

TEXACO EMPLOYEES

FEDERAL CREDIT UNION NEWSLETTER

(ALSO SERVING EQUILON, MOTIVA, EQUIVA SERVICES, EQUIVA TRADING)

ATM/Check Card

Convenient.

Now your Texaco Employees FCU check card works like a check, too! Use it instead of a check for paint, tools, wallpaper, and all your home decorating purchases—at over 14 million places worldwide. There's no check to write. No waiting for check approval.

Easy.

Just present your card at the time of purchase, and the amount will be deducted from your checking account. Plus, you'll get a receipt for easy record keeping, and every transaction will be detailed on your checking account statement.

Welcome.

It's your ATM card with the added buying power of the Visa® symbol. So you can pay for things right from your checking account anywhere Visa cards are welcome. To find out how you can get our card if you don't already have one, call 1-877-833-2800, or visit your local branch.

**YOUR MONEY IS PROTECTED.
EVEN WHEN YOUR CARD IS LOST
OR STOLEN.**

**PROTECT YOUR ACCOUNT.
REPORT LOST OR STOLEN CARD
IMMEDIATELY. CALL 1-800-554-8969.**

7.90% on New & Used Car Loans NO STRINGS ATTACHED

TEFCU is now offering a great deal on new and used car loans. We will finance 100% of a new car and 85% of the retail value of a used car.

If you financed your vehicle somewhere else, call, fax or come by one of our offices and see if we can refinance it for 7.90%.

If you have a paid-for vehicle seven years old or less, you can finance up to 85% of the retail value of the vehicle. Just bring in your title to the credit union and apply for a loan. This rate applies to cars, trucks, motorcycles, boats and recreational vehicles.

When shopping, call the credit union for rates because they may go down. The refinance offer is not valid for existing TEFCU auto loans.

2001 New Year's Loan Special \$2,000.00 • 1 Year • 8.00% APR

Call your nearest TEFCU office. Just meet the necessary credit criteria.
in effect 1-1-2001 through 1-31-2001

Excellent credit rating and debt ratios, NO exceptions

No refinancing on existing TEFCU loans

This offer expires January 31, 2001

Holiday Bills Give You the Blues?

During the excitement of the holidays, it is very easy to spend more money than you planned. By the end of January, you have received the bills for all that holiday spirit, and reality brings you a case of the post-holiday blues.

Help is as close as your credit union. We can loan you the money to help you deal with the bills and can almost always tailor a payment plan to meet the requirements of your budget.

Don't let a mound of bills spoil your memories of the holiday season. Call or visit the credit union today to find out how we can help!

Gambling Activity Block

We have recognized substantial financial risks to the Credit Union in the use of VISA Credit/Debit cards for gambling. The exposure exists for VISA Credit/Debit cards used on internet gambling Web sites and for face-to-face (card present) casino gambling.

Effective immediately, the Texaco Federal Credit Union prohibits use of VISA Credit/Debit cards for all gambling transactions.

Important Notes

Notice

1098 forms for 2000 (mortgage and interest) will be mailed if \$600.00 or greater was paid on the home equity/second mortgage loan.

Notice About Dividend Rates

Total dividends for 2000 will appear on your 4th quarter statement. Amounts over \$10.00 will be reported to the Internal Revenue Service.

NOTICE

The TEFCU continues to incur costly losses and operating fees from use of Visa credit cards for members living outside the US. We wish to emphasize that the TEFCU policy requires us to close the Visa cards for members who relocate outside the US.

WIN \$15!

If you find your account number hidden in this newsletter, call one of the Credit Union offices. We'll deposit \$15 into your account.

For every quarter that no one claims their prize, we will increase the amount by \$5.

A 3% DIVIDEND was declared for the fourth quarter by the TEFCU Board of Directors.

We Want You to Attend the Annual Meeting on March 28, 2001 at 4:00 pm

Notice from the Secretary, Board of Directors, TEFCU

As a member of Texaco Employees FCU you're also an owner. The Annual Meeting is your chance to be heard, your chance to get involved.

Come register for door prizes and be sure to bring your ideas, comments, suggestions, and concerns. As a member, your participation is vital. In fact, your involvement is what the Credit Union is all about. It's what makes Texaco Employees FCU a very special institution.

We'll summarize the progress that we made last year and discuss our plans for 2001. We'll also elect new officers. Two members of the board of directors are to be elected. The Nominating Committee has nominated Frank Baumann and Eldon Smith who are currently members of the board. See Frank and Eldon's statements of qualifications and biographical data below.

