

Items of Interest

The Quarterly Newsletter of the Merck Employees Federal Credit Union



Spring 2018

Did You Know...

Your family members may be eligible to join the Credit Union and enjoy the same great benefits you enjoy?

That's right, one of the best kept secrets is that most family members of Merck employees and former employees, are eligible to join the Credit Union. If you are a spouse, child, grandchild, parent, grandparent or sibling of a Merck employee or former employee, then you are eligible for membership in the credit union.

Membership also offers interest bearing checking accounts, currently 0.5% APY with eStatements and no minimum balance requirements, free checks, and overdraft protection. The credit union has a robust 1st mortgage program, which offers a variety of mortgage options for you and your family and the credit union's home equity/2nd mortgage program can only be described as "the best in the business".

The interest rate for a Credit Union Visa or MasterCard is 9.48% APR*, for purchases and cash advances. Check to see what rate you are paying, we think you may be surprised. Share the good news about membership eligibility with a family member today!



Do You Know What's in Your Wallet?

Well, if it is a Capital One card you're probably paying a rate of 24.99% and a \$39 annual fee! Merck Employees

FCU Visa and MasterCard rates are 9.48% with no annual fee. That's right, no annual fee!

If that's not enough, Capital One charges a late fee of \$35.00. **Merck Credit Union late fee is ZERO!!!!**

Capital One's rate for a cash advance 24.99% plus \$10.00 or 3% of the advance amount, whichever is higher! The Credit Union cash advance rate is 9.48% with no fees at all! Plus you will receive 1% cash back on purchases! Need we say more?

Switch to a Credit Union MasterCard or Visa today!

**APR=Annual Percentage Rate. Chart at left and above rates are Annual Percentage Rates (APR) and are subject to creditworthiness and underwriting criteria. For actual rates and terms, please contact the credit union.*

Credit Card Comparison

	Merck EFCU Visa or Mastercard	Capital One Quicksilver One	Chase Freedom
Cash Back	1%	1.5%	1.5%
Annual Fee	\$0	\$39	\$0
Cash Advance Fee	\$0	\$10 or 3%	\$10 or 5%
Late Fee	\$0	\$35	\$37
Cash Advance Rate	9.48%	24.99%	26.24%



MERCK
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With personalized service, the best rates, terms and guidance in the business, hit a home run this Spring with a mortgage from Merck Employees Federal Credit Union.

Because Merck EFCU employees don't work on commission like other mortgage providers, they will make you feel like an MVP, plus there is no small print or hidden fees. What you see, is what you get!

Merck EFCU offers low fixed and adjustable rate mortgages with a variety of great terms, along with FHA and VA mortgage options. The credit union offers single and multiple family owner-occupied mortgages. Already have a mortgage? Consider refinancing with Merck EFCU.

Another benefit of using Merck EFCU for your mortgage, your loan will not be sold to another financial institution or mortgage company.

Ready to hit one out of the park?

Visit merckcu.mortgagewebcenter.com to apply or call the Loan Department at 732-594-3018.

Join Us For Our 81st Annual Meeting

Wednesday, May 9th at 6:00 PM
Bond Street Café, Merck-Rahway

Special Guest Speaker:
Michael A. Klobuchar

SVP, Corporate Strategy & Planning

**WIN A \$1,500 TRAVEL CERTIFICATE
FROM CHARTWELL TRAVEL**

Join us, visit with friends and share in the refreshments. There will be an election of officers and committee reports. Register by calling 732-594-8466. Also opportunities for door prizes and drawings for other prizes and gifts.



