

4TH QUARTER - PRESIDENT'S REPORT



Hello members! I hope you and your families had an enjoyable and safe summer and are looking forward to the fall months.

Unless you are shopping for a car, buying a home, refinancing a home, or in need of a credit card, you may not be aware of the cost of borrowing. So, when you go to make a purchase or refinance, you are surprised by the interest rates charged. I hope you find this article helpful in understanding the interest rate environment we live in today.

An obvious truth we all face is the challenge of escalating interest rates and the cost of living. One of you, our member-owners, often will call the credit union and ask, "Why are interest rates so much higher? I remember when my credit union offered much lower loan rates a year ago."

Here's how interest rates change. The Federal Reserve controls one interest rate, the Fed funds rate. The Fed funds rate is used to slow the economy by raising interest rates to reduce inflation. The Fed funds rate is the cost financial institutions pay to borrow money. That means it costs us more money to borrow here at Prospectors. Our rate is higher, and unfortunately, so is the rate you encounter when borrowing.

The Federal Reserve's reason for raising the Fed funds rate 11 times since March of 2022 is an effort to curb the rise in inflation, which has been the highest in 40 years prompted by the Coronavirus pandemic, rising oil prices, and continued supply chain interruptions.

A higher Fed funds rate tends to reduce inflation and slow down economic activity. A lower Fed funds rate tends to increase inflation by stimulating economic activity. When the Fed fund rate drops, borrowing becomes less expensive, making large purchases on credit more affordable, such as home mortgages, auto loans, and credit card expenses. When rates go up, which is the environment we live in today, borrowing is more expensive, restraining spending.

Many of you are feeling the effects of the economy. Whether it is assessing your budget, analyzing how you spend your money, or how you are making important decisions for you and your family. Please keep in mind that your credit union is here to guide and support you through these extraordinary times. During the pandemic, the cost of auto loans increased, and you may have financed an auto with another lender at an inflated rate. Consider our **Beat the Rate** program – An auto loan opportunity with no out-of-pocket costs. Call our loan department and we will check to see if we can offer you a lower rate than you have currently.

Each day, we strive to ensure that our members find value in their decision to belong to Prospectors. We aim to help members fully utilize their credit union membership while increasing their awareness and usage of products and services. We encourage you to share the gift of membership with your family and co-workers so they can enjoy the many benefits a credit union membership provides. As you share the benefit of membership remember we have a **Refer a Friend** program. If you refer a new member, you are eligible for a 6% Term Share Certificate for 6 months with a maximum deposit of \$5,000.

In these days of economic uncertainties, you can take comfort in knowing your credit union is viable and ready to meet the challenges. Thank you for your membership, continued loyalty, and support.

When you think of your credit union, always remember that Prospectors is big enough to serve you and small enough to know you!

- Debra Barrera, President/CEO

HIGHER INTEREST RATES

The good news... we have options!

Borrowing during the rise in interest rates has cost more, of course. But the good news is that saving money also pays more. Don't miss out on this 5-month Term Share Savings.

5%
APY

For a limited time, we are offering the following:

- 5-Month Term Share Savings
- \$1,000 Minimum deposit*
- \$100,000 Maximum deposit

Refer a Friend earn 6% APY*

When you refer a friend or family member to join the Prospectors FCU Family you will be rewarded with the opportunity to open a specially priced Term Share Savings.

- 6-Month Term Share Savings
- \$1,000 Minimum deposit*
- \$5,000 Maximum deposit

Prospectors Holiday Schedule

October 9, 2023 - Columbus Day
November 10, 2023 - Veterans Day
November 23, 2023 - Thanksgiving
November 24, 2023 - Day After Thanksgiving
December 24, 2023 - Christmas Eve
December 25, 2023 - Christmas



PROSPECTORS
FEDERAL CREDIT UNION

24/7 Member Service
www.prospectorsfcu.org
(909) 396-9688

Diamond Bar Location • FAX (909) 396-6226

1310 S. Valley Vista Dr, Diamond Bar, CA 91765
M/T/F: 9am - 5pm • W: 10am - 5pm • TH: 9am - 6pm

West Covina Location • FAX (626) 430-7397

1230 Lakes Dr, Suite 108, West Covina, CA 91790
M/T/Th/F: 9am - 5pm • W: 10:30am - 5pm



PROSPECTORS FALL 2023

5 STAR ★ STANDARD

Delivering Value Enriching Lives... People Helping People Since 1949

PHISHING, SMISHING, VISHING – OH MY!

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Douglas Blankenship

PHISHING, SMISHING, VISHING – OH MY!

Most of us are familiar with the term “phishing,” where one receives a suspicious email, such as a Crown Prince looking for an investor. Scammers have become more sophisticated in their techniques by using phone calls, text messages, and email.

Phishing is the term we use for bogus, fraudulent emails. Smishing is the same, but for text messaging. Vishing is the term used for phone call scams. We don’t have enough space to go through all the various scams, but some general guidelines are recommended to reduce the possibility of being scammed.

