



FOCUS

A PUBLICATION FOR THE MEMBER/OWNERS OF
CALTECH EMPLOYEES FEDERAL CREDIT UNION

PRESIDENT'S MESSAGE

What's Involved When You're a Trustee or Executor to an Estate?



Rich Harris
President/CEO

Over the years, I've seen people say yes to a responsibility they just don't know enough about. And, once they've said yes — to being a trustee or executor to an estate, it's hard to turn back.

Of course, if you are agreeing to this role for another family member, it may be one of obligation. There's great pride in being asked — a strong vote of confidence in your judgement and ability. It is, nonetheless, also a major responsibility.

If it's a simple trust, your responsibility may be successfully concluded in about six months, once the trust assets have been distributed to the beneficiaries. If it's a more complex trust, you could have ongoing responsibilities lasting years.

An executor is a person designated in a will to see that the deceased's last wishes are carried out and to settle the deceased's probate estate. An executor's job typically lasts from a few months to two years.

If you're asked to be the trustee of an ongoing trust, by contrast, your job could potentially go on for decades. A trustee is in charge of selling assets held by the trust, investing the money in the trust, making distributions (at times very complex) and filing tax returns. Attorneys often say the trustee's job is very hard and has the potential for personal conflicts.

ARE YOU PREPARED TO TAKE ON THE DUTIES OF AN EXECUTOR OR TRUSTEE?

How prepared are you to take on the duties related to a trust? Here are several questions to ponder before you take on this responsibility.

1.) Have you read the trust? The trust document is your instruction manual. It tells you what you should do with the funds or other property you will be entrusted to manage. Make sure you read the trust, understand it and ask the drafting attorney any questions you may have.

2.) Do you have the temperament necessary to carry out the intent of the grantor — the person who asked you to be the executor or trustee? As you sort through legal and financial matters, you'll confront a range of personalities. The more complex the trust, the more responsibility you will have to bear.

3.) What is your relationship to the trust? Are you a trusted friend or are you the chosen child or sibling? There's no set formula but depending on family dynamics, if one child is chosen over others, it gives that person a lot of power and discretion that may cause disturbance in family relationships. Whether a family member



IT CAN BE
REWARDING
TO FULFILL THE
WISHES OF A
LOVED ONE.
BUT, IT'S
IMPORTANT
TO FULLY
UNDERSTAND
WHAT IS
EXPECTED OF
YOU BEFORE
AGREEING TO
BECOME AN
EXECUTOR
OR TRUSTEE.

Sometimes a “Small Change” Makes a Big Difference



A fixed APR* of **3.99%** is what you'll pay on all purchases...balance transfers... and cash advances posted to your **CEFCU Mastercard®** from Nov. 20th to July 19, 2018!

Yes, you read that right! CEFCU has never offered a credit card rate this low.

The better news is **you will continue to enjoy this discounted rate on those 3.99% APR purchases, balance transfers, and cash advances through Jan. 19, 2019!** In other words, if you use your CEFCU card when the promotional period begins, **you could reap the savings for up to 14 MONTHS!**

If you're already a CEFCU Platinum Mastercard holder, just use your card and watch your savings grow.

If you're not yet a CEFCU Mastercard holder, now's a great time to apply and take advantage of this great rate.

*APR=Annual Percentage Rate. Promotional rate of 3.99% APR applies to all purchases, balance transfers, cash advances, and convenience checks posted to your account between Nov. 20, 2017, and July 19, 2018. The promotional rate will expire on Jan. 19, 2019. Balance transfers and convenience checks cannot be used to pay off existing CEFCU loans.



Same Day ACH: Moving Payments Faster



As part of an effort to improve and modernize the U.S. payments system, you may have already noticed changes in the times during the day that we apply electronic Direct Deposits to your account.

These changes are being made to help provide you with faster access to funds for same-day Direct Deposits to your account using Automated Clearing House (ACH). ACH is an electronic network for financial institutions in the United States used to process payments.

Coming soon, the above noted change will also include electronic **debit payments** to your account. Electronic debits are commonly known as Direct Payment, Direct Debt and ACH Debit.

This improvement allows for faster and easier electronic payments, which means that certain electronic payments may post to your account the same day they are made. We encourage you to always have sufficient funds in your account to cover every payment you make, authorize or initiate. You should also frequently review your account statements and transactions.

Are You Prepared to Be an Executor or Trustee?

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or the trusted friend, do you have all of the information you need to protect and allocate assets? Some trustees describe their responsibility like a private eye — you may have to know how to dig for assets. Finding dusty stock or bond certificates in a drawer, rather than at a brokerage firm, may be a clue there are more awaiting discovery.