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Financial Highlights of Last Year

Consolidated Balance Sheet

December 31, 2017 and 2016

ASSETS	2017	2016
Cash.....	\$ 2,651,836	\$ 2,346,801
Investments*.....	1,750,808,306	1,777,937,121
Accrued Interest on Investments.....	6,770,931	7,627,815
Member Loans Less Allowance for Loan Losses...	165,930,937	180,443,015
Furniture and Equipment Less Depreciation.....	1,603,109	1,677,537
Share Insurance Fund.....	14,280,685	14,073,405
Other Assets.....	1,168,370	788,278
TOTAL ASSETS.....	\$1,943,214,174	\$1,984,893,972

LIABILITIES & EQUITY

Accounts Payable & Accrued Expenses.....	\$ 2,741,894	\$ 26,717,215
Dividends Payable.....	5,444,980	5,056,170
Share Accounts.....	1,717,741,197	1,744,645,475
Retained Earning Substantially Restricted.....	217,286,103	208,475,112
TOTAL LIABILITIES & EQUITY.....	\$1,943,214,174	\$1,984,893,972

STATISTICAL INFORMATION

	2017	2016
Loans Granted.....	\$ 16,724,019	\$ 17,588,633
Number of Loans Granted.....	1,208	1,282
Delinquent Loans.....	\$ 2,205,711	\$ 2,001,767
Number of Delinquent Loans.....	59	47
Number of Members.....	25,415	25,723

FINANCIAL HIGHLIGHTS

Gain (loss) in Assets.....	-2.10%	4.80%
Gain (loss) in Shares.....	-1.54%	3.65%
Gain in Equity.....	4.23%	2.47%
Average Share Balance.....	\$ 67,588	\$ 67,824
Average Loan Balance.....	\$ 14,807	\$ 15,029
*Market Value of Investments.....	\$ 1,739,850,341	\$ 1,771,882,005

Statement of Income & Expense

December 31, 2017 and 2016

OPERATING INCOME	2017	2016
Income from Loans.....	\$ 7,226,609	\$ 7,800,232
Investment Income.....	26,094,459	24,324,251
Other Income.....	527,645	592,920
TOTAL INCOME.....	\$33,848,713	\$32,717,403

EXPENSES

Compensation & Employee Benefits.....	\$ 2,448,297	\$ 2,462,029
Office Operations.....	688,058	696,713
Professional & Outside Services.....	398,506	415,464
Loan Servicing.....	621,676	728,353
Publicity/Promotion.....	45,693	72,969
Network Fees.....	412,586	419,949
Member Insurance.....	-	-
Other.....	540,394	394,228

EXPENSES.....	\$ 5,155,210	\$5,189,705
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Provision for Loan Losses.....	\$ 157,000	\$ (50,000)
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TOTAL EXPENSES BEFORE DIVIDENDS...	\$ 5,312,210	\$ 5,139,705
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Income from Operations Before Dividends.....	\$ 28,536,503	\$ 27,577,698
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Dividends Paid.....	20,671,773	19,984,457
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Non-Operating Gain (Loss).....	1,385,424	204,527
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NET INCOME.....	\$ 9,250,154	\$ 7,797,768
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Protect Yourself Against Cyber Crime

Cyberattacks unfortunately can happen anywhere today. They are a common occurrence and are on the rise. Did you know roughly 200,000 new malware samples are discovered daily?

You can help protect yourself and your employers by following these simple cyber security tips.

1. Avoid opening any attachments you were not expecting. If you are unsure of the sender scan the attachment first for viruses.
2. Don't click on e-mailed links. A safer practice is to type the website URL directly into the browser's address bar or search for the site using a search engine such as Google.
3. Keep computers patched and up to date. This includes operating systems such as Windows and iOS, as well as applications such as Adobe and Java. Keep antivirus software up-to-date on all devices, including smartphones.
4. Use different passwords for different sites. For personal use, consider using a password tool that allows you to set different passwords for each site you frequently visit, while only requiring you to remember one strong password.
5. Beware of phishing scams. Unlike common spam, a phishing e-mail is after your personal data and will likely have a strong sense of urgency, asking you to *click here* or *act right away--this offer is a limited time*, etc. Delete any emails that do not sound right with you.
6. Consider turning Siri off, and Amazon Echo, Alexa and all the newest devices that are listening and recording. You need to be aware and think about where this data is going. It might not be where you think.

