

How to protect  
yourself from fraud.  
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# insight

NEWSLETTER SUMMER 2020

## A Message from the President

Welcome to Summer 2020! Just as the Roaring 20's brought many positive changes to this nation my hope is that many positive changes will be the result of the struggles we are going through as a nation in 2020. Personally, I believe good things often come from bad. COVID-19, our economy and racial tensions have shaken us to our core, but there are lessons learned and new beginnings. Mother nature heals herself. From this will come a new normal ... a cleaner, safer, healthier world; a cleaner environment; a new way of working that is more efficient; equality, diversity, and inclusion.



Please be assured that Century Federal Credit Union has always been committed to equality, diversity, and inclusion. Our mantra "Together We're Better" not only encompasses our staff and how we work, but how we serve our members as well. We celebrate and recognize our employees, Select Employee Groups and member's diversity of style and need. For our members, this means needs satisfied, commitments met, enjoyable interaction, trustworthy relationships, and financial peace-of-mind. We are an organization focused on connecting on a personal level. We have the privilege of serving our members, employers and our employees. What a gift!

2020 has also seen an increase in bad actors and fraud throughout the financial services industry. When folks experience desperate times, they have a greater propensity to perform desperate acts. Of course, there will always be those whose goal is personal gain by hurting others regardless of the circumstances. The world has changed from the bank robber armed with guns, to bank robbers armed with electronics. Your personal information including your address, social security number, date and place of birth and mother's maiden name are all now common public knowledge and readily available to these criminals as a result of many breaches of huge databases containing this information. The United States Office of Personnel Management (OPM) experienced the largest breach of government data in the history of the United States in June 2015 and resulted in approximately 21.5 million records containing this information. On Labor Day 2017 Equifax (your credit score database) was breached releasing not only your personal information, but also information about where you bank, your loans and credit/debit cards for more than 147 million Americans. Certainly, the Credit Union is small bananas when it comes to database breaches and thus far, **we have not experienced a breach**. Let me assure you that CFCU's databases are constantly monitored for intrusion and we have forensic audits performed routinely.

Recently, some of our members have been contacted by criminals who have identified themselves as Century Federal Credit Union staff. Because the criminal knew personal information obtained from the internet, they tricked some of our members into giving them access to their accounts by convincing the member to give them their account numbers, credit/debit card numbers and personal identification numbers (PINs). NEVER, NEVER, NEVER give out this information via phone, email or text. WE WILL NEVER ASK FOR THIS INFORMATION... we don't need to; other than your PIN (which is yours and yours alone), we have all the information that we need. Please help us to help and protect you

YOU HAVE A DUTY TO PROTECT YOUR CONFIDENTIAL INFORMATION. **No one, other than YOU, should have your PIN.** If you experience one of these attempts to get your account information, hang up immediately and call us directly. If you know that your accounts have been compromised in any way at another institution, including debit/credit cards, PLEASE CALL US AND LET US KNOW. We will mark your account accordingly. And please - have patience with us if we ask you annoying questions! We are just trying to make sure you are really you!

My intention is not to scare you, but to make sure that you are diligent in protecting yourself. If we can help in any way, please reach out. I wish you and your families a safe, HEALTHY and fun summer.

Sharon Churchill  
President & CEO



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### FEATURED RATE

Home Equity Loans  
as low as

**2.75%**  
APR\*

\*APR= Annual Percentage Rate. Credit limits and rates are subject to creditworthiness and can change anytime without notice.

[www.CenFedCU.org/low-rates](http://www.CenFedCU.org/low-rates)

## BRANCH CLOSURES

- Independence Day  
**SATURDAY, JULY 4\***
- Labor Day  
**MONDAY, SEPTEMBER 7**

\*Please visit [www.CenFedCU.org](http://www.CenFedCU.org) for details on July 4th closures.



### Working to keep our members and employees safe.

We continue to practice social distancing in all of our open branches. All health and safety measures that we are taking are visibly posted at the door of each branch.

For the most up-to-date information about the steps we're taking across our business and branch locations to help keep our members and employees safe and healthy, visit our website at [www.CenFedCU.org](http://www.CenFedCU.org).



This credit union is federally insured by the National Credit Union Administration.



## Knowledge is Power When it Comes to Fraud Prevention.

Are you protecting your personal and financial information? Each year, scam artists and identity thieves steal billions of dollars from unsuspecting consumers. These criminals use the phone, email, text messaging, postal mail and the internet to steal your information or trick you into handing over your money and private information. It's important to us to help all of our members learn how to recognize common scams, take action if you think you are a victim of fraud, and learn what you can do to protect your finances from fraud.



