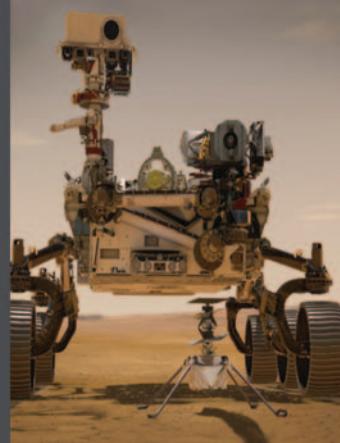


FALL 2025

FOCUS

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



Share the Winning Formula

Your immediate family can now score all the benefits of CEFCU membership.

For 75 years, Caltech Employees Federal Credit Union has proudly served the exclusive Caltech and JPL community — and your family is a vital part of that team. We feel privileged to continue to serve generations of members who rely on and trust our Credit Union for their financial needs.

FAMILY MEMBERSHIP KICKS OFF WITH YOU!

It's time to extend this financial advantage to your immediate family. **This includes your spouse or significant other living under the same roof, as well as your parents, children, siblings, grandparents, and grandchildren — by blood or marriage.**

Once they join, they'll enjoy the same competitive rates and trusted service you do. In turn, they can pass along our outstanding financial value to their entire immediate family.

SCORE MORE THAN JUST A SMILE.

Whatever your goals, we're here to help you make them happen. And we can help make your family's dreams a reality too. Whether you want to help your kids or grandkids get a head start on saving, boost your own funds, or score your folks the safest place for their nest egg, our Credit Union is here for you and your family.

From buying a car or a home to covering everyday expenses or unexpected costs, our



Family membership starts with you and can be shared with your entire immediate family. In turn, they can pass along the advantages of membership to their families for generations to come.

low-cost loans are designed to fit your life — and your budget. With flexible terms, low rates, and personalized support every step of the way, we make borrowing simple and affordable.

INVITE THEM ALL TO JOIN THE TEAM!

Whether your family is located across the dining room table or across the country, they can join our "one-of-a-kind" Credit Union team. They can open and fund a new account in person or online at www.cefcu.org.

It's just that easy to get your family off the bench and in the game today by sharing the perks of membership in CEFCU!



Must qualify for CEFCU membership to join. Minimum opening deposit of \$5 and one-time \$5 membership fee due upon opening any CEFCU Share Account. Federally insured by NCUA. All loans subject to credit approval. Rates and terms subject to change without notice. CEFCU is an Equal Housing Lender.

Compare a 5/5 ARM vs. a 30-Year Mortgage

The 5/5 ARM is not your typical loan, but it might be a smart one.

Before walking through open houses or browsing listings, it's worth asking a more foundational question: **How will you finance the purchase?** Understanding what's available — from loan types to interest structures — can help you choose a home loan that aligns with your financial goals.

While the traditional 30-year fixed-rate mortgage remains the most widely used, there are other home loan options worth considering. As the housing market continues to shift, more borrowers are exploring alternatives — among them, the 5/5 Adjustable-Rate Mortgage (ARM), a loan type that offers a measured balance between stability and flexibility.

WHAT IS A 5/5 ARM?

A 5/5 Adjustable-Rate Mortgage is a home loan that offers a fixed interest rate for the first five years of the loan term. After this period, the rate adjusts every five years based on an external index, plus a fixed margin set by the lender.

This differs from more common ARMs, like the 5/1, which resets annually after the initial fixed period. The five-year adjustment interval provides greater stability over time, making the 5/5 ARM more predictable than other adjustable-rate options.

Most 5/5 ARMs include rate caps, which limit how much the interest rate can rise (or fall) at each adjustment and over the life of the loan. These caps offer some protection against sharp increases in borrowing costs; however, they do not eliminate risk. In all cases, CEFCU's 5/5 ARM is a fully amortizing loan.

IS A 5/5 ARM THE RIGHT CHOICE FOR YOU?

The 5/5 ARM may be worth considering if:

- You expect to sell or refinance within the first 5-10 years.
- You're comfortable with some level of interest rate risk.
- You have financial flexibility to absorb future rate increases.
- You're actively monitoring the market and plan accordingly.



30-YEAR FIXED

Higher initial rate. Starts higher, but remains steady over the entire loan term.

Fixed rate for full term. Monthly payments stay consistent from start to finish.

Best for long-term stability. Suited for buyers who plan to stay in the home for decades.

Higher long-term cost. May pay more in interest over the life of the loan, especially in lower-rate environments.

Greater predictability. Easier to plan around consistent payments year after year.

5/5 ARM

Lower initial rate. Offers a reduced interest rate for the first 5 years, lowering early monthly payments.