We should all strive to protect our own identity at work and at home. The threat is real but following some basic security protocols can dramatically reduce your risk.



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MEMBERS Financial Services Announces Two New Spring Seminars

Tuesday, May 8, 2018
Understanding the New Tax Law Changes

&
Tuesday, June 19, 2018
Identity Theft & Cyber Security

11:30 AM - 1:00 PM

Credit Union Boardroom
397 Upton Place, Rahway

These presentations are designed to be informative and interesting followed by an open question and answer period. The MEMBERS Financial Services advisors Dan Campanelli, CFS, CRPC, CFP and Merry Scala will be hosting. Jen Nguyen from Prudential will be our guest speaker for the Income Tax presentation. Retired FBI Special Agent Jeff Lanza will be our guest speaker for the Identity Theft Cyber Security presentation.

Lunch will be served and seating is limited. Reservations are required. Please contact Linda Phillips at 732-594-7705 or email her at linda.phillips@cunamutual.com to reserve your spot.

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Presenters are not affiliated with CBSI or its representatives. Opinions expressed are those of the presenter and are not necessarily those of CBSI or its representatives.



MERCK
 Employees Federal Credit Union

Rahway, Bldg. 32/R32-15: Box 2000 Rahway, NJ 07065
 Hours: Weekdays, 8 am - 1 pm & 2 pm - 4 pm

Upton Place: 397 Upton Place Rahway, NJ 07065
 Hours: M, T, W, F, 9 am - 2 pm / Thursdays, 10 am - 6 pm

Whitehouse West: 1 Merck Dr., Whitehouse Stn. 08889-0200
 Hours: Mondays, Wednesdays & Fridays, 8:30 am - 1 pm

Kenilworth, K-15: 1200 Galloping Hill Rd. Kenilworth 07033
 Hours: M, T, Th, F, 8:30 am - 1 pm

Stonewall: 2778 South East Hwy, Elkton, Va. 22827
 Hours: M, T, Th, F, 9 am - 12 pm, 1 pm - 4 pm / Wednesdays, 9 am - 1 pm & by appointment

Email	merck_efcu@merck.com
Main Directory	(732) 594-4046
Member Service Department	(732) 594-3317
Loan Department	(732) 594-3018
Upton Place Branch	(732) 594-CASH (732) 594-2274
Whitehouse West Branch	(908) 423-CASH (908) 423-2274
Kenilworth Branch	(908) 740-CASH (908) 740-2274
Stonewall Branch	(540) 298-5822
Shadow 1 24-Hour Telephone Teller or 800-SHADOW1	(732) 594-5200 (800) 742-3591
Web site	www.merckcu.com

To report lost or stolen Cards or PINs, call:

For Shadow 2 Visa Check Card (800) 554-8969
 For MasterCard or Visa Platinum Credit Card (800) 237-6211

Shadow 2 ATM Locations

No charge of any transaction with a Shadow 2 Visa Check Card at Shadow 2 ATMs.

Rahway	<ul style="list-style-type: none"> • Bldg. 32* (near elevators) • Bldg. 34** (west vestibule) • Bond St. Cafè*** (by front door) • Scott Avenue**** (across from Guard House - 24/7)
Upton Place Branch	<ul style="list-style-type: none"> • Upton Lobby Foyer** Available regular business hours only.
Whitehouse Station West	<ul style="list-style-type: none"> • Credit Union Lobby** 2 Merck Drive
Branchburg	<ul style="list-style-type: none"> • Main Lobby** Rte. 22
Kenilworth K1	<ul style="list-style-type: none"> • Main Atrium Lobby**
Kenilworth K15	<ul style="list-style-type: none"> • East of front desk**
Madison	<ul style="list-style-type: none"> • LL Garage Vestibule**
Boston	<ul style="list-style-type: none"> • MRL Boston* 33 Avenue Louis Pasteur
Durham	<ul style="list-style-type: none"> • OSF Bldg.* 5325 Old Oxford Rd.
Stonewall	<ul style="list-style-type: none"> • General Service Facility** 2778 So. East Side Highway • Factory Gate Guard House*

* These Shadow 2 ATMs do not accept deposits.
 ** These ATMs accept Checks only.
 *** This ATM accepts cash or Check deposits.