1. Never click on ANY link you get by email or text. If you receive a text or email saying you have a pending delivery, a suspicious charge, or a banking alert – delete it. Check with the credit

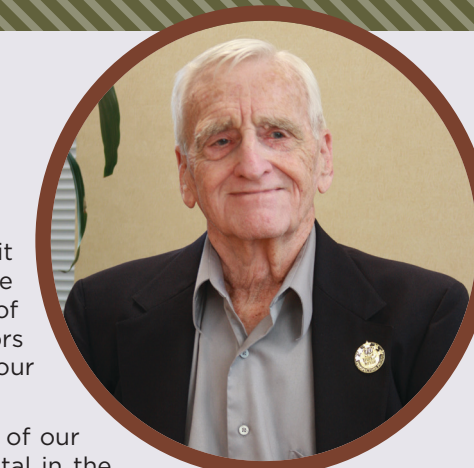
union directly or the delivery service. The entire goal of a scammer is to collect your information after you click on a link. Check the “sending” email address in emails and look for typos. Those are clear warning signs. Simply – delete and call directly.

2. Don’t answer phone calls from numbers you don’t recognize. A current scam example is recording your voice when you answer “yes” to the question, “Can you hear me?” Then, the recording can be used as a voice authorization.

Prospectors FCU will not call you and ask you to verify your information. We already have your information. Do NOT answer unknown numbers. Let calls go to voice mail. If you answer, say as little as possible and then call us directly to see if there is any known issue.



DOUGLAS BLANKENSHIP: BON VOYAGE AND HAPPY RETIREMENT



In the heart of every thriving community lies the dedication of its members who commit their time, energy, and passion to shaping its future. It is with immense honor that we highlight the remarkable service of Douglas Blankenship, who has been an integral part of our Credit Union family for an astounding 53 years and served on our Board of Directors for 29 years. A journey that began first as a member but grew into a cornerstone of our institution’s growth and development.

As a Board member, Mr. Blankenship has played a pivotal role in shaping the direction of our credit union. His leadership, wisdom, and steadfast commitment have been instrumental in the growth and success we celebrate today. Through market fluctuations, economic challenges, and technological advancements, Mr. Blankenship’s steady presence has been a source of reassurance, reminding us that our core values will remain unchanged.

On behalf of the entire credit union family, we extend our deepest appreciation to Douglas Blankenship. Your unwavering commitment to our credit union’s mission, your enduring friendship, and your continuing dedication to make a positive impact on our members’ lives have left an indelible imprint on our hearts. May your journey ahead be as fulfilling and joyful as the one you have shared with us.

AUTO LOANS - A Better Option

The cost of both new and used cars has risen steadily over the past few years. According to Experian Information Solutions, the average price of a new car is \$40,851, and the average price of a used car is \$26,420. The examples below are an illustration of how we can potentially help you save on your monthly car payment.

The average...	New cars	Used cars
Monthly payment	\$725	\$516
Loan amount	\$40,851	\$26,420
Interest rate	6.58%	11.17%
Loan term	68.64 months	67.42 months
Credit score	742	677

Prospectors FCU	New cars	Used cars
Monthly payment	\$687	\$459
Loan amount	\$40,851	\$26,420
Interest rate	6.49%	7.65%
Loan term	72 months	72 months
Credit score	742	677

Source: Experian Information Solutions based on VantageScore credit scoring.

Payment is an estimate. Payment is based on an individual’s credit worthiness, rate, term.

If you have purchased a car in the last year and your rate is higher than our rate, come see us. Any car refinanced would fall into the used category. Rates are determined by your credit score – but we can certainly run the numbers for you and check to see how much money we can save you. Come see us today to refinance your vehicle – and save money. Have one of our Loan Professionals review your current auto loan and let us see if we can beat your rate and put extra cash back into your budget! Looking for a new car? Bring us the deal and let us help you beat that rate too! Call us at 909-396-9688 and apply today!

THE HOLIDAYS ARE COMING!



Yes, the holiday season is fast approaching – and so will those holiday gift lists. Here at PFCU, we have the best options for how to help manage your finances.

Signature loans: These are lump sum, fixed interest rates, and terms up to 60 months. This is a perfect loan for those large, one-time purchases. Currently, our fixed rate on Signature loans is 10.49% APR.

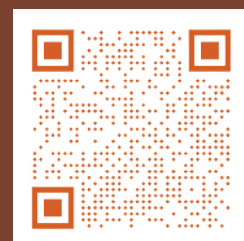
VISA Credit Card: This is the perfect card for purchasing online or in stores. Or, if you have used other cards, you can transfer balances to get our low, FIXED rate as low as 8.99% APR. Our VISA card offers a FIXED rate, NO annual fee, and NO balance transfer fees.

Readi-Ca\$h Line of Credit: Once approved, this line of credit can give you access to money for an emergency or an unanticipated sale. These funds are available 24/7 using your home or mobile banking account. You can transfer needed funds directly into your checking account. The money is immediately available. Interest is applied only after you borrow funds. Readi-Ca\$h also has a FIXED rate as low as 10.9% APR.

Whatever your loan needs for the holiday season, we are here to help.

