

## FREQUENTLY ASKED QUESTIONS

### **What is the purpose of the Kappa Alpha Psi Federal Credit Union (KAPFCU)?**

A credit union is a financial cooperative organized by people who have a common bond. KAPFCU will provide a great opportunity for us to pool our financial resources and become a dynamic force in providing institutional banking services to the members.

### **Who can become a member of the Kappa Alpha Psi Federal Credit Union?**

The field of membership will be comprised of members of Kappa Alpha Psi Fraternity, Inc., spouses, children, relatives, employees, and affiliated organizations.

### **Where will the Credit Union be located?**

KAPFCU was chartered (certificate of incorporation) in the state of Texas under the federal chartering system. It will initially operate as a virtual entity located in the Dallas, TX.

### **Who will operate the Credit Union?**

Competent individuals will handle the daily operations of KAPFCU. Volunteers will also be needed to serve on committees and boards. There will be no oversight responsibility by Grand Chapter elected and/or appointed officials.

### **What is the minimum initial deposit?**

The minimum initial deposit is \$50. Each new KAPFCU member will be assessed a one-time charge of \$25.00 for processing, servicing, recording and registering your accounts.

### **What is the relationship between the Credit Union and Kappa Alpha Psi?**

Kappa Alpha Psi Fraternity, Inc. has authorized the use of its name to market and solicit the general membership for participation. The relationship between KAPFCU and Kappa Alpha Psi is membership based. KAPFCU is a stand-alone corporation registered in Texas. This prevents any potential litigation against Kappa Alpha Psi Federal Credit Union, while limiting depositor's risk of capital and minimizes' exposure of Board member's professional careers. As the fiduciary for the Credit Union's deposits, investments and agency products, the NCUA Examiner's and Regulators chartering this institution too have stipulated limiting this risk.

### **How will I access my account(s)?**

Initially, access to accounts will be via phone, mail and direct deposit (payroll, Social Security checks, tax refund checks, dividends, etc.). The ultimate goal is to provide high tech online services that will include bill pay, account balance transfers and withdrawals, easy access to account summary information, ATM and email. Quarterly statements will be provided to each KAPFCU member.

### **Is my money safe?**

The National Credit Union Share Insurance Fund (NCUSI) insures all deposits (up to \$100,000). The National Credit Union Administration (NCUA) has oversight responsibility for all federally chartered credit unions and will regularly audit KAPFCU to make sure it is being run in a sound manner. Also, each director, committee member, and employee must have required bond coverage and must pass a background check.

# KAPPA ALPHA PSI FEDERAL CREDIT UNION

*“Sustaining a financial coalition to provide financial benefits for members of Kappa Alpha Psi Fraternity, family members and associations . “*

**Achievement  
in every  
field  
of  
human  
endeavor.**



1911

## Dear Future Depositors,

Welcome to the official Grand Opening of the ***Kappa Alpha Psi Federal Credit Union!*** I am pleased to inform you that the federal charter application submitted in the name of ***Kappa Alpha Psi*** has been approved. The federal charter was approved by Jo Ann Johnson (Chairman of the National Credit Union Administration) on November 2, 2004 and delivered by NCUA Field Representatives on November 10, 2004. Thanks to your dedication, commitment and support over the past year, a historical milestone has been achieved.

A credit union is a financial cooperative organized by people who have a common bond. It allows us to develop an institutional depository base in tandem with the members. Pooling these depository assets will provide loans to those within the membership rank and file. The members own the credit union. Recommendations and directions of the Credit Union will depend on your input and participation throughout the coming years.

When we encourage you to support the ***KAPFCU***, we are not asking for a gift or a donation, but requesting that you deposit funds in your Credit Union. Your deposits are insured up to \$100,000, will earn competitive interest rates and allow market rate and below market rate loans to be made available to qualified borrowers. What a great way to start accumulating your wealth!

Why not review all of the benefits of membership listed on the following page and consider joining us as a member. I guarantee you will be glad you did.

To become a member of the ***KAPFCU***, fill out a new member account application, include your initial deposit check (\$50 minimum), copy of your state driver license (Patriot Act Requirement) and mail the application to **P.O. Box 703047, Dallas, TX 75370**. Each Credit Union member will be assessed a one-time charge of \$25.00 for processing, servicing, recording and registering your accounts. **The URL is: [www.kapfcu.org](http://www.kapfcu.org)**

Please send subsequent questions, concerns, suggestions and recommendations to ***info@kapfcu.org*** or ***P.O. Box 703047 Dallas, TX 75370***.

## Initial Member Services:

- Savings Accounts
  - Certificate of Deposits 1 yr, 2yr, 5yr, 10yr
  - 529 College Savings Accounts
  - Standard Savings
- Signature Loans
- New/Used Automobile Loans
- Direct Deposit

## Future Member Services:

- Checking Accounts
- Retirement Accounts
- Credit and Debit Cards
- Money Orders / Wire Transfers
- Health, Auto & Life Insurance Products
- Home Purchase or Refinance Home Mortgages
- Business (SBA, 504 & Conventional) Loans
- Vacation and Travel Loans
- Education Loans
- Career and Estate Planning
- Legal and Accounting Services
- Debt Consolidation Loans
- Family and Business Financial Planning Services

## CDFI (Community Development Financial Institution)

- Only African-American Fraternal Credit Union with the Federal CDFI Certification.
- Access to \$3.9 Billion in New Markets Tax Credits for Business / Real Estate Development Financing.
- Access to \$1.1 Million in Financial & Technical Assistance Grants from the Department of Treasury.
- Homeownership Counseling Services through strategic partner HomeFree USA.
- Access to Secondary Capital Grants due to MIOP & HBCU Initiatives (e.g., PVAMU)