

# Columbine

## FEDERAL CREDIT UNION

TO: Members of Columbine Federal Credit Union  
FROM: Columbine FCU's Board of Directors and CEO  
RE: An Important Notice Regarding Your Accounts  
DATE: March 27, 2009

Despite the severe financial crisis, Columbine Federal Credit Union's financial status has remained strong. However, it is unrealistic to expect that the entire credit union industry will remain unscathed. You may have read in the press that two "big credit unions" were placed into conservatorship on Friday, which means they are still operating normally but under the control of the U.S. government. Here are some points we want you to know:

- These two credit unions (U.S. Central Federal Credit Union, Lenexa, KS and WesCorp Federal Credit Union, San Dimas, CA) are not regular credit unions like ours that serve consumers. They are among a small number (28) of wholesale institutions that do not serve consumers; they provide liquidity, investment and payments services to credit unions like ours.
- Because of the nature of what they do, these corporate credit unions operate in the capital markets and hold highly-rated, investment-grade securities. But like so many others in those markets, they have seen the value of their investments decline in the current economic downturn, resulting in some actual losses. In the case of these two corporate credit unions that were written about in the press, the losses were significant enough so that the government had to step in.

What does all this mean for members of our credit union? It's business as usual. The same level of quality service you receive from our credit union will continue. Our service to you is not affected by these government actions. And of course your own funds here are safe. Our credit union is federally insured up to \$250,000 by the National Credit Union Share Insurance Fund and backed by the full faith and credit of the U.S. Government, just as the FDIC does for bank deposits. No credit union member has ever lost a dime of federally insured funds.

And finally, we remind you that credit unions have been serving members in the U.S. for 100 years, through good times and bad. We are well positioned to remain strong. Please do not hesitate to call us at 720-283-2346 if you have any questions or concerns.

*Deonne Martinez*

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