INTERNATIONAL CREDIT UNION DAY

Join us as we celebrate International Credit Union Day® on Thursday, October 19. This year marks the 75th anniversary of International Credit Union Day®! Credit unions were built on the principle of “people helping people.” We’ve seen that philosophy in action for more than 100 years, with credit unions providing access to affordable financial products and striving to meet the needs of underserved communities. Prospectors FCU is honored to be a part of this proud tradition. Join us at our branch, enjoy a light snack, and celebrate ICU Day with us!



FAMILY AND FRIENDS CAN CLICK ON THIS QR CODE TO JOIN ONLINE TODAY!

Why Membership MATTERS

At Prospectors Federal Credit Union, our commitment to financial well-being and community prosperity remains stronger than ever. As a member-owned institution, we work to enhance your financial resources, support your dreams, and work for the sustainable development of communities. We are excited to invite you to be a part of something special – our Membership Campaign!

Why Membership Matters

Credit unions represent Main Street, not Wall Street. Decisions are made locally and on an individual basis. Instead of turning profits, credit unions return the money they make to their member-owners in the form of higher rates on savings, lower rates on loans, reduced fees, and improved services. Beyond the financial benefits, you are part of a cooperative that works to offer these same benefits of membership to family, friends, and neighbors.

We believe in the power of this financial cooperative. We invite you to spread the word about Prospectors FCU to your friends and family. Why should your friends and family join?

- Strengthen Our Credit Union Cooperative** - By inviting your friends and family to join, you’re helping us create a stronger and more vibrant credit union family. Together, we can make a positive impact for all members and improve their financial well-being.
- One Member: One Vote:** Credit unions are democratic organizations

owned and controlled by their members. Each member gets one vote, no matter their financial status, to help make the organization’s policies and decisions. As a member-owner – you have a say.

- Access to Exclusive, Personalized Services:** Our dedicated staff takes pride in providing you with personalized assistance for innovative, cutting-edge financial products and services that cater to your unique needs.
- Celebrating Community:** Concern for community is a credit union value. Support from loyal members has helped to build a strong foundation, inspiring Prospectors FCU to give back to causes that lend a helping hand and create leaders.

Spread the Word, Make an Impact

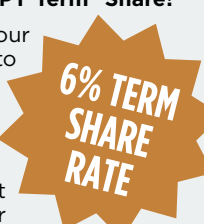
We invite you to embark on this journey of financial empowerment with us. We are excited to introduce a special offer that allows you to enhance your savings while helping your loved ones achieve their financial goals.

Refer a Family Member or Friend and Earn a 6% APY Term Share!

We’re pleased to extend an exclusive offer to all our members who refer a family member or friend to join the Credit Union. It’s simple – when you refer someone, and they become a member, you’ll have the opportunity to kick start your savings by enjoying a 6-Month Term-Share paying 6%APY.

To refer someone or for more information about the campaign, please visit our website, contact our Member Services team at 909-396-9688, or stop by your nearest branch. Let’s build a brighter future together!

Remember, a thriving community starts with you. Invite your loved ones to become part of the Prospectors FCU family today!



APR=Annual Percentage Rate. APY=Annual Percentage Yield. Terms and conditions apply to all advertised promotions. All offers are subject change and/or end without notice. 5-MONTH TERM SHARE: Minimum deposit of \$1,000 required. Maximum deposit of \$100,000. To qualify for the promotion the deposit must be new funds (meaning funds from an external account or funds not on deposit with PFCU no exceptions). Early withdrawal penalties may apply. At maturity the 5-month term share will roll into a 6-month term. 6-MONTH TERM SHARE: Minimum deposit of \$1,000. Maximum deposit of \$5,000. To qualify for promotion the deposit must be new funds (meaning funds from an external account or funds not on deposit with PFCU for over 30 days). Existing funds can qualify if depositing matching funds of at least 50% from an external source. Deposits made within 30 days of this promotion are considered new money for the purpose of opening a term share under this promotion. In addition, the new member who opened their account must mention the referring member by first and last name. The referring member must contact the credit union to activate their offer. Early withdrawal penalties may apply. At maturity the 6-month term share will automatically roll into a 6-month term. Limit of one term share of this type per member. BEAT THE RATE: BEAT THE RATE: The offer will be honored if the member meets income, asset, no bankruptcy qualifications, credit worthiness, and collateral is worth the amount of the loan. Income and employment verification required, not everyone will qualify. This offer is not valid for refinancing an existing Prospectors FCU loan. Other restrictions may apply. This offer cannot be combined with any other offers. Your payment will be calculated based on your loan amount, rate, and term. The sample payment comparison is for illustration purposes only and it does not guarantee or promise that all members will realize the same savings. The example is based on a 72-month loan term, with a B-Tier Credit Rating. Source of competition example: Experian Information Solutions based on Vantage Score Credit scoring. Rates are subject to change at any time. The quoted rate is effective as of 09/25/23. HOLIDAY Loan Options: Credit Card, Signature, ReadI=Ca\$h rates stated are the Credit Union best rates for the corresponding loan. These rates are as of 10/01/2023 and are subject to change without notice. Not all members will qualify for a loan and not all members will qualify for the stated lowest rates.