4.) Do you know the rules? Each state has specific laws on executors' responsibilities, along with timetables for them to perform their duties. Paying the funeral expenses, publishing death notifications and filing estate tax returns are just a few examples of what might be required. Many executors hire lawyers and accountants to manage the entire process, which is of course much more expensive. Either way, you need to strictly follow the law — you may be personally liable for the proper administration of the estate. If you misrepresent the value of any assets, you could be held accountable by the IRS or by the beneficiaries. If you're found to have short-changed the heirs, you could be required to reimburse them out of your own pocket or pay fines.

5.) Can you afford to be an executor or trustee? If you live in another state, will you need to travel to fulfill your obligations? If so, how often? Will the estate cover travel expenses? Also, you need to consider the value of your time. Time commitments can be like a second job — especially if the trust details discretionary distributions to beneficiaries related to health, well-being, education, home ownership or business endeavors.

6.) Delegation. While you cannot delegate your responsibility as trustee, you can delegate all of the functions related to investing, taxes and distribution. One of your jobs is to keep track of all income to, distributions from, and expenditures by the trust. You will also need to consult with an attorney from time to time. However, remember, YOU are ultimately responsible to the beneficiaries for prudent management of the trust assets.

7.) And finally, be careful not to mix your assets with those of the trust.

It's a rewarding opportunity — to successfully fulfill the wishes of a loved one. But it's very wise for all concerned to think twice before saying yes.

Convenience, Security Upgrades for Mobile Access App

We've taken Mobile Access to another level by providing members with quick and convenient access, coupled with another level of security.

With this upgrade, members may opt to enroll in Quick Access, which gives users the ability to quickly log into a CEFCU account using fingerprint technology. Once set up, the user will have the option of logging in using their fingerprint or by entering their username and password.

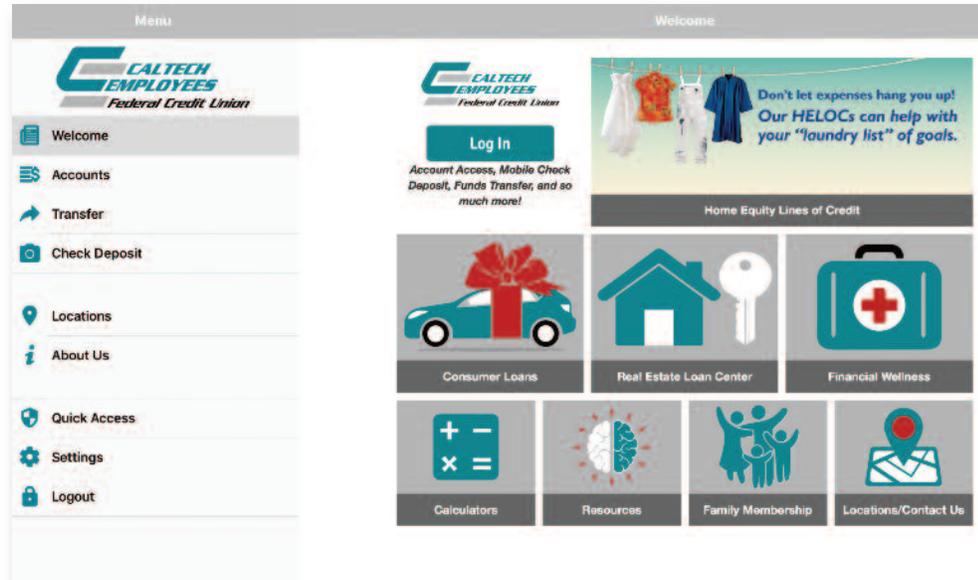
Current Mobile Access users will notice a new welcome page with tiles directing them to popular pages on the CEFCU website. Now, it's easier than ever to apply for a loan — real estate or consumer — use financial calculators and more.

And, don't forget the other great features of Mobile Access, such as mobile check deposit up to \$20,000 daily,

transfers of funds between CEFCU and external accounts, account activity and Mastercard access.

Visit the app store to launch your

upgrade today! Not yet a user? Download the app for your smart phone device by searching for Caltech Employees Federal Credit Union.



Mobile Access users will see a new welcome page with easy navigation links to the most popular pages on the CEFCU website.

We're Here for You...No Matter Where Here Is!



Offering only those products we do best — anywhere. Around the country. Around the clock.

A lot has changed since CEFCU was first “here for our members” over 67 years ago. Thanks to our continually evolving, cutting-edge technology, **“here” has become as close as your mobile devices.** . . .wherever you have internet access.

But one thing has not changed: **Our commitment to bring you the very best value in our savings and borrowing products.** If you are looking

for top rates on fully liquid savings with total security, you'll find them here at CEFCU. If it's time to realize your dreams with a low-cost loan, you'll find those here, too.

