desarrollo en el instituto de la Credit Union en Agosto. El mismo provee entrenamiento necesario para el manejo del desarrollo de nuestra comunidad en el Credit Union .

Felicitaciones Maritza! Maritza se graduó en el programa de liderazgo este verano y también asistió una semana a una conferencia Económica en Agosto.

Patricia y Kira ambas asistieron a los cursos de training en NeighborWorks los cuales proveen certificados en créditos y consejería de viviendas. Tiene usted preguntas acerca de su crédito? Esta usted listo para comprarse su casa? Nosotros estamos aquí para ayudarlo! Llame al 476-5290 para sacar una cita o para mas información.

Traducido por Nancy Legra



The credit union will be closed:

Nov 11 for Veterans Day
Nov 27 for Thanksgiving
Dec 25 for Christmas
Jan 1 for New Years Day

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