### **Be Aware of Phone Number Spoofing Fraud Attempts!**

Phone spoofing is when a fraudster makes another person's or company's phone number appear on the receiver's caller ID in an attempt to impersonate that individual or organization. If you receive a phone call, email or text claiming to be from CFCU, asking you for personal identification, member number, or account information, **DO NOT RESPOND!** Fraudsters may attempt to "spoof" legitimate Century Federal phone number(s). Legitimate calls, emails or texts from CFCU would never contain a request for account information.

No one from Century Federal will ever ask for your debit or credit card number on a phone call, email, or text message. If our credit card fraud department ever calls to confirm activity, they will only discuss suspicious transactions with you. They will never ask for a PIN or other non-public information. If you feel uncomfortable giving this information to someone that calls, you can always terminate the call and call us back at the number on the back of your card or by contacting Member Services directly at 216-535-3200.

If you receive a phone call asking for personal information:

- DO NOT give any personal information
- Request the name of the person who is calling you
- Hang up and please call Member Services at 216-535-3200 immediately

### **Bank Safely & Securely 24 Hours a Day with Online and Mobile Banking**

With Online Banking, you never have to stand in line or restrict yourself to fixed business hours – your computer or mobile device is your personal Century Federal branch that's always open! Manage your money, update your contact information and perform transactions in seconds – conveniently and securely 24 hours a day, 7 days a week.

Online and Mobile Banking Services include the ability to safely and securely:

- View account balances, histories, and daily transactions
- Deposit checks remotely by using the **CFCU Online** mobile app
- View your direct deposits
- Easily transfer funds between your Century Federal accounts
- Make loan payments
- Pay bills from your checking account with Bill Pay
- Set up Account Alerts to notify you of account transactions, balances, and more
- View and print account statements with eStatements
- Transfer funds to and from other financial institutions with External Transfers
- Access your Century Federal credit card account and information
- Apply for a loan
- And more! Visit [www.CenFedCU.org/online-banking](http://www.CenFedCU.org/online-banking) for more information.



**Bank any time of day or night with Century Federal's Online and Mobile Banking! Visit: [www.CenFedCU.org/online-banking](http://www.CenFedCU.org/online-banking) for more information.**

Whether you anticipate filling your post-work life with family and friends, or traveling the world in search of your next adventure, preparing for retirement should be an exciting, joyful endeavor. But, what if your retirement dream comes to fruition as the markets take a turn for the worse? Considering that almost half of Americans view running out of money in retirement as their prime concern, retiring during periods of volatility may be a worry for many.<sup>1</sup>

It's a simple fact that no one can predict how stock markets will behave. When markets become volatile, they can have significant impact on even the most seasoned investor's outlook. Fortunately, with some knowledge and the help of a financial professional, you may be able to weather the storm and continue to pursue your retirement goals.

### A Potentially Risky Sequence

During periods of relative stability, the order in which you take your returns may seem like a minor factor. But understanding your "sequence risk" may be helpful during periods of volatility. Sequence risk, which is also called "sequence of returns risk," is your potential for lower or negative returns when making withdrawals from an investment portfolio during a down year.<sup>2</sup> This is one of the many concepts your financial professional can illustrate on your behalf. But how does it work, exactly?

### It's All About Timing

No matter how robust your portfolio, once you start withdrawing income from your investments, the change in the order of your returns has an impact.

Let's say that 20 years ago, you invested \$2,000,000 and experienced a hypothetical 12% loss in the first year. Over the next 19 years, your portfolio had natural ups and downs, outside of that initial 12% loss. But because of that early dip, your overall value is significantly less. Now imagine the same scenario, but you experience a hypothetical 12% gain in the first year. With all other factors being the same, your overall investment is much healthier at the end of that same 20-year period. True, a small loss may not seem like a big deal, but once you transition into retirement, the sequence of returns will have an impact.

This is where the "risk" portion of the sequence of returns risk comes in. Ultimately, it's best to work closely with a financial professional who can guide you through scenarios, showing how various returns affect portfolio balances over time. They can also suggest some ways to guide your retirement, while keeping your sequence of return risk in mind.

### Fine-Tune Your Withdrawal Rate

In the 1990s, a guideline for retirement distribution called the Four Percent Rule became popular, and it's sometimes still used today. Analyzing the historical returns of portfolios that featured an approximate balance of 50% stocks and 50% bonds, the original study determined that retirees could withdraw 4% each year over thirty years without running out of money.<sup>3, 4, 5</sup>

However, many effective strategies forgo the Four Percent Rule and instead focus on a more conservative withdrawal rate based on historical and projected returns.<sup>6</sup> It's important to remember that past performance does not guarantee future performance. If you find yourself in an environment with low interest rates, you and your financial professional may decide that your 4% withdrawal may need to be adjusted. For some, it may make sense to take a more conservative withdrawal rate of 3% or even 2.5%.

