



Message from the President

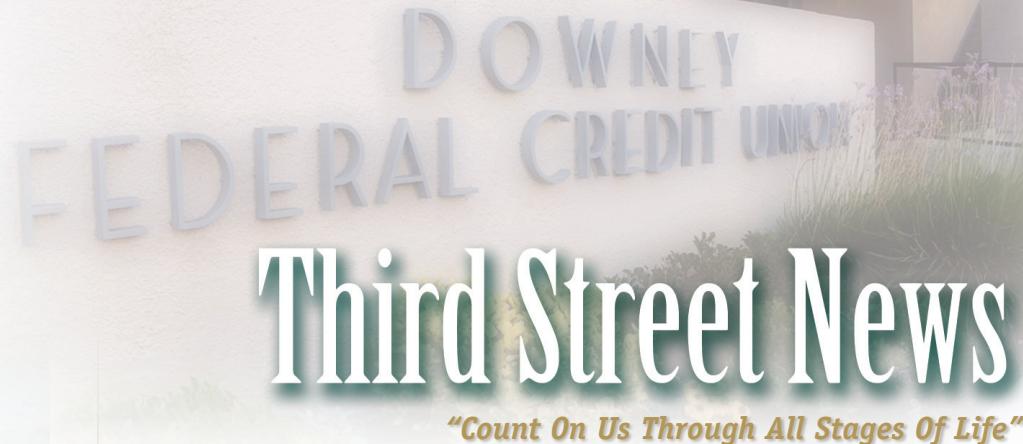
Looking back on last year, I realize how quickly 2007 has flown by. This past year commemorated our 50th anniversary serving the Downey Unified School District, the Downey Regional Medical Center, and the community of Downey. The credit union reached a landmark, not only in 50 years of business, but also in reaching \$141 million in assets and 13,000 members.

This past year was full of special events including our 50th Annual Meeting, Founder's Day, the one-year anniversary of our Express Service Office at Downey Regional Medical Center, and the 6th Annual Student Enrichment Grant Reception for educators of the Downey community. We renovated our lobby at the main branch, making it safe for all members. We have much to be thankful for, including you, our loyal members.

We expect continued growth in new members and assets, as well as loans. In 2008, we will be evaluating new products and services that will enrich our members' lives, and we will keep you informed.

Please join us in commemorating our **51st year** by attending the **Annual Meeting on April 23, 2008**. As always, we look forward to serving your financial needs "Through All Stages of Your Life."

Barbara Lamberth
President/CEO, Downey FCU



2008 Annual Meeting

Please join Downey Federal Credit Union in celebration of our **51st Annual Meeting!**

WHEN: Wednesday, April 23, 2008 • 4:30 pm

WHERE: Rio Hondo Event Center
10627 Old River School Road, Downey, CA 90241

Please save the date on your 2008 calendars! A review of the year 2007 will be presented; and what to look for in 2008!



Board of Directors Information

For the 2008-2009 year, there are three seats open on the Board of Directors, each with a three-year term. The candidates are as follows:

STAN HANSTAD: Stan is the Assistant Superintendent of Schools for Downey Unified School District (DUSD), and has worked in the school district for 28 years. He holds a Bachelor of Arts from California State University, Los Angeles, and a Master's degree from Azusa Pacific University. Stan is a former member of the Governor's Commission of Juvenile Justice and Delinquency, and the Los Angeles County School Attendance Review Board (SARB). He is a founding member of Gangs Out Of Downey (GOOD). Stan has been a member of DFCU since 1979 and is currently Chairman of the Board of Directors. Mr. Hanstad understands the leadership role, and has directed the credit union towards continuing to achieve outstanding national ratings.

RICHARD GUESS, MD: Dr. Richard Guess has been Medical Director of Emergency Services at Downey Regional Medical Center since 1998 and has worked at the hospital since 1979. He holds a Bachelor's degree from Stanford University, a MBA from University of California, Los Angeles, and a MD from Tulane University. Dr. Guess has been a member of the credit union for more than 25 years, and served on the DFCU Supervisory Committee before assuming a role on the Board of Directors three years ago. Dr. Guess realizes the importance of advancements in technology and security for the credit union, striving to bring DFCU to the next level to better serve the members.

EDWARD POTTER, ED. D.: Dr. Potter was employed over 32 years with Downey Unified School District prior to his retirement in 2003. Serving as the Assistant Superintendent of Personnel, he has worked with many members and feels his background with people enables him to work well with the Board of Directors. During his tenure as Chairman, he watched the credit union's assets grow 9.6% annually from \$41 million in 1996 to \$134 million in 2006. Ed is a doting grandfather and enjoys traveling with his wife, Kay.

Additional candidates (over age 18) must submit a petition signed by one percent of the membership (129 members), a brief description of qualifications, and a signed statement that he or she will serve if elected. Petitions must be returned to our office no later than February 11, 2008. There will be no nominations from the floor. Printed ballots will be mailed to all members eligible to vote at least 30 days prior to the meeting, if necessary.

