

WHAT'S NEW!

What you need to know about your finances, your financial future and managing your money.

TDECU
Your Credit Union



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Holiday Closings

Christmas Eve:

Friday, December 24, 2010

All branches will close at noon except Victoria Mall, which will be open from 8:00 a.m.–6:00 p.m. Drive thru will close at 2 p.m.

Christmas Day:

Saturday, December 25, 2010

All branches will be closed.

New Year's Day

Saturday, January 1, 2011

All branches will be closed.

Martin Luther King, Jr. Day

Monday, January 17, 2011

All branches will be closed.

During the holidays, you may still access financial information and complete financial transactions using TDECU All-the-Time® Online Banking, Max Telephone Banking and our network of 40,000 surcharge-free ATMs.



Holiday Gift Cards

You still have time to purchase holiday-themed TDECU Visa® gift cards. They're perfect when you're not sure what to get that hard-to-buy-for friend or relative. Stop by your nearest TDECU branch and purchase yours today!

Important Tips for Purchasing or Refinancing a Home

With mortgage rates at an all-time low, it's a great time to buy or refinance a home. While it's easy to get excited about current loan rates, it's important to watch out for surprises.

Lengthy Turnaround Times

A significant issue in today's market is the amount of time it actually takes to process a mortgage loan. A 30-day turnaround time is realistic.

Closing Costs

The Real Estate Settlement Procedures Act (RESPA) includes a new version of the Good Faith Estimate (GFE), requiring all closing costs to be disclosed in advance. According to the Texas Mortgage Bankers Association, the purpose of the updated act is to help consumers shop for the best financing terms. The act requires that consumers receive accurate and timely information regarding costs for

mortgage transactions, lender servicing, escrow account practices and business relationships. Consumers should expect clear explanations of all fees and anticipate changes occurring only in exceptional circumstances.

Consider Your Equity

According to Consumers Union, when mortgage insurance is involved and you have less than 10 percent equity, you're more likely to be charged higher mortgage fees. If you find yourself paying costly mortgage insurance fees, there is a mortgage insurance tax deduction available through the end of 2010. Remember, when trying to cash out and retrieve your equity in the state of Texas, you cannot borrow more than 80% of your home's value.

For additional information, call 800.839.1154, ext. 4614 or click the Rates and Fees tab at TDECU.org.

Start Earning More with CDs from TDECU

Looking for a safe, high-yield return on your savings? That's exactly what you'll find at TDECU. We're now offering up to 3% APY* on our federally insured CDs. Our rates are better because our earnings are

returned to you in the form of lower fees and higher interest on your deposits. It's just another way that it literally pays to be a member of TDECU. **Call 800.839.1154 or stop by any branch to start earning more today.**

* APY= Annual Percentage Yield. Minimum deposit requirements and minimum balance requirements to earn advertised APY is: \$1,000 for standard CDs, \$100 for M3 Club and Elements Teen Club CDs, and \$100,000 for Jumbo CDs. 60 month term. A penalty may be imposed for Certificate withdrawals made before maturity. APYs, terms and conditions are accurate as of 11/10/10, and are subject to change. Visit TDECU.org for additional rates/terms.



TDECU INSURANCE AGENCY, LLC

New Minimum Auto Insurance Limits

If you haven't heard, the State of Texas is increasing minimum liability limits on auto insurance. Senate Bill 502 will increase the minimum liability limits from 25/50/25 to 30/60/25, effective January 1, 2011.

How Do These Changes Affect You as a Policyholder?

The new requirements impact both private passenger and business auto policyholders. If you currently carry the state minimums, your insurance carrier will make changes to your policy to bring you into compliance with the new laws. You may see a slight increase in your premium due to the higher levels of protection.

How to Read the 30/60/25 Limits

30: \$30,000 maximum for bodily injury or death to one person in one accident

60: \$60,000 maximum for bodily injury or death of two or more people in one accident

25: \$25,000 maximum for property damage in one accident

A car accident can cost far more than the limits mandated by the state, so you should consider higher coverage limits.

