



THE SCOPE

Fall 2010

INSIDE VIEW...

FHA Loans Make Homeownership Happen

 Running a Business on a Wing and a Prayer
Contributed by Christopher R. Gamber, Esq.

\$250,000 NCUA Share Insurance Now Permanent

 2nd Quarter Spotlight Winner

BRANCHES:

Research Triangle Park
 21 Park Drive
 Durham, NC 27709
 Mon-Fri 8:30 - 5:30
 (lobby and drive-thru)

Raleigh
 7560 Creedmoor Road
 Raleigh, NC 27613
 Mon-Fri 8:30-5:30
 (lobby and drive-thru)

Cary
 915 North Harrison Avenue
 Cary, NC 27513
 Mon-Fri 8:30-5:30
 (lobby and drive-thru)

Downtown
 Terry Sanford Federal Building
 301 New Bern Ave #107
 Raleigh, NC 27601
 Mon-Fri 10:00-2:00

Member Call Center –
 919.941.5700
 Website: www.rtpfcu.org



Protecting Yourself from Cyber Bullies

The Internet has become a threshold for communication, shopping, and banking. For most of us, cyber space is a portal to the conveniences of everyday life. While most Internet activity is safe, cyber bullies are still on the prowl for those that do not properly protect themselves from certain risks. The threat is very real and if proper precautions are not taken, you may find yourself a victim of a cyber attack. These useful facts and tips will help protect yourself against these predators.

1. Never give your Social Security number, credit or debit card numbers, PIN numbers or any other confidential information in response to an unsolicited email, text message or phone call, no matter where the source is supposedly from. “Urgent” emails and phone calls seeking this information may be a scam attempting to trick you into divulging personal and account information. This is called “phishing”. If you feel you receive a phone call or email that is suspicious chances are it probably is.
2. Don’t open attachments or click on links in unsolicited emails from anyone you don’t know or otherwise are not sure about. Sometimes attachments or links can infect your computer with “spyware” that can change your security settings and record your keystrokes. Spyware can secretly steal your passwords, account and credit card numbers. Online thieves then use this information and drain your account or use your credit card.
3. Watch out for sudden pop-up windows asking for personal information or warning of a virus. This is called “scareware” because it frightens people into providing information and then downloading malicious software or paying for removal. If you get these pop-up windows your first step is to go to the computer’s task manager and click end task and this will shut down the window.
4. When shopping online, deal with reputable merchants and be wary of unbelievably low prices. If you are uncertain about an online merchant, check with the Better Business Bureau Online.
5. Using a credit card generally offers more purchase protection than a debit card or other electronic forms of online payment. Transactions with a credit card are often easier to dispute if something goes wrong.

There are many more tips to safeguarding your information while continuing to enjoy the ease of the Internet. Keep in mind the best tip is to always use your common sense and protect your information at all times. The cyber world will only continue to get larger and in the end it all boils down to using your mind wisely.

RTP Federal Credit Union will be closed for the holidays:

October 11th:
COLUMBUS DAY

November 25th & 26th:
THANKSGIVING

December 23rd & 24th:
CHRISTMAS

December 31st:
NEW YEAR’S EVE

You’ll Never Catch Us “Phishing”

If you get an email asking you to verify personal information, it didn’t come from us. We will never send you a letter or email asking for your account numbers, user names, passwords, or Social Security number. If you get a message like that – called “phishing” – don’t bite.

Don’t be a victim of identity theft: be safe and call us first. We’re always here to help!



\$250,000 NCUA Share Insurance Protection Now Permanent

Federally insured credit union member accounts are insured by the National Credit Union Share Insurance Fund, an arm of the National Credit Union Administration (NCUA). The standard maximum deposit insurance amount has been permanently raised to \$250,000 per depositor, per insured depository institution for each account ownership category.