INSIDE

This Issue: **Community Events | IRA Contributions | Loans | VISA Checks**

► IRA Contributions **INCREASE** in 2008



DFCU offers both **Roth** and **Traditional IRAs** (*Individual Retirement Accounts*).

When you leave an employer and want to re-invest your retirement funds at another financial institution, DFCU welcomes

rollover IRA accounts. If you are planning to open or contribute to your 2008 IRA, please be aware that there has been an increase in the contribution this year. In 2008, the maximum deposit was increased to \$5,000 with an additional \$500 each year for those aged 50 and older for catch-up contributions.

Ask your tax advisor for up-to-date details and a recommendation for the best IRA for you. The deadline for 2007 contributions is April 15, 2008.

Signature Loans Available!



If you feel overwhelmed by holiday bills, Downey Federal Credit Union has a solution for you.

We offer a Signature Loan with a great low rate of:

9.00% APR*

12-Month Repayment Term • Amounts Up To \$12,500

Other rates and terms are available. Stop in and fill out an application or apply online at www.downeyfcu.org.

We want you to continue to

"Count On Us Through All Stages of Life."

*APR = Annual Percentage Rate. All rates subject to credit approval.
Rates subject to change without notice.

VISA Letter Checks

In November, you may have received VISA® letter checks by mail. You can use these checks anywhere your VISA credit card is accepted. They are convenient to use at holiday time or any time of year. You can enjoy the same interest rate on your purchases as you receive on your current VISA card. Take advantage of the extra money you may need to pay bills or transfer funds.

FACT ACT ALERT

Ways to Protect Your Credit



According to the new red flag provisions of the **Fact Act (Fair and Accurate Credit Transaction Act)**, credit unions are required to put together programs to detect, prevent, and alleviate identity theft. The top two concerns of credit unions that typically correlate with a high incidence of fraud include **1) change of address and 2) replacement of additional credit and debit cards**. While the new regulations will not be enforced until November 1, 2008, many credit unions, including DFCU, are starting to educate members about identity theft.

Here are some TIPS to help you combat identity theft:

- **Do not give your account number out to a solicitor over the phone if they want to verify information. Neither DFCU nor VISA will ask you to do this on a phone message.**
- **Do not give your personal information to email solicitors. They are also fishing for data to use for themselves. Delete the email as it is not legitimate.**
- **Only give out your account number if you initiated a purchase on the Internet.**

By following these simple suggestions, you can lessen some of the dangers of identity theft. Downey Federal Credit Union will be working on developing further processes and procedures to diminish the dangers of identity theft for you.

Launch of Student Branch at Warren High School Opens in a *Whirl of Money!*

Downey Federal Credit Union sponsored a \$500 “**Grab for Cash**” promotion on Tuesday, October 30, using a money machine at Warren High School during the two school lunch periods.

The promotion coincided with the opening of the student branch of the credit union on campus. Wearing safety goggles, 43 Warren High School students had the opportunity to grab for \$250 in bills swirling around the machine within a 20-second time period during each of the two lunch periods. Students were allowed to take only what they could grab with their hands as the bills swirled around the 7-foot machine. The purpose of the event was to promote recognition of the credit union and to encourage students to deposit their winnings in a Downey FCU account.

Don Rounds, Assistant Principal of Warren High School states, “Downey Federal Credit Union and Warren High School have formed a community partnership with the student branch and the opportunity to educate students on financial literacy.” Barbara Lamberth, President/CEO of Downey Federal Credit Union adds, “We are happy to be on the campus of Warren High School where our presence can make a difference in the community with students, parents and teachers.”

As a result of the grand opening, several students have opened their accounts and have started saving their money for the future. The student branch is currently open from 2:45 – 3:45 pm on Tuesday and Thursday, serving both students and faculty. Warren High School senior, Crystal Arvizu, and DFCU’s Member Service Representative, Michelle Frase, are available to serve members at the student branch. Kari Johnson, DFCU’s Business Development Representative, frequently visits high school classes to discuss financial literacy.



Pictured above: **Steven Gutierrez, Warren High School Senior, in the “Grab for Cash” machine!**

Real Estate Lobby Days Return!

Downey Federal Credit Union will be reinstituting Real Estate Lobby Days in 2008. A real estate representative will be in the Lobby of the Main Branch from 9:30 am – 1:30 pm to answer your questions on property evaluations, rate trends, and more.

Please come to the credit union on the following days:

- **Thursday, January 17**
- **Friday, February 22**
- **Thursday, March 13**

We are happy to be of assistance in your home loan search.