In addition to the nominations for officer from the nominating committee, our bylaws permit nominations by the membership at large by petition. Petitions must be signed by at least 61 members. Each nominating petition must be accompanied by a signed certificate from the nominee stating that he/she is agreeable to the nomination and will serve if elected to office. Such nominations must be filed with the Secretary by February 12, 2001. A brief statement of qualifications and biographical data must be included for each nominee. Candidates will be voted on at the Annual Meeting. No nominations will be accepted from the floor.

Any member in good standing is eligible for nomination. If you wish to be nominated to run for a position on the board, call the main office of the Credit Union for a petition form. The form must be brought or mailed to the main office by February 12, 2001.

Please note that board members are required to attend monthly Board of Directors meetings.

Our election will not be conducted by ballot. All elections are determined by a plurality vote, except where there is only one nominee for a position to be filled, the election will be by acclamation.

With your help and attendance at the Annual Meeting, 2001 is sure to be a successful year.

PLEASE JOIN US!

Wednesday, March 28, 2001 at 4:00 p.m.

Norcross Station Cafe

40 S. Peachtree Street, Norcross, GA

770-409-8889

Downtown Historic Norcross

Eldon S. Smith

Statement of Qualifications and Biographical Data

I am retired from the company. I remain active as a business owner and automobile enthusiast. I have been a member of the credit union since 1965. I am currently a board member and President of the Board of Directors.

Frank A. Baumann

Statement of Qualifications and Biographical Data

I am retired from the company. I keep up to date with financial trends through management of my investments and active involvement of the credit union. I have been a member of the credit union for over 30 years. I am currently a board member and Treasurer of the credit union.

Please visit our web site at: www.texacoefcu.org or contact us at: texacoefcu@aol.com or alltecu@starent.com

SAVINGS RATES

Type of Account	Annual % Rate	Annual % Yield	Rate Changes	Charges & Dividends
Passbook Savings and IRAs* (\$100 minimum balance) and Christmas Club (\$10 minimum)	3.00%	3.03%	90 day account, interest accrued and paid quarterly. ¹	Rates adjusted quarterly based on market conditions. Fees-None
CD's & IRAs***6.50% (\$500 minimum balance) Rates fixed at time of purchase	6.70% 6.75% 7.00%	12 months 6.96% 7.23%	Rates subject to change weekly 30 months 60 months	based on market conditions.
Money Market Accounts** (\$1000 minimum balance)	1.50%	1.51%	No service or per-check fee Interest paid monthly or service charges except for check order charges.	Rates subject to change monthly based on market conditions. No monthly fees
Regular Checking Accounts**	1.00%	1.02%	No service or per-check fee Interest paid monthly	Rates subject to change monthly based on market conditions. No monthly fees or service charges except for check order charges.
Super Money Market Account (minimum balance \$10,000)	4.00%	4.08%	No service or per-check fee Interest paid monthly	Rates subject to change monthly based on market conditions. No monthly fees or service charges except for check order charges.

*Rates effective 10-1-00 through 12-31-00. Call the Credit Union for current rates. For current rates call the branch nearest you.

**Rates effective 10-1-00 through 12-31-00.

***Rates effective 10-1-00 and are subject to change.

Free Life Insurance on Share Accounts

When you open your share account, you become an owner of Texaco Employees Federal Credit Union. That is why it's called a share account: you own shares of the Credit Union. One of the benefits you receive as an owner of the Credit Union is life insurance at no charge. Coverage is based on the total balance on deposit in your share account up to \$3,000.00. Terms subject to the qualifying requirements of the Credit Union's group life insurance policy.

Call the Credit Union for a copy of the Certificate of Insurance explaining the benefits in detail.

This insurance is provided for you free of charge. The amount of your insurance is based on the insured balance of your savings on the date of your death and how old you were on the date of each deposit that makes up that balance as follows:

<i>If your age on the date of an insured deposit was:</i>	<i>The amount of your insurance is equal to:</i>
0-6 months.....	25% of that insured deposit
6 months through 54 years.....	100% of that insured deposit
55 years through 59 years.....	75% of that insured deposit
60 years through 64 years.....	50% of that insured deposit
65 years through 69 years.....	25% of that insured deposit
70 years or older.....	0% of that insured deposit

Please note your insurance is based on your age on the date of each deposit for which you are insured and does not decrease as you grow older. Withdrawal of savings will be on a last in - first out basis. The insured portion of your savings balance may not exceed \$3,000.00.