Now is a great time to review your policy, and the Independent Agents at TDECU Insurance Agency are here to help. We'll take the time to make sure your coverage not only meets legal requirements, but protects everything that's important to you.

Call 888.833.7358 or visit us online at TDECUinsurance.org. We'll make sure you're prepared for whatever comes rolling your way.

TDECU Insurance Agency, LLC is a wholly-owned subsidiary of Texas Dow Employees Credit Union. TDECU Insurance Agency, LLC and Texas Dow Employees Credit Union are not affiliates of the insurance companies represented. Insurance products are not deposits; not NCUA insured; and not guaranteed by TDECU Insurance Agency, LLC or Texas Dow Employees Credit Union.



Is Your CD Nearing Maturity?

Many people know it's a good idea to invest their money but may unsure where. We all want to save for the future, but stocks may prove too volatile and savings accounts have lower yields. For some, the best option may be a Certificate of Deposit (CD).

What to Do When Your CD Matures

Your financial institution will notify you when your CD is nearing maturity. Your CD can renew automatically, or you may choose to reinvest your funds elsewhere. Consult your financial advisor to review your options, including renewing your CD.

Important to Know

The longer you invest in a CD, the

more money you'll get back when the CD matures. If you know you can go more than a year without your investment funds, think about a longer term length.

Here are some other investment options if you're not interested in renewing your CD:

- Mutual Funds
- Variable and Fixed Annuities
- Brokerage Accounts
- Stocks and Bonds
- IRAs or Life Insurance

To begin discussing your CD maturity options, call a TDECU Investments Representative today at 800.839.1154, opt. 4.

Representatives are registered, securities are sold, and investment advisory services offered through CUNA Brokerage Services, Inc. (CBSI), member FINRA/SIPC, a registered broker/dealer and investment advisor, 2000 Heritage Way, Waverly, Iowa 50677, toll-free 800.369.2862. Nondeposit investment and insurance products are not federally insured, involve investment risk, may lose value and are not obligations of or guaranteed by the financial institution. CBSI is under contract with the financial institution, through the financial services program, to make securities available to members. Representatives are not tax advisors. For information regarding your specific tax situation, please consult a tax professional. FR111002-C378

With a Santa Loan, You Can Get the Cash to Shop for Everyone on Your List

This year, you don't have to choose between who's been naughty or nice. With a Santa Loan from TDECU, you can afford to shop for everyone on your list. You can even travel or consolidate high-interest debt as a gift to yourself. Hurry! This offer ends Christmas Eve.

To apply for a Santa Loan:

CLICK: TDECU.org

CALL : 800.839.1154

VISIT : Your local TDECU branch

Rates and terms based on credit score. Subject to credit approval. Offer valid through December 24, 2010.

A Season of Sharing

Interested in the latest happenings and holidays events at Your Credit Union? Share your email address with us and be the first to know.

Don't wait 'til the last minute. Contact Member Care today at 800.839.1154, opt. 2 and provide or update your email address to "Stay in Touch."

Mark Your Calendar for TDECU's Annual Meeting

Thursday, January 27, 2011

Lake Jackson Civic Center

All members are welcome to attend our Annual Meeting. Registration will begin at 6:00 p.m. The meeting will start at 7:00 p.m.



The TDECU Marketing Department recently became aware of Mr. William M. Berry thanks to a conversation with current board member, Mike Tracy. Mr. Tracy was kind enough to share some of Mr. Berry's history of involvement with TDECU. We became curious enough to ask to meet with him and find out what TDECU was like at the beginning during the 1950s and hear his thoughts regarding the evolution of Your Credit Union.

As we entered Mr. Berry's home, we were greeted with open arms. The 89-year-old hugged us as if we were family or old friends. Mr. Berry (Chigger to his friends), his son, and daughter-in-law sat down at his kitchen table to share his life journey and roots with TDECU.

Berry, the youngest of nine brothers, grew up in Lufkin, Texas. In 1953 he moved to Lake Jackson with his family where he began his career at Dow as an outside machinist. Berry made \$2.90 an hour when he started, working with equipment, turbines and pumps out in the field.