Tom Long Enterprises

*An Exclusive Member Service for
Downey Federal Credit Union Members:*

- Assists you in locating your new vehicle
- Searches for the features and options you want
- Helps negotiate a price
- Delivers your new vehicle right to your home or office



Tom Long, a 25-year partner of Downey Federal Credit Union, has relocated to:

**700 E. Lambert Rd. • Suite 3C
La Habra, CA 90631
Phone: (562) 694-0925
Fax: (562) 694-0946**



Your dream car is only a phone call away! Call today for assistance.

COMMUNITY NEWS



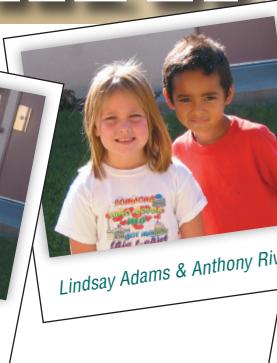
Wendy Doty, DUSD Superintendent
accepting \$6,200 from DFCU Executive
Vice President, Orlando Waters



Luis & Julieta Meillon



Mercie Barahona



Lindsay Adams & Anthony Rivera



Kennedy Rodriguez & John Topete

Student Enrichment Grant Program

DFCU sponsored the 6th Annual Student Enrichment Grant Program for all teachers in the Downey Unified School District (DUSD) and donated \$6,200.

Participants were encouraged to submit their ideas on how they will utilize the \$200 prize money to enrich their student's classroom learning experiences. Approximately 85 entries were submitted and 31 individuals, composed of teaching and non-teaching staff, were chosen to each receive the \$200. Kari Johnson, DFCU's Business Development Representative, coordinated the event and the reception on November 27th.

DFCU's Contribution to the DRMC Auxiliary

The Auxiliary members at Downey Regional Medical Center transport meals and medication to many patients at the hospital. DFCU contributed a rolling cart to assist the auxiliary members do their job more efficiently.

Character Counts Coloring Contest

During Character Counts week in October, DFCU sponsored a coloring contest for all students of Lewis Elementary School, our 2007-2008 Adopt-a-School.

Students from Kindergarten through Grade 5 were asked to portray their interpretation of one of the six Character Counts Pillars. The twelve finalists, a boy and a girl from each grade, were given a gift certificate, coloring book and crayons, a Kirby Kangaroo Club® newsletter and a thank you. All participating students received a coloring book and crayons and a Character Counts pencil.

Finalists included:

Apple Arturo Zuñiga & Julieta Meillon	Kindergarten
Apple Lindsay Adams & Anthony Rivera	Grade 1
Apple Kennedy Rodriguez & John Topete	Grade 2
Apple Antonio Franco & Lucia Rios	Grade 3
Apple Mercie Barahona & Andy Subdias	Grade 4
Apple Ivette Guillen & Luis Meillon	Grade 5

Work of the winning students is on display in the lobby of the credit union's Main Branch until January 31, 2008.

Book Drive for Lewis Elementary School

For the second year, the credit union sponsored a new children's book drive for the school at both branches during November and December.

Approximately 229 new children's book were collected and brought to Lewis Elementary School on December 13 to be gift-wrapped.

Teachers gave the books to students as a Christmas gift. Randy & Carole Miller, winners of the \$100 Ralph's Supermarket drawing,

have generously chosen to give the gift certificate to a special family from Lewis Elementary School.



Kari Johnson, DFCU Business Development, accepts book donation from Randy Miller, winner of the \$100 supermarket gift certificate.

Holiday Closures

The credit union will be closed on the following days:

MARTIN LUTHER KING, JR. DAY
Monday, January 21, 2008

PRESIDENTS' DAY
Monday, February 18, 2008

This newsletter is published quarterly by Downey Federal Credit Union (DFCU). Each member's deposits are insured up to \$350,000. The first \$100,000 of deposits are federally insured by the National Credit Union Administration (NCUA), a U.S. government agency. The next \$250,000 of deposits are privately insured by American Share Insurance (ASI). IRAs are separately insured up to \$350,000 by the same combination of insurers. Loans are issued in accordance with NCUA regulations, subject to credit approval. DFCU is an equal opportunity lender and makes loans without regard to race, color, religion, sex, handicap, family status or national origin. Dividends are based on the Credit Union's earnings at the end of a dividend period and thus cannot be guaranteed. Rates, yields, terms, conditions and services are subject to change after the account is opened. For more information, refer to your Truth-in-Savings disclosure or contact a Credit Union employee. The Credit Union may provide information about products and services available to members from other sources. However, it does not warrant, nor accept liability for the actions, products or services of others.

*APR = Annual Percentage Rate. APY = Annual Percentage Yield.

Downey Federal Credit Union

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Downey, CA 90241-1639

562.862.8141 • FAX 562.862.7782

www.downeyfcu.org

OFFICE HOURS

9am – 4:30pm Monday – Friday

DRIVE-UP HOURS

8:30am – 5:30pm Monday, Wednesday – Friday

9:00am – 5:30pm Tuesday

ESO HOURS at Downey Regional Medical Center

7:15am – 3:45pm Monday – Friday