How to figure your Average Daily Balance

For share drafts, Christmas Club, IRA, and passbook savings, it's easy to figure your average daily balance. For example, say you have a savings account with a balance of \$352.40 on November first and want to know your average daily balance for that month. Add each day's balance in the

Day in Period	Date	Daily Balance
1	11/1	\$352.40
2	11/2	\$352.40
3	11/3	\$352.40
4	11/4	\$252.40
5	11/5	\$252.40
6	11/6	\$251.40
7	11/7	\$199.25
8	11/8	\$165.54
9	11/9	\$165.54
10	11/10	\$165.54
11	11/11	\$40.44
12	11/12	\$40.44
13	11/13	\$0.00
14	11/14	\$0.00
15	11/15	\$1030.84
16	11/16	\$941.83
17	11/17	\$901.83
18	11/18	\$901.83
19	11/19	\$890.77
20	11/20	\$11.07
21	11/21	\$11.07
22	11/22	\$11.07
23	11/23	\$11.07
24	11/24	\$261.41
25	11/25	\$261.41
26	11/26	\$261.41
27	11/27	\$261.41
28	11/28	\$261.41
29	11/29	\$261.41
30	11/30	\$261.41
		\$9131.41

Calculation: The sum of the daily balances divided by 30 days in period equals the Average daily balance: $\$9131.41 \div 30 = \304.38 . Multiply the Average daily balance by the number of days in dividend period: $\$304.38 \times 30 = \9131.40 . Multiply this amount ($\$9131.40$) by the dividend rate (3.00%) and divide by 365 (days in a year): $\$9131.40 \times .03 \div 365 = \7.5 .

Note: On share drafts, money market accounts, Christmas Club savings, and IRA passbook accounts, dividends are paid only on balances of \$250 or more. On savings accounts, we pay on balances of \$100 or more.

Day-in, day-out calculation

For certificate accounts, it's easy to figure your day-in, day-out balance. For example, say you have an account with a beginning balance of \$52.40. Add each day's balance in the dividend period:

Day in Period	Date	Daily Balance
1	11/1	\$52.40
2	11/2	\$52.40
3	11/3	\$52.40
4	11/4	\$52.40
5	11/5	\$52.40
6	11/6	\$51.40
7	11/7	\$199.25
8	11/8	\$165.54
9	11/9	\$165.54
10	11/10	\$165.54
11	11/11	\$40.44
12	11/12	\$40.44
13	11/13	\$0.00
14	11/14	\$0.00
15	11/15	\$30.84
16	11/16	\$941.83
17	11/17	\$901.83
18	11/18	\$901.83
19	11/19	\$890.77
20	11/20	\$11.07
21	11/21	\$11.07
22	11/22	\$11.07
23	11/23	\$11.07
24	11/24	\$261.41
25	11/25	\$261.41
26	11/26	\$261.41
27	11/27	\$261.41
28	11/28	\$261.41
29	11/29	\$261.41
30	11/30	\$261.41
		\$6631.40

Calculation: Multiply this amount ($\$6631.40$) by the dividend rate (3.00%) and divide by 365 (days in year): $\$6631.40 \times .03 \div 365 = \5.5 .

Note: On IRA and regular certificates, dividends are paid only on balances of \$500.00 or more. These accounts carry a fixed rate.



TEFCU REFERENCE

Atlanta (Main Office)
4127 Winters Chapel
Doraville, GA 30360

Local 770-936-7040
Toll-Free 877-833-2800
Fax: 770-936-4627
Mon-Thurs 7:15-3:45
Fri 7:15-2:45

Florida Branch
150 Alhambra Circle
Coral Gables, FL 33134

305-774-7766
Fax: 305-774-7828
Mon-Tue-Thur-Fri 8:00-1:30
Closed Wednesday

Heritage Plaza Branch
1111 Bagby Street, Skylobby Room SL38
Houston, TX 77002

713-752-3803
Fax: 713-752-3805
Mon-Thurs 7:30-3:30
Fri 7:30-2:30

Northborough Branch
12700 Northborough Room 208
Houston, TX 77067

281-874-2281
Fax: 281-874-2282
Mon-Thurs
7:30-12:30/1:15-3:30
Fri 7:30-12:30/1:15-2:30