Note: The limits were temporarily increased from \$100,000 to \$250,000 effective October 3, 2008, through December 31, 2010. On May 20, 2009, the temporary increase was extended again through December 31, 2013. Now, recent regulation makes the \$250,000 federal insurance protection permanent.



Interested in buying a home or refinancing?

Rates are at a record low!

Contact our mortgage loan officer, Scott Kesselman for more information at (919) 248-9325 or scottk@homeloancu.com

FHA Loans Make Homeownership Happen

FHA loans are providing new opportunities to potential homeowners across the country. With greater flexibility than ever before, FHA is making homeownership happen.

What is FHA and why should you consider an FHA home loan?

The Federal Housing Administration, generally known as “FHA”, is the largest government insurer of mortgages in the world. A part of the United States Department of Housing and Urban Development (HUD), FHA provides mortgage insurance on single-family and multifamily homes through approved lenders throughout the United States. The FHA loan is supported by government mortgage insurance that protects the lender.

If a borrower does not put at least 20% down on their home loan, then the lender is required to have mortgage insurance to protect them from loss should payment not be made. With an FHA loan, mortgage insurance is provided through the government and borrowers can apply for a home loan with as little as 3.5% down.

In today’s challenging financial climate, FHA loans are providing homeownership possibilities for credit union members who haven’t been eligible in the past. As mortgage insurance has become more difficult to obtain through more conventional means, FHA loans have opened the door through their government insurance programs.

How can FHA help you buy a home?

FHA home loans offer many benefits and protections that only come with FHA:

- Easier to qualify. Because FHA insures your mortgage, your credit union can provide you loan terms that make it easier for you to qualify.
- Less-than-perfect credit. You don’t have to have a perfect credit score to get an FHA loan. In fact, even after bankruptcy you can be considered after two years of discharge and good credit has since been established.
- Low down payments. FHA loans have a low 3.5% down payment and that money can come from a family member, employer, or charitable organization as a gift. Other loan programs don’t allow this.
- Costs less. FHA loans have competitive interest rates because the Federal government insures the loans.

What are the advantages of an FHA loan?

- The borrower’s out of pocket investment can be as little as 3.5% and can be gifted from a family member.
- The seller can contribute up to 3% of the home’s price toward closing costs through a seller’s concession.
- Low fixed rates and high, flexible qualifying ratios.
- Minimum credit score 620* (*Minimum FICO in declining markets is 660)
- US citizenship is not required, but for those who are not citizens, they must be lawful permanent or non-permanent resident aliens with a valid Social Security Number.

Contact our mortgage loan officer, Scott Kesselman at (919) 248-9325 or scottk@homeloancu.com today to learn more about how an FHA loan can assist you in purchasing the home of your dream.

“Running a Business on a Wing and a Prayer”

Christopher R. Gamber, Esq.

Seidel Gamber, PLLC

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This past week as I sat on a plane awaiting take-off, I became a captive audience to a conversation between two business owners in the row behind me. As their discussion unfolded it became apparent that one individual was the owner of a small business, while the other individual was a partner in a significantly larger business. Despite the size disparity between the businesses, I was struck by the commonality of the issues both individuals were commiserating over — condition of sales, employees, contracts (and breaches thereof), taxes, and corporate compliance requirements.

The one major difference I could discern from their conversation was that the large business owner had the ability to utilize a few employees, as well as outside legal counsel, to help his company keep up with and tackle their corporate issues. On the other hand, it appeared the small business owner was juggling these issues by himself. Although risky, that small business owner's approach is very common with most small businesses. These owners are so focused on the day-to-day operations and simply surviving, they ignore, or often are not even aware of, the business' required corporate obligations and critical legal issues. Yet, while it is common, what most business owners fail to grasp is that by ignoring these issues they jeopardize a primary reason why people incorporate — Asset Protection.

When properly formed and operated, corporations serve to protect their owners from business related lawsuits, debts and creditors. However, by ignoring fundamental corporate formalities, business owners not only jeopardize their businesses, but also end up painting large targets on their personal assets. The more a business owner ignores his or her corporate requirements, the more vulnerable the business and the owner become.