Use CO-OP, PLUS or Exchange ATMs, worldwide, for cash. (60¢ charge at CO-OP ATMs for Credit Union Members.)

For ATM Locations:
 • CO-OP ATMs: 1-888-SITECOOP (1-888-748-3266) or www.co-opatm.org
 • PLUS ATMs: 1-800-THE-PLUS (1-800-843-7587)

For Accel Exchange Cash Back Locations & ATMs:
 • 1-800-519-8883 or www.accelexchange.com



The Credit Union will be closed:
 May 28 for Memorial Day



Projected Rates/2nd Quarter 2018

Savings	APR	Yield
Share Savings & PODs	1.250%	1.256%
IRAs	2.125%	2.142%
Checking with eStatements	0.500%	0.501%
Checking without eStatements	0.125%	0.125%

For additional information, please contact the Rahway Office to obtain a copy of current rates & disclosures.

Current Loan Rates

• New Vehicle & Prior ONE Model Year (100% of purchase price including sales tax and other charges)
 • Other Secured Loans - Motor Vehicle Title - maximum = 90% of NADA Loan value

36 months	2.50%
48 months (min. \$8,000 on Other Secured Loans)	2.75%
60 months (min. \$10,000 on New & \$15,000 on Other Secured Loans)	3.00%
72 months (min. \$20,000 on New Vehicles only)	3.25%

• New Vehicle & Prior ONE Model Year (90% of purchase price including sales tax and other charges)
 • Other Secured Loans - Motor Vehicle Title - maximum = NADA Loan value

36 months	3.50%
48 months (min. \$8,000 on Other Secured Loans)	3.75%
60 months (min. \$10,000 on New & \$15,000 on Other Secured Loans)	4.00%
72 months (min. \$20,000 on New Vehicles only)	4.25%

• New Vehicle & Prior ONE Model Year (100% of purchase price including sales tax and other charges)
 • Used Vehicle - new RVs = 100% of purchase price excluding sales tax & other charges & Used RVs max. = NADA Used Retail value
 • Stock Secured - regularly traded on the NYSE up to 70% of current market value
 • Credit Secured - up to 70% of current market value

36 months	4.00%
48 months (min. \$8,000 on Other Secured Loans)	4.25%
60 months (min. \$10,000 on New & \$15,000 on Other Secured Loans)	4.50%
72 months (min. \$20,000 on New Vehicles only)	4.75%

• Signature - Ready Money

12 months	9.50%
36 months	11.00%
48 months (minimum \$6,000)	11.50%
60 months (minimum \$15,000)	12.00%

Shared Secured - 72 months maximum term 3.250%

Above APRs 0.25% higher when not repaid automatically via EFT - automatic transfer from Share Account

Mastercard/Visa	9.48%
Home Equity	4.50%

Credit Card & Real Estate Loans listed above are Variable Rate based on Prime

Fixed Rate 2nd Mortgage - 60 months \$50,000 max	3.75%
Fixed Rate 2nd Mortgage - 84 months \$25,000 min - \$50,000 max	4.00%

Home Equity Loans on primary residences only in New Jersey & select counties in Pennsylvania & Virginia. Costs may apply in Virginia. A fee applies anywhere a walk-thru appraisal is required. Ask your professional tax advisor what your savings will be borrowing with a Home Equity Loan.

Call daily for 1st Mortgage Rates or visit:

www.merckcu.com

Click on Mortgage Central tab (left of homepage). Then scroll down and click on **Quick Quote** to begin. **Rates change daily**

Other Home Equity rates & terms available. Refer to the credit union's Rate & Fee Schedule for full details on all loans. No points or fees for Home Equity Loans or 2nd Mortgages except costs may apply in Virginia. Refinance from other institutions with no MEFCU fees.