



KEMBA DELTA FEDERAL CREDIT UNION

Office Info...

Office Location and Hours

Mon-Wed 8:30am-4:30pm
 Thur. 10:00am-5:00pm
 Fri. 8:30am-4:00pm

Mailing and Street Address
 4095 American Way, #10
 Memphis, TN 38118

Automated Teller (KAL)

(901) 795-9055 ext. 1
 Toll Free 1-888-725-3622 ext. 1
 24 Hours a Day, 7 Days a Week

Website and Office Phone Numbers

Local (901) 795-9055
 Toll Free 1-888-72KEMBA
 Fax Number (901) 795-9063
 www.kembadelta.org

Board of Directors

Lee Duff, Vice Chairman
 Maxine Johnson, Secretary
 Bill Sledge
 Cora Nance
 Elvin Lobbins
 Harry Jamerson
 Robert Peggs
 Terry Salvant

Supervisory Committee

Ramona Jackson
 Sandra Dowdy
 Sharon Johnson

Advisory Committee

Carter Ridgway Dan McDaniel
 Rufus Wilson

Staff & Management

Ken Swann, President
 Allen Peterson, Vice President
 BeLinda S. Winston, Loan Officer
 Nola Gregory, Loan Officer
 Yolanda Askew, Member Services
 Velma Chase, Member Services
 Wanda Boggan, Lead Operations
 Nedra Bowen, Operations
 Roberta Riley, Recovery Specialist
 Donna Brown, Business Development

President's Letter

This past year has been the best year in our credit union history in terms of bottom line and adding strength to our capital position. This past year our Assets grew by 3% and our net capital grew almost 9%. These are very significant numbers as they represent the confidence that you and other members have in the services that are provided by KEMBA. This enables us to operate from a position of enhanced strength, and continue to be proactive in offering you the very best in financial services.

Speaking on behalf of our Board of Directors, Supervisory Committee and entire team, I want to express my sincere debt of gratitude for your participation this past year that has enabled us to begin our 68th year stronger than ever before. I also want to express my keen hope and desire that as you make financial decisions this year, you will know that as part of the mission of your Credit Union, we are committed to placing the interest of our owners first, and are committed to do whatever we can to add value to your financial affairs.

Thanks once again for giving us the privilege of being a financial partner with you, and as always, if I can be of any assistance, please feel free to contact me directly at 1-888-725-3622, ext 226 or through the internet at Kswann@kembadelta.org.