Unfortunately, unlike the larger of our two business owners, it is unrealistic for most businesses to hire a full-time employee to fulfill their corporate formalities, or to even regularly meet with their attorney to review their specific corporate issues. However, it is sheer folly to think that a business owner can simply ignore their corporate requirements and critical legal issues while expecting no issues to arise. In the end, it is far more affordable and painless to acquire some guidance for your business, than it is to suffer through a lawsuit when your corporate protections have been compromised.



A Winning Combination Platinum Visa Credit Card and ScoreCard® Rewards

The possibilities are endless with our new Platinum Visa Credit Card and ScoreCard® Rewards Program. Get rewarded everytime you use your Platinum Visa Credit Card with ScoreCard® Rewards.

Enjoy the benefits of both services together!

Platinum Visa Credit Card

- Low, fixed interest rates
- No annual fee
- No minimum balance

ScoreCard® Rewards

- \$1 = 1 point
- Points do not expire
- Merchandise is updated regularly

Rewards are redeemable for name brand merchandise, travel discounts, and adventure excursions.

Visit www.rtpfcu.org for more information
or to apply for a Platinum Visa today!

COLUMBUS DAY CLOSING

October 11, 2010

RTP Federal Credit Union will be closed October 11, 2010 for an employee training day. We apologize for any inconvenience.



Drive Away Happy with RTP FCU

Let RTP Federal Credit Union help you with your next vehicle purchase. For a limited time only, we are offering record low rates on new, used, and refinanced vehicles. Drive away happy in your vehicle today!

Auto Loans as low as 2.4%.*



**Restrictions apply. Rate and terms may vary based on credit history and profile.*

To start saving today, contact a loan officer at (919) 941-5700.

For more information visit www.rtpfcu.org

Spotlight on... Andrea Gardner, HR/Compliance Assistant Second Quarter Spotlight Award Winner

Andrea Gardner was selected as the 2nd Quarter Spotlight Award Winner for exceeding the management team's expectations by going above and beyond the call of duty to demonstrate RTP Federal Credit Union's core values. Andrea joined the RTP FCU family 1 1/2 years ago as a teller at the Cary Branch after relocating from Kentucky and leaving her position at Toys R US as HR Assistant. She has a Bachelor of Science degree in HR Management from the University of Western Kentucky and a strong background in HR. Her dedication and strong work ethic continues to show day-in and day-out and is continually noticed by management. These shining qualities made it easy for management to select her for her current position as HR and Compliance Assistant.

Marilyn Bethea, HR and Compliance Manager remarked:

"Andrea deserves the Spotlight Award for her great attitude, motivation, and willingness to help other departments and co-workers. She is truly a team player in every sense of the word. If something needs attention or if someone needs help, she doesn't stop to question whose job it is to back-up the position or help. She is always the first to volunteer when someone needs help."



Candidates Needed For 2011

Join our Supervisory Committee

We currently have one vacancy on our Supervisory Committee. This committee is charged with assuring safety and soundness in day-to-day operations of the credit union. Candidates for these positions will be asked to oversee the credit union's annual audit, review periodic account verifications and verify that internal controls are being followed as required by credit union regulations. Committee members also attend monthly meetings of the Board of Directors whenever possible. We are seeking HR and accounting professionals who would like to join this committee and take a more active role in the operation of the credit union.

If interested, please contact Doug Wilkerson at (919) 941-5700 x114 or wilkerson@rtpfcu.org.

Candidates Needed 2011 Board of Directors

If you are interested in running for a position on the credit union's Board of Directors, we are now accepting nominations. As a board member, you would volunteer your time each month to help determine our rates, set policies, and determine the overall direction of RTP Federal Credit Union.

If interested, please contact Doug Wilkerson at (919) 941-5700 x114 or wilkerson@rtpfcu.org before November 2, 2010.