Rate adjusts every 5 years. After the fixed period, the rate resets based on market conditions, once every 5 years.

Best for short- to mid-term plans. Ideal for buyers who plan to sell or refinance within 5-10 years.

Potential long-term risk. Future payments could rise if interest rates increase after the fixed period.

Greater early savings. Lower initial payments free up cash flow for other goals or expenses.

On the other hand, if your financial plans depend on long-term predictability — or if even a modest payment increase would challenge your finances — a traditional fixed-rate mortgage may be the more prudent choice.

Additionally, borrowers who prioritize long-term stability may find greater peace of mind with a fixed-rate loan, even at the cost of a higher initial interest rate.

Over a 30-year timeline, the predictability of fixed payments can outweigh the upfront savings of an ARM.

KEY CONSIDERATIONS FOR A 5/5 ARM.

Take into account the selection of a home loan type is less about finding the "best" loan and more about choosing the one that fits your goals and timeline.

• **Look beyond the monthly payment.** Lower upfront costs may mask higher overall expenses. Once the fixed-rate period ends, payments may increase.

• **Don't assume refinancing will be available.** While commonly suggested, refinancing is not a guaranteed solution. A change in your income, creditworthiness, or property value could limit access to better terms.

WE HAVE SMART HOME LOAN OPTIONS!

The 5/5 ARM isn't a gimmick — and it isn't for everyone. For many borrowers, this loan option can deliver real savings and balanced risk. For others, the adjustable structure may present challenges over time. That's why it's key to review projections, weigh the total cost of the loan, and speak with a trusted mortgage advisor before deciding.

At CEFCU, our 5/5 ARM is one of our most popular loan products due to its flexibility, protection, and potential savings. With 30- and 40-year terms available — for both conforming and jumbo loan amounts — our 5/5 ARM is designed to give

Continued on back page.

PRESIDENT'S MESSAGE

Financial Protection is a Shared Responsibility



John K. Meeker
President/CEO

In a time when fraud, scams, and identity theft have become more prevalent, one of the most meaningful measures of our success happens quietly, behind the scenes,

when an attentive and trained CEFCU employee intercepts a threat before it can cause a member financial harm.

These moments remind us why we do what we do. Every time we intervene to safeguard a member, we protect more than just assets; we uphold our mission of security and trust.

At CEFCU, we take fraud detection and prevention very seriously. Protecting against scams and cyber threats is a shared responsibility. While we keep our members informed and prepared, we also commit significant resources to building stronger processes, reinforcing our systems, and empowering employees as a frontline defense against fraud.

On an organizational level, we continually invest in advanced security measures, robust systems, and protections such as advanced encryption and real-time monitoring to detect suspicious activity. Complementing these safeguards, we train and empower our employees to recognize threats, question irregular activity, and escalate concerns when something doesn't appear right.

We also work with trusted partners and leverage the latest technology to stay ahead of emerging risks — keeping your information and finances secure. Through these joint efforts, we have stopped scams from causing members a financial loss. We continue to implement and improve protections we have in place.

■ Daily Verification of New External Accounts. We contact members who add a new external account to confirm the request was authorized.

■ Cash Withdrawal Fraud Questionnaire. Members must complete a short questionnaire when requesting a large cash withdrawal.

■ Wire Transfer Verification.

All wire transfers require a completed questionnaire to validate the legitimacy of the transaction.

■ Account Change Monitoring.

When an update is made to contact information (such as email, phone number, or address), our team may reach out to confirm the changes.

■ Fraud Detection Systems.

We monitor for unusual logins, transaction patterns, or account changes and contact members if activity appears suspicious.

■ Mandatory Multi-Factor Authentication (MFA).

Members must complete MFA when accessing their account online from an unrecognized device.

While these extra steps may require additional effort on our part and yours, they have proven to be essential in preventing fraud and protecting members' financial well-being. Together — with your vigilance and our commitment — we can stay ahead of fraudsters and continue to protect what matters most.

CEFCU Strengthens Relations with Supervisor Barger and Other Legislators

In September, CEFCU leadership met with Los Angeles County Supervisor Kathryn Barger, representing the 5th supervisorial district, which is home to nearly two million residents, including thousands of CEFCU members. The discussion addressed the recent Los Angeles wildfires and the impacts — both immediate and long-term — on our community.

Supervisor Barger has been a strong advocate for residents in Altadena, Sierra Madre, and Pasadena affected by the Eaton Fire. Her efforts include advancing recovery through the Blueprint for Rebuilding, securing permit fee relief, streamlining processes within the Unified Permitting Authority, developing strategic community partnerships, and hosting public forums to ensure resident input is valued and addressed.

CEFCU expressed deep appreciation for Supervisor Barger's commitment to the community and established a direct point of communication with her office to support members through the rebuilding process. "Having relationships in our local community is paramount to providing unsurpassed service, especially during challenging times. CEFCU's leadership and involvement in the region's recovery efforts exemplify our unique difference as a financial partner to our members," said John Meeker, President/CEO.

CEFCU has also met with other key legislators, including U.S. Representative Judy Chu and Assemblymember John Harabedian, to advocate for issues critical to the credit union movement. These on-going discussions strengthen our ability to serve members and safeguard their interests.



Los Angeles County Supervisor Kathryn Barger (left), with CEFCU President/CEO John Meeker (center) and Chief Marketing Officer Pattyl Aposhian Kasparian.

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FAX 818/952-4382
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Drive Up: 8:15 a.m.-4:45 p.m. M-Th
8:15 a.m.-5:00 p.m. F

REAL ESTATE LOAN CTR.

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8:30 a.m.-4 p.m. F

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FAX 626/568-9536
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8:30 a.m.-4 p.m. F

WEBSITE

www.cefcu.org

CREDIT UNION OFFICIALS

BOARD OF DIRECTORS
Steve Proia, *Chair*
Laurice Balian, *Vice Chair*
John K. Meeker, *Treasurer*
Peter Rinde, *Secretary*
Joe Courtney, *Director*
Dlorah Gonzales, *Director*
Ann Martin, *Director*
John Patterson, *Director*
Theresa Slowskei, *Director*

SUPERVISORY COMMITTEE
Theresa Slowskei, *Chair*
Aleen Boladian, *Member*
Walt Boyd, *Member*
Brian Corcoran, *Member*
Debbie Lee, *Member*

**CHECK OUT
OUR LOW
LOAN RATES**

5/5 ARM vs. 30-Year Fixed

Continued from page 2.

borrowers more options to meet their unique needs. Built-in rate caps provide an added safeguard, making this a powerful choice for first-time buyers as well as current homeowners seeking lower monthly payments or extended terms at competitive rates.



Explore all our home loan solutions by visiting the CEFCU Real Estate Loan Center at www.cefcu.org or call **800/592-3328 ext. 404**. Our dedicated real estate lending team is ready to guide you every step of the way.

Current CEFCU rates, terms and fees can be found on our website. Rate is locked upon completed application or upon receipt of a fully executed purchase contract. Real Estate loans are available only for residential properties in the state of California. Certain exceptions may apply for jumbo loans or property types. Property insurance is required. All loans subject to credit approval. Rates and terms are subject to change without notice. NMLS #626590. CEFCU is an Equal Housing Lender.

FINANCIAL UPDATE

As of August 31, 2025

Assets.....	\$2,120,311,971
Shares.....	\$1,610,004,226
Loans.....	\$ 634,436,623
Member Accounts.....	37,771

LOAN RATES & TERMS

Type of Loan	Annual Percentage Rate (APR)	Approximate Maximum Term
PERSONAL LOANS		
Personal Line of Credit (Variable).....	14.50%	Open End
Mastercard® (Variable).....	13.50%	Open End
Short Term Personal Loan.....	7.95%^ 8.25%^ 8.95%^	24 months 36 months 60 months
Share Secured Loan (Variable).....	3.86%	Open End
^ Includes 1% rate discount for payment by Automatic Transfer. Lower rate or refinancing option does not apply to current CEFCU loans.		
VEHICLE LOANS		
New/Pre-Owned Autos — Purchase and Refinance*		
100% Financing (Current & prior 5 years).....	4.59%^	36 months
100% Financing (Current & prior 5 years).....	4.59%^	60 months
100% Financing (Current & prior 5 years).....	4.99%^	72 months
100% Financing (Current & prior 5 years).....	5.49%^	84 months
80% of Retail Value (6 years & older).....	4.99%^	60 months
New/Pre-Owned Motorcycles*		
100% Financing.....	7.25%^	60 months
80% Financing (6 years & older).....	7.25%^	60 months
New/Pre-Owned Recreational Vehicles*		
90% Financing.....	7.95%	120 months
80% Financing (6 years & older).....	9.00%	84 months
* Financing includes purchase price or retail 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 ext. 404	
Second Trust Deed.....		
Primary/Secondary Residence (Fixed).....	6.95%	180 months
Rental Property (Fixed).....	8.25%	120 months
Home Equity Line of Credit (Variable).....	7.15%	Open End
10-Year Interest Only HELOC (Variable).....	7.25%	120 months



This reference guide is provided as a service to our members for general information and is not meant as a full disclosure. See specific loan disclosures for further details. Rates and terms are those in effect at time of printing and are subject to change without notice. All loans subject to credit approval. Equal Housing Lender. NMLS #626590. Effective October 1, 2025.