Bellaire Branch
4800 Fourance Place Room W-108
Bellaire, TX 77401

713-432-6722
Fax: 713-432-6727
Mon-Thurs
7:30-3:30
Fri 7:30-2:30

Charleston Lubricants Plant
4950 Virginia Avenue
N. Charleston, SC 29405

843-308-7254
Mon-Wed-Fri 10--3:30
Closed 12:00-12:30

Please visit our web site at: www.texcoefcu.org or contact us at: texcoefcu@aol.com or alltecu@starent.com

LOAN RATES

Type of Loan	Maximum Amount	Annual % Rate	Maximum Term	Requirements
1st Mortgage (*1)	Up to \$203,000	For current rates, and more info, call 1-800-503-6855 or (770)723-1382.	30 years only 15 years only 7/23 years only 5/25 years only Call Credit Union 30 years only 15 years only Call Credit Union	Creditworthy subject to terms of secondary mortgage market; call Credit Union for an application
2nd Mortgage & Home Equity (*5)	\$200,000	Prime plus 1/2% (10.00%)	15 years	Creditworthy; 80% of appraised value minus mortgage balance
New: Auto, Truck, RV, Camper, Boat, Motorcycle (*2,5,6)	100% of sticker price	7.90%	1-5 years (6) Longer terms available Call Credit Union	Title
Used: Auto, Truck, RV, Camper, Boat, Motorcycle (*2,3,5,6,4)	85% of NADA retail value	7.90%	1-5 years (6) Longer terms available Call Credit Union	Title
Share Secured	Amount of Shares	Variable Passbook Rate plus 1%	5 years	Shares
Signature (*5)	\$7,500	1 year 11.00% 2 years 12.00% 3 years 13.00% 4 years 14.00% 5 years 15.00%	5 years	Creditworthy; past credit record; reviewed annually
VISA	\$10,000	13.56%	Unpaid Balance	Creditworthy
CD Secured	100% of CD face value	1% above rate on CD	Terms of CD	Certificate

*1 Conventional mortgages up to 90% of appraised value with private mortgage insurance. Loan amounts of \$80,000 to \$100,000 have discount, origination and closing costs of 3.5%; loan amounts of \$100,000 to \$159,000: 2%. Buy downs available. Call for details.

*2 TEFUCU auto loans cannot be refinanced to get a lower rate.

*3 Refinanced auto loans are made at loan values in current NADA book.

*4 Titles are accepted as collateral at NADA retail value and stock at 80% of current value.

*5 Texaco Employees Federal Credit Union will pay off any new or used auto loan held with another financial institution. Above rates would apply to refinancing in the absence of any special loan promotion. Note: Auto loans currently held by Texaco EFCU not eligible for refinancing.

*6 Longer terms are available. Please call nearest office for more details.

* For current first mortgage rates, please call 1-800-503-6855.

The following is required by the Truth In Lending Act - Regulation Z:

You pay a FINANCE CHARGE for all money borrowed from the Credit Union. The FINANCE CHARGE is computed at the time each payment is made. For each day since the previous payment, the unpaid balance of your loan is multiplied by the daily periodic rate. The sum of this product equals the FINANCE CHARGE.

How we compute loans: Texaco Employees Federal Credit Union calculates simple interest based on a 365-day year. For example, take your loan balance from the last date of payment or day of a new loan, multiply times the number of days elapsed from that date to present, multiply by the interest rate (10%: .1), divide by 365 days and that equals the current interest due. Example: Your last statement was 1/1/95, loan balance \$5,000.00, interest rate is 10%, today's date is 2/25/95. The calculation is \$5,000 x 56 days x .10 / 365 = \$76.71 interest due. Standard repayment procedure is payroll deduction, but a cash pay schedule is also available to members without access to deductions. Additional payments or total payoff of a loan may be made at any time without any prepayment penalty. Interest is computed only on the unpaid balance.

Returns – How are they processed?

Below is a brief overview of the life of a returned item –

Day 1 – A check is written and deposited into a local bank that has an account with the Federal Reserve. The bank then deposits the check into the Federal Reserve at the close of business to be processed.

Day 1-2 – The Fed sorts and dispatches the checks to the paying institution for payment.

Day 2-3 – The paying institution receives the check and determines if funds are available within the customers account. The paying bank then determines the check should be returned unpaid.

Day 3-4 – The check is re-deposited with the Fed as a returned item and re-directed to the bank of first deposit.

Depending on such factors as location of paying institution, bank of first deposit, or internal operations this process could take longer than 3-4 days.