After a small group of men pooled their money to make a loan to a

LOOKING BACK: A FOUNDING BOARD MEMBER DISCUSSES TDECU'S PAST, PRESENT & FUTURE

friend in need, they were inspired to care for others on a larger scale. They decided to form a credit union to serve Dow employees, their families and their community. On December 30, 1954, Deputy Banking Commissioner H.L. Bengtson extended his congratulations in a letter, writing, "Welcome to the credit union movement."

Berry recalls, "One day, they asked me to join them. It was the fall of 1958. Mr. Barthelme, an original charter member, got the group together. Back then it only cost 25 cents to join. I still joke that I don't have any financial background, but I still have that 25 cents."

Berry shared his memories of being one of the original 25 members who joined together to establish Texas Dow Employees Credit Union. After some trial and error, the group officially launched their organization effort and Berry became one of the first 500 non-charter members. Berry was voted in as a Board Member in the late 1950s. He recollects serving on the Credit Committee, reviewing loan applications after work every day and determining approvals. "We gave out personal and emergency loans to people who typically needed money to pay their bills and feed their family. I think we charged 1% per month on

the unpaid balance. Boy, have times changed."

As the credit union grew, it moved several times. "When we moved into the Dow building we had one room. The board of directors fixed the place up by stapling tiles on the ceilings just to make it livable. At one point, we moved into a former doctor's office and borrowed money from other credit unions to help with costs and to make additional loans," Berry said, "We did whatever we could to help the members."

In the late 1950s family life became busier for Berry, his wife and two sons. His focus shifted to Little League and Boy Scout activities. In 1959, Berry survived an aneurysm caused by an impact he had suffered years before while serving as a Second Lieutenant in the Marines. He was the 17th person to have open heart surgery performed by the world-renowned inventors of the procedure, doctors Denton Cooley and Michael DeBakey. He was only 39 years old at the time and his doctors gave him just 10 years to live. Following these life changes, Berry decided to resign from the Board of Directors but continued to work full-time as a Dow employee and has remained a faithful member of the credit union.

The greatest thing that happened to

TDECU, according to Berry, was an agreement with Dow Chemical to offer automatic payroll deductions. This ensured Dow employees would have a more convenient way to pay back their loans. "If the credit union didn't have payroll deduction I doubt they'd have as many members today."

How has the credit union changed over the years?

"TDECU has grown by leaps and bounds over the past decades. When I was there you had to work for Dow or be related to someone who worked for Dow to become a TDECU member. Now almost anyone can join and receive benefits of all types, including loans and other services. In the 28 years since I've retired, TDECU has outdone themselves but I believe there is still room to grow."

When asked what it meant to be part of this organization Berry responded, "Being able to associate with good people and build relationships with them. The people at the credit union were and are a cut above ordinary people. They are friendlier. They knew you yesterday, they know you today. You still don't have any trouble getting through to someone for help. They know you, they really do. And anybody that had the opportunity to work like that and run the credit union, you had to be a special person because there wasn't any pay. They all volunteered and didn't expect anything – it was a privilege and your civic duty."

A word of advice from Berry.

"Keep on keeping on. I've known no other institution that has continued

to grow like TDECU in this type of economy."

According to credit union records, Berry's term on TDECU's Board of Directors began on September 17, 1958. During his tenure, he served on the Education, Credit and Loan Policy Committees. He was a true pioneer in helping to establish TDECU and is a raving fan of what it has become today.

Berry retired from Dow on March 31, 1982 with the title of Planning Engineer. He held a number of positions during nearly 30 years on the job, traveling all over the world purchasing equipment.

In his retirement, Berry has picked up woodwork as a hobby, making furniture, clocks and home decor. He currently resides in Hunt, Texas, close to his family and children.



WILLIAM M. BERRY

Especially during this holiday season, Mr. Berry's story is a reminder of the many blessings we enjoy thanks to the hard work and selfless dedication of those who have come before us. We thank him so very much for his service and wish all of you the best of the season and a very Merry Christmas.