Deposit checks, transfer funds to or from outside financial institutions, apply for a loan or make a CEFCU Mastercard® payment. And do it all online using your computer, tablet, or mobile phone, so **“here” can now be anywhere. Any time.**

No wonder we have continued to grow to over \$1.5 billion strong. Like all our members, **you know you can depend on us. . .for your here and now. . .and, more importantly, for your tomorrow.**

We are **HERE for YOU.**

Current savings dividends & loan rates available at www.cefcu.org. All loans subject to credit approval. Rates and terms subject to change without notice. CEFCU does not make private party auto loans or real estate loans outside California.



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 Drive Up: 8:30 a.m.-4:45 p.m. M-Th
 8:30 a.m.-5:15 p.m. F

REAL ESTATE LOAN CTR.

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WEBSITE

www.cefcu.org

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Manage and Protect Your Identity

Personal data, including birth dates, credit card numbers, Social Security numbers and more, were obtained in the recent Equifax data breach. The identity theft opportunities are multiple and could be used to open and obtain fraudulent accounts and loans for years to come. We encourage you to manage and protect your identity by following these suggestions:

1. Set fraud alerts on all three bureaus: Equifax, Experian, and TransUnion.
2. Monitor credit activity (www.annualcreditreport.com).
3. Reset account passwords, PIN codes and other log-in credentials on financial accounts that may be vulnerable.
4. Establish multiple-authentication protocols for financial accounts and email, when possible.
5. Sign up for a credit monitoring or identity theft protection service.

FINANCIAL UPDATE

As of June 30, 2017

| | |
|----------------------|-----------------|
| Assets..... | \$1,572,748,382 |
| Shares..... | \$1,412,560,867 |
| Loans..... | \$ 414,703,953 |
| Member Accounts..... | 35,858 |

LOAN RATES & TERMS

| Type of Loan | Annual Percentage Rate (APR) | Approximate Maximum Term |
|---|------------------------------|--------------------------|
| PERSONAL LOANS | | |
| Personal Line of Credit (Variable)..... | 11.00% | Open End |
| Mastercard® (Variable)..... | 10.00% | Open End |
| Short Term Personal Loan..... | 9.00% | 24 months |
| | 10.00% | 36 months |
| | 10.50% | 48 months |
| Share Secured Loan (Variable)..... | 2.15% | Open End |

VEHICLE LOANS

| | | |
|--|--------|------------|
| New/Pre-Owned Autos — Purchase and Refinance* | | |
| 100% Financing (Current & prior 5 years)..... | 1.45%^ | 36 months |
| 100% Financing (Current & prior 5 years)..... | 1.85%^ | 60 months |
| 100% Financing (Current & prior 5 years)..... | 2.85%^ | 84 months |
| 80% of Retail Blue Book (6 years & older)..... | 3.85% | 60 months |
| New/Pre-Owned Motorcycles* | | |
| 80% Financing..... | 3.99% | 60 months |
| 100% Financing..... | 4.99% | 60 months |
| New/Pre-Owned RVs* | | |
| 100% Financing..... | 7.25% | 120 months |
| 80% Financing (6 years & older)..... | 9.00% | 84 months |

* Financing includes purchase price or Retail Blue Book value plus tax, license, documentation fees, mechanical breakdown protection, GAP, and extended warranty.

^ Includes 1% rate discount for payment by Automatic Transfer. Lower rate or refinancing option does not apply to current CEFCU loans or any vehicles that have been financed by CEFCU in the past 12 months.

REAL ESTATE LOANS

| | | |
|---|--|------------|
| First Trust Deed..... | Visit us online at www.cefcu.org or call 800/592-3328, x404 | |
| Second Trust Deed | | |
| Primary/Secondary Residence (Fixed)..... | 4.95% | 180 months |
| Rental Property (Fixed)..... | 9.75% | 120 months |
| Home Equity Line of Credit (Variable)..... | 3.75% | Open End |
| 10-Year Interest Only HELOC (Variable)..... | 4.00% | 120 months |



Catech Employees Federal Credit Union publishes this reference guide as a service to our members. It is designed to be used for general information and is not meant to be a full disclosure. Rates and terms are those in effect at time of printing, and are subject to change without notice. For applications or detailed information, please call the Credit Union today. Equal Housing Lender. Equal Opportunity Lender. NMLS #626590. Effective Oct. 1, 2017.



Holidays: Columbus Day, Monday, October 9th • Thanksgiving Day, Thursday & Friday, November 23rd & 24th
 Christmas Day, Monday, December 25th • New Year's Day, Monday, January 1st