**Contact Skylight today by calling 216-592-7315, emailing [CFCUteam@skylightfg.com](mailto:CFCUteam@skylightfg.com), or visiting [www.skylightfinancialgroup.com](http://www.skylightfinancialgroup.com).**

Adapted from Platinum Advisor Strategies

Investment Products and Services offered are: Not a bank or credit union deposit or obligation; Not FDIC or NCUA insured; Not insured by and federal government agency; Not guaranteed by any bank or credit union; and may go down in value.

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Century Federal Credit Union is not a subsidiary or affiliate of MML Investors Services, or its affiliated companies.

1. AARP.com, 2019

2. Investopedia.com, 2020

3. This is a hypothetical example used for illustrative purposes only. It is not representative of any specific investment or combination of investments.

4. The study reviewed portfolios for every 30-year span going back to 1926-1955.

5. Past performance does not guarantee future results. The portfolios in the study were comprised of large-capitalization stocks and intermediate-term U.S. Treasury bonds. The return and principal value of stock prices will fluctuate as market conditions change. And shares, when sold, may be worth more or less than their original cost. U.S. Treasury bonds are guaranteed by the federal government as to the timely payment of principal and interest. However, if you sell a Treasury bond prior to maturity, it could be worth more or less than the original price paid.

6. Forbes, 2019





# COMING SOON

Our Lyndhurst branch will be relocating to 754 Richmond Road in Richmond Heights this summer!

- Stay tuned for Grand Opening updates!

## FUNDS AVAILABILITY POLICY DISCLOSURE

The following changes to Century Federal Credit Union's Funds Availability Policy Disclosure will go into effect on **July 1, 2020**.

	Current \$ Amount	Adjusted \$ Amount
"Minimum Amount"	\$200	\$225
"New-Account Amount"	\$5,000	\$5,525
"Large-Deposit Threshold"	\$5,000	\$5,525
"Repeatedly Overdrawn Threshold"	\$5,000	\$5,525

## MEMBER NOTICE

A new date has been chosen for the **2020 Virtual Annual Meeting!**

**August 20, 2020**  
**5:30PM**

Stay tuned for more details.



*Together We're Better!*

**MEMBER SERVICE CENTER**  
216-535-3200

**DOWNTOWN**  
AJC Federal Building  
1240 E. 9th Street, #719  
Cleveland, OH 44199  
M-F: 8:00 AM - 3:30 PM  
216-535-3290  
ATM

**INDEPENDENCE**  
4600 Rockside Road  
Independence, OH 44131  
T-F: 9:30 AM - 6:00 PM  
SAT: 9:00 AM - 2:00 PM  
216-535-3410  
Drive-up ATM

**LYNDHURST**  
5465 Mayfield Road  
Lyndhurst, OH 44124  
M, T, TH: 8:30 AM - 4:00 PM  
F: 8:30 AM - 6:00 PM  
SAT: 8:30 AM - 2:00 PM  
216-535-3800  
ATM, Night Drop, Coin Machine

**MORTGAGE LOAN CENTER**  
216-535-3210

**NASA Employees Only**  
21000 Brookpark Road  
Building 15  
Cleveland, OH 44135  
M-F: 8:00 AM - 3:30 PM  
216-535-3400  
ATM, Coin Machine

**NORTH OLMSTED**  
28251 Lorain Road  
North Olmsted, OH 44070  
M-TH: 8:30 AM - 4:00 PM  
F: 8:30 AM - 6:00 PM  
SAT: 8:30 AM - 2:00 PM  
216-535-3100  
Drive-up ATM, Coin Machine

**RTA HAYDEN Employees Only**  
1661 Hayden Avenue  
East Cleveland, OH 44112  
M, W, F: 9:30 AM - 4:00 PM  
216-535-3280  
ATM

**SHERWIN-WILLIAMS**  
101 Prospect Avenue, Lobby  
Cleveland, OH 44115  
M-F: 8:30 AM - 4:00 PM  
216-535-3700  
ATM

**STRONGSVILLE**  
14244 Pearl Road  
Strongsville, OH 44136  
T-F: 9:30 AM - 6:00 PM  
SAT: 9:00 AM - 2:00 PM  
216-535-3260  
Drive-up ATM, Night Drop,  
Safe Deposit Boxes, Coin Machine

**WADE PARK VAMC**  
10701 East Blvd., 1-E210  
Cleveland, OH 44106  
M-F: 8:00 AM - 3:30 PM  
216-535-3600  
ATM