



VISIT OUR NEW WEB SITE!
Fresh Look...Same Great Service
 WWW.STECU.NET



Winter 2007-2008

INSIDE THIS ISSUE:

DOING WHAT'S RIGHT.....1
 PARTICIPATE!.....2
 2008 ANNUAL MEETING.....2
 MEET THE CANDIDATES.....2
 IN OUR COMMUNITIES.....3
 SCHOLARSHIP INFO.....3
 NEW YEARS RESOLUTIONS...4
 IMPORTANT INFORMATION..4
 CONTACT US4

“Other institutions participated in profitable predatory lending...”

DOING WHAT'S RIGHT

The Federal Reserve has recently stepped in to protect consumers from abusive lenders by proposing stricter rules to stop predatory lending. Some of the rules would apply to sub-prime loans, while another set would apply to all mortgage loans. Sub-prime loans are what the Fed calls “higher-priced mortgage loans” which carry interest rates much higher than a conventional mortgage loan. The proposed rules would:

- 1 - *Prohibit lenders from extending credit without factoring in the consumer's ability to repay the loan.*
- 2 - *Disallow “stated income loans”. Lenders will be required to verify both income and assets.*
- 3 - *Prohibit or limit prepayment penalties. Currently, some loans carry an equivalent of 6 months' mortgage payment in prepayment penalties.*
- 4 - *Disclose home insurance and property tax costs and require (or at least encourage) the escrowing of these costs.*
- 5 - *Disclose broker incentives – incentives that encourage brokers to lock-in customers to higher rate loans than they'd otherwise qualify for.*
- 6 - *Prohibit influence on appraisers to overvalue homes.*
- 7 - *Require fair practices from loan servicers. Servicers would be required to credit account payments on the day of receipt, respond timely to payment history requests, and not “pyramid” late payment fees (late fees that are charged more than once).*
- 8 - *Require better disclosures overall.*

These rules will not be made final until the Fed receives and considers public comments on the proposal. These rules are being proposed due to the economic impact of the housing crisis revolving around the widely popular interest-only and/or low rate adjustable rate mortgages (ARMs). While lenders and brokers profited from these products, many homeowners have been left facing foreclosure when their loan rate, and their payment, sharply increases.

At STE Credit Union, we are proud to say we have never engaged in any of the activities being prohibited by the Federal Reserve's proposed rules. Many other institutions participated in profitable predatory lending and saw lucrative results. While it would have been easy for us to have jumped on the bandwagon and loosened our lending practices, we refused to hurt our members by putting them into loans beyond their ability to repay. Sometimes doing the right thing isn't always popular – but it's the right thing nonetheless.

PARTICIPATE!

As a member, your voice is heard. Speak up and make a difference. Participate in the democratic process of electing your Board of Directors.

“Individual commitment to a group effort -- that is what makes a team work, a company work, a society work, a civilization work.”
- Vince Lombardi

2008 ANNUAL MEETING

In accordance with our Credit Union's Code of Regulations, we will be having our annual election for our Board of Directors by mail ballot, rather than by being present to vote at our Annual Membership Meeting. We are enclosing a ballot and voter identification/verification form to be used to cast your vote.

There will be an Annual Membership Meeting on March 19, 2008 at 1980 W. Broad Street Columbus, Ohio 43223 at 11:00 a.m. to review the financial reports for 2007. The main purpose of the Membership Meeting is to review the past year's financial reports and to vote for the candidates for the Board. Keep in mind that you do not need to be present to vote for your Board of Directors! We will be electing three candidates to the Board of Directors to serve a three-year term each. The candidates have submitted information regarding their qualifications for your review prior to your submitting your ballot. Please read the individual biographies and cast your vote by following the instructions on the enclosed ballot and voter identification/verification form. Submit your signed ballot to be received in the Credit Union office no later than March 11, 2008.

MEET THE CANDIDATES

LEONARD EVANS

I am a transportation administrator in the Division of Planning at the Ohio Department of Transportation. I have served the department for 17 years as both an employee in ODOT District 5 and in the Central Office. Much of my career at ODOT has revolved around improving ODOT systems to support decision-making, budgeting and funds management. While in District 5, I helped design and establish the District's budgeting system and assisted in the efforts to decentralize funding to the cost center level. At Central Office, I served as Chief Quality Officer for the department and helped establish the Organizational Performance Index and the District Multi-Year Work Plan process.

The State Transportation Employees Credit Union has been instrumental in supporting my family's efforts to secure housing and transportation as well as to establish savings programs for our three children. My wife, Monique, who also works at Central Office, began our relationship with STECU when she opened our first account over 15 years ago. I believe that with your support, I can represent the needs of our members by serving on the STECU Board of Directors. I regularly use the internet banking services as well as computerized budgeting and tax software and would like to see that future banking services remain flexible to the needs of the STECU members.

KATHY FERGUSON

I have served as Deputy Chief Legal Counsel at ODOT since January, 2003. Prior to coming to ODOT, I worked at the ODJFS and the Ohio Bureau of Employment Services as Deputy Chief Legal Counsel and Chief Legal Counsel, respectively. I currently serve on the Board of Directors of the Credit Union because I believe the Credit Union provides a valuable service to ODOT employees. I'd like to see the Credit Union continue to provide the best services possible to its members while adhering to the highest legal and ethical standards. In my previous employment, I developed a working knowledge of accounting practices and audit standards. I believe my past employment and Board experience would assist me in fulfilling my obligations as a member of the Board of Directors.

MICHAEL MCCOLEMAN

I am currently on the Board of Directors for the State Transportation Employees Credit Union, STE Credit Union, and have been a STE Credit Union member for the past eight years.

I have worked for the Ohio Department of Transportation for the past 18 years with the last 8 years serving as the Assistant Administrator for the Office of Maintenance Administration. I am a registered Professional Engineer with a Bachelor of Science Degree in Civil Engineering from the Ohio State University. As a manager at the Department, I have implemented innovative programs to improve our processes. Likewise, I will continue to provide input for future improvements and services to benefit all STE Credit Union customers.

JULIE RAY

I have been a STE Board of Director for 17 years, and have participated on and chaired various STE committees since 1990. I have been employed with the Department of Transportation for 25 years, and currently serve as the Deputy Director for the Division of Finance and Forecasting. I received my Bachelor of Science Degree in Accounting from Wheeling Jesuit University. It has been a pleasure serving on this Board where the credit union continues to be strong financially as well as offering a variety of key services to our members.

IN OUR COMMUNITIES:



Todd Yarrington Photography

STE Credit Union was also selected for inclusion in the Creating Brighter Futures storybook for the second straight year due to our financial education efforts. This storybook was distributed to legislators to create public awareness of how Ohio Credit Unions are making an investment in the financial futures of all Ohioans.

At STE, we are committed to serving and making a difference within our communities. Our entire staff participates by donating time, supplies, and monetary contributions to worthwhile charitable programs. During 2007, we had the privilege of reaching out through:

- Food Drives
- Sponsorship of families in need through The Salvation Army
- Donations of clothes and school supplies to local schools and shelters
- Children's Miracle Network
- Children's Hospital contributions
- Church Projects
- Blood Drives
- Budget for charitable contributions
- Consumer Credit Counseling Services
- Consumer Education
- Service on the Board of Directors of the Hilltop Kiwanis
- Member of the Advisory Board of The Salvation Army
- Member of the Advisory Council of the Children's Miracle Network
- Member of the Hilltop Business Association Trustees

JOSEPH W. GENTRY MEMORIAL SCHOLARSHIPS

In 1967, several ODOT employees came together and formed a credit union based on the cooperative philosophy of people helping people. One of these employees was Joseph W. Gentry who served on the board of directors until he was appointed Director Emeritus. As Director Emeritus, he represented the values and traditions upon which this credit union was built. Director Emeritus Gentry had two passions: this credit union and education. It is our privilege to carry on his legacy and in his name, we award annual scholarships. Each year, candidates who have applied with the proper qualifications are required to answer one credit union-related question. Our current board of directors then selects two winners.

All qualifying entries are submitted to the Central Ohio Chapter of the Ohio Credit Union League to be considered for additional scholarships. Winners at the Chapter level are submitted to the Ohio Credit Union League for even more scholarship opportunities.



The deadline for scholarship entries is February 25, 2008. To obtain an application, you may call our office at 614-466-4988 or 800-434-7300, or visit our web site at www.stecu.net

Qualifications:

- Members or children of parents or legal guardians who are STE Credit Union members.
- 2008 Award \$1,000 - Undergraduate student at a college or other institution of higher learning in the year 2008.
- 2008 Award \$1,000 - High school student attending a college or other institution of higher learning in the year 2008.



WITH SHARED BRANCHING
WE'RE EVERYWHERE
YOU NEED US TO BE!



With our nationwide network of shared branches, we have almost 200 locations statewide and thousands nationwide. You can visit any of these locations and conduct business as you would at our main office. Visit the [locations page at www.STECU.net](#) for a link of shared branching locations. Need to locate a shared branch by telephone? Call 1-800-919-CUSC (2872).

IMPORTANT NOTICE:

It's important to maintain current addresses and phone numbers on file. If you have recently moved or any of your phone numbers has changed, please contact our office and provide the updated information. For your protection, we require this information in writing or through E-Account profile update.

NEW YEAR RESOLUTIONS:



1. Stop Procrastinating
 - Send current address and phone number to STE
2. Get Ready for Tax Time
 - Expect a mailed 1099 form if I earned more than \$10.00 in dividends
 - Expect a mailed 1098 form if I paid more than \$600.00 in Home Equity loan interest
 - Fund my IRA for 2007 (\$4,000) and start a payroll deduction for my 2008 contribution (\$5,000) – get tax advice on whether I qualify for a catch-up contribution
3. Be Proactive
 - Start a STE Christmas Club for next year's holiday spending
4. Save Myself Money
 - Transfer holiday spending credit card balances to STE Visa
 - Open a checking account with STE
 - Refinance and transfer my auto and mortgage loans to STE
5. Protect Myself
 - Convert my paper statement to E-Statements

CONTACT US:

State Transportation Employees Credit Union

1980 W. Broad Street
Columbus, Ohio 43223
ph: (614) 466-4988
tf: (800) 434-7300
fax: (614) 466-5118
www.stecu.net

information@stecu.net

Hours of Operation:

Main Office
Monday-Friday: 8:00am - 4:00pm
Remotely open 24/7/365!

IMPORTANT INFORMATION:

Lost/Stolen Debit or VISA Cards

Debit: (800) 528-2273 or (800) 782-0279
VISA: (800) 808-7230 - 8am to 10pm EST
(800) 991-4964 - after hours and weekends

Need your card limit raised?

Call our office at (614) 466-4988 or
(800) 434-7300

We will be closed on:
Martin Luther King Day (observed)
Monday, January 21, 2008
Presidents Day
Monday, February 18, 2008

