

CATHOLIC FAMILY
Federal Credit Union

1902 West Douglas ♦ (316) 264-9163 ♦ www.cffcu.com

The Credit Union Difference = More Than You Think



The Credit Union Difference

Not for profit, not for charity, but for SERVICE

Credit unions are not-for-profit financial cooperatives, owned by the people who save and borrow there. Every member has the right to elect members for the credit union board of directors. All credit union boards are made up of volunteer members. Unlike most other financial institutions, credit unions do not issue stock or pay dividends to outside stockholders. Instead, earnings are returned to our members in the form of lower loan rates, higher interest on deposits, lower fees and more or better services.

By current federal statute, credit unions cannot serve the general public. People qualify for a credit union membership with a common bond. The common bond may be their employer or organizational affiliations like churches or social groups.

Our critics often claim that credit unions “don’t pay taxes.” **Credit unions do pay taxes – payroll taxes, sales taxes and property taxes.** Congress exempts credit unions from federal income taxes. The exemption was established in 1937, affirmed by statute in 1951, and re-affirmed in 1998 in H.R. 1151, the Credit Union Membership Access Act, which states:

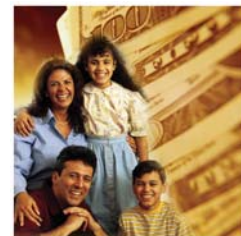
Credit unions, unlike many other participants in the financial services market, are exempt from Federal and most State taxes because credit unions are member-owned, democratically operated, not-for-profit organizations generally managed by volunteer boards of directors and because they have the specified mission of meeting the credit and savings needs of consumers, especially persons of modest means.



Our Credit Union

Catholic Family Federal Credit Union is located in Wichita, Kansas. It has over 4,000 members and \$21 million in assets. The credit union was founded in 1947 by Father Arthur Klyber, C.Ss.R. and named St. Joseph Federal Credit Union. It served members of St. Joseph Catholic Parish, employees of the credit union and members of their immediate families. In 1947, the requirement of membership was to deposit \$.25 each month until five dollars (one share) was deposited. In 1990, St. Joseph Federal Credit Union was re-named Catholic Family Federal Credit Union. CFFCU now serves Wichita area Catholic parishes, schools and institutions and designated low income areas. In addition to serving Catholic parishioners, CFFCU also serves select employee groups such as Adorers of the Blood of Christ, Newman University, Catholic Charities, Catholic Schools and JR Custom Metal Products. Our credit union provides basic financial services including checking, savings, loans, mortgages, credit cards, etc. But we also do a lot more. Some of the unique services include:

- Financial counseling/debt counseling for individuals
- Special home mortgage programs
- Student loans; auto leases
- Small business services



Our Commitment to Serving Our Members — We Make the Difference

Credit unions exist to help people, not make a profit. Our goal is to serve members regardless of income or status. We reach out to members or potential members who are un-served or underserved.

- Members at Catholic Family Federal Credit Union can open an account for \$5. Right now we have 686 members with accounts of less than \$10. All of those members have access to our full range of financial services.

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- The Federal Reserve estimates the minimum profitable loan to be \$2400. Catholic Family Federal Credit Union made 250 of these loans in the last two years. The lowest loan the credit union will grant is \$50.

Our Commitment to Financial Education & Literacy



Promoting financial literacy has been a primary mission of credit unions since they were established. Edward A. Filene, the father of the American credit union movement in 1908 said, "Credit unions are educational institutions." CFFCU's intent is to teach people wise money management skills they can use to make their entire lives better.

Some examples in our credit union include:

- Quarterly newsletters with consumer topics and educational brochures in credit union lobby
- Financial counseling/debt counseling for individuals and seminars through CCCS
- Presentations at the Catholic high schools and elementary schools, free materials and resources
- Partnership with Harbor House and Anthony Family Shelter to provide budgeting workshops
- Website information links

Our Commitment to Good Governance and Diversity



Credit unions exist to serve all members equally, with dignity, respect and consideration. CFFCU strives to serve everyone who needs financial services within our membership and to be sensitive to the individual needs of the various cultures we serve. Employees and volunteers reflect the diversity of our members.

- Annual meetings are accessible to accommodate all members
- Board and committees have attendance standards
- Educate others in the community about the uniqueness of credit unions
- Our bi-lingual employees provide translation in order to provide excellent service

Our Commitment to Community & the Credit Union Movement



Credit unions don't exist just to provide financial services - we provide financial services for the purpose of improving lives. While our first responsibility is to our members, part of being a cooperative movement means looking beyond our walls to the larger community. This philosophy leads us to support worthwhile charitable and social causes, and to work with other credit unions.

In our credit union, we reach out in the following ways:

- Two cans of food donated to the homeless shelter as the closing cost for a loan
- Children's Miracle Network with an annual bake sale, change collection and skip-a-pay donations
- Catholic Charities Christmas Sharing program by volunteering employees to help screen applicants
- Bare Necessities is a Christmas fundraiser at the Credit Union for Anthony Family Shelter, Center of Hope, Gerard House and Guadalupe Clinic. Funds are collected through a skip-a-pay program and divided among the charities. Teddy bears and personal care items are collected as well.
- Big Brothers Big Sisters Credit Union Bowl is a cooperative effort of Wichita area credit unions. In 2004, over \$18,000 was raised. Recognized by CUNA as the 2002 Dora Maxwell Award for Social Responsibility
- Participating in political and grassroots campaigns to promote and protect the credit union movement to policymakers by making visits to legislators in Topeka, Kansas and Washington D.C. and sponsoring a legislative breakfast to educate legislators.