

## CONCERNED ABOUT THE ECONOMY AND YOUR CREDIT UNION?

### A Message from the President/CEO

With everyone's concerns about the current economic state, I wanted to take a moment of your time and make you aware of BFG Federal Credit Union's safety and soundness.

- We have always lent money to our members in a responsible manner – using a more traditional and conservative approach to lending. We verify a member's capacity to repay their loan and require members to hold an equity position in mortgages and other loans when warranted. **We would never participate in sub-prime lending practices which contributed to the negative earnings of many of the area banks and greatly influenced our current economic problems.**
- BFG Federal Credit Union has over \$172 million in assets with Capital/Equity at \$18.2 million. This equates to a Capital/Equity ratio of 10.59%, well above the 7% which our regulator defines as "well capitalized".
- Year to date our earnings through November 30, 2008 are over \$959 thousand.
- While other lenders are tightening restrictions and cutting back on lending – we are continuing to offer loans and are increasing our marketing efforts to get the word out to our members that we are here to help!
- Our assets are federally insured by the National Credit Union Administration (NCUA) the strongest federal insurance agency in the country. Individual accounts in federally insured credit unions are insured up to \$250 thousand dollars.
- Not one penny of insured savings has ever been lost by a member of a federally insured credit union.
- Credit Unions, including BFG Federal Credit Union, focus on members not profits. We remain a safe haven in this economic storm.
- As member-owned cooperatives, Credit Union balance sheets are not affected by the whims of the stock market.

And one final note, Credit Unions are here to stay. BFG Federal Credit Union will celebrate our 74<sup>th</sup> anniversary in 2009 and we invite you to celebrate with us!

If you have any concerns please feel free to call us at 800-306-4400 ext. 4126 and speak with one of our Membership Service employees about your insured accounts.

*Michael J. Owens*

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President/CEO