

Smart  
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**Education First**  
— FEDERAL CREDIT UNION —

June 2018

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## We're wishing you a spook-tacular October!

From here on out, things are going to be super busy around here! All good things, of course!

Here's some important things to note during October:

- **All branches will be closed on Monday, October 14th, in observance of Columbus Day.** You will still be able to access Online Banking during this time.

- **ICU Day is Thursday, October 17th.** International Credit Union Day is a holiday for credit unions to celebrate our members! Stop by any Education First branch on Thursday, October 17th for snacks and some really cool prizes. Trust us - you don't want to miss this year's giveaway!

- **Jasper Ribbon Cutting is on Tuesday, October 29th!** To celebrate the opening of our new Jasper branch location, we will have a ribbon cutting on Tuesday, October 29th at 11am! Members are welcome to join us for refreshments and giveaways.

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## Gold Credit Card Holders - Did You Know You're Earning Points?

All Education First Gold Card holders who have been issued new EMV cards are still earning points that can be redeemed with **uChoose Rewards**. No need to re-register.

Here's some perks of being part of the uChoose Rewards program:

- Earn points redeemable for event tickets, merchandise, travel, and more
- Earn one point in rewards for each dollar spent just by simply using your Education First Visa® Gold Card
- Earn extra points by shopping at participating merchants
- Track points through your uChoose Rewards account
- Redeem points with a full online catalog of redemption options

During October, participating locations are offering extra points by shopping with them:

- AMC Theatres - earn 5 points for every \$1 spent
- Kohl's - earn 5 points for every \$1 spent
- Sam's Club - earn 5 points for every \$1 spent
- Gap - earn 5 points for every \$1 spent
- Macy's - earn 5 points for every \$1 spent
- Bed Bath & Beyond - earn 5 points for every \$1 spent
- CVS - earn 5 points for every \$1 spent
- Old Navy - earn 5 points for every \$1 spent

If you would like to sign up for this free and easy rewards program, [click here](#).

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The logo for 'Smart Living' is written in a white, cursive font on an orange banner that is part of a background image of four people smiling and looking at a smartphone.

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The logo for Education First Federal Credit Union, featuring a stylized 'E' inside a circle.

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## You Can Help Local Teachers Who Were Affected by Imelda!

We also understand the importance of extending support at times like this as well. That's why Education First and its partners, 12News and The Beaumont-Enterprise, have started the Imelda Educators Relief Fund. Education First has donated \$1,500 in seed money and hopes that the community will help to raise additional funds. The monies will be used to replace basic classroom supplies for teachers whose classrooms have been affected by floodwaters as a result of Tropical Storm Imelda.

### If you would like to donate to the Imelda Educators Relief Fund:

You can make a donation by visiting any of our six branches in Beaumont, Jasper, Kountze, Silsbee and Woodville.

- Donate online via GoFundMe
- Donate in person at any of our six branches in Beaumont, Jasper, Kountze, Silsbee, and Woodville. Click here to view branch location addresses.
- Mail your donation to Education First FCU, ATTN: Marketing, 7025 Eastex Freeway, Beaumont, TX 77706.

If you are a teacher and would like to apply for the Imelda Educators Fund, [click here](#).

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## You Could Win This Jeep®!

You could be the next owner of this beautiful Jeep®! Each ticket purchase provides 1 hour of counseling for an abused child. Raffle tickets can be purchased at the Laurel branch from **Tuesday, October 15th - Friday, October 18th** (the Jeep® will be on-site at Laurel during this time) and at the Rosedale branch from **Monday, October 21 - Friday, October 26th** (the Jeep® will be on-site at Rosedale during this time).

Tickets can also be purchased directly from Garth House by calling (409) 838-9084, clicking here to give online, or by the QR code in the attached flyer.

**EACH TICKET PROVIDES 1 HOUR OF COUNSELING FOR AN ABUSED CHILD.**



*Tickets \$100 each*

*New 2018*  
*Unlimited Sport 4x4*  
**JEEP WRANGLER**

- Black Clear Coat
- Black 3 Piece Hard Top
- 4 Passenger
- Black Cloth Interior
- All proceeds from ticket sales benefit children and families in Southeast Texas
- Uconnect - 5" Display
- 3.6L V6 24 - Valve VVT Engine
- 8 Speed Automatic Transmission
- Custom Wheels
- Garth House is a 501(c) 3 non-profit charitable organization

*3 ways to buy:*



- Call (409) 838-9084
- Online - [garthhouse.org](http://garthhouse.org) - events/raffles
- QR Code - (must download QR app)

## Why You Need to Know About Interest Rates.

### Understanding interest rates and why they matter

When you invest your money or take out a loan, you're affected by an interest rate. Understanding what an interest rate is and how it works impacts how much money you keep or how much you pay out. To help you navigate the interest rate system, here is a guide to the basics.

#### What is an interest rate?

On a fundamental level, every interest rate involves a lender temporarily giving money to a recipient. The corresponding interest rate for that transaction is, according to Bankrate, "the proportion of an amount loaned which a lender charges as interest to the borrower, normally expressed as an annual percentage."

You typically associate interest rates with being on the receiving end of the loan, such as charges for credit cards and mortgages. But you act as a lender when you entrust a lending institution with your money, which is why you receive a small amount of money deposited in your account that accrues from the interest rate it pays you. If you're paying the interest, you're being charged an annual percentage rate, widely abbreviated as APR. If you're receiving payments from interest on a financial account or investment, you're benefitting from an annual percentage yield, or APY.



#### Why does an interest rate matter?

That interest rate isn't just a number — it affects how much you have to pay for a loan or how much you'll benefit from loaning your money to a specific party. That's why it's crucial to know what the interest rate you're agreeing to is and understand how it will impact your finances. Barbara Friedberg of SmartAsset advises, "Before you commit to borrowing money it's important to know what your interest rate will be. If you can, it's best to avoid high rates like the plague."

#### Understanding interest rates

There are two primary types of interest rates: simple and compound.

A simple interest rate is a consistent rate applied to the entire amount of the loan over the course of the repayment period. Caroline Banton of Investopedia outlines the formula for calculating as principal multiplied by the interest rate multiplied by time. So, a loan of \$300,000 for 20 years at 15 percent would equal \$900,000 in interest.

Compound interest, on the other hand, charges interest on the principal during previous periods (usually every year) in addition to the principal itself. Because the interest charged increases every year in the compounding system, the bottom-line interest paid can be much higher by the end of the term. You can calculate annually compounding interest using the formula  $A = P(1 + r/n)^{nt}$ .

Interest rates can also fluctuate during the loan term based on variables like the borrower's repayment timeliness and changes to the prime rate.

#### What you can do

Interest rates are not identical across the board. They vary based on many factors, including the borrower's credit history, the economy, the type of loan being made, and how fervently either party wants the transaction to take place.

Thus, being able to identify and act on a good interest rate is crucial to managing your finances. When interest rates are low, that's a good time to take out a loan. When interest rates are high, try to wait for them to decline again. Look for high-yield interest rates on investment and financial account offers.

Also, determine what's the best repayment schedule you can afford for your budget to minimize the interest cost. Financial experts at Mozo explain, "On many loans, you'll have the option to make repayments weekly, fortnightly or monthly. Which one you choose will depend on your budgeting style. More repayments means less interest, because of the effects of compounding, so weekly repayments will save you some money."

If you need assistance calculating the cost or yield of an interest rate to decide when to act and when to pass, talk with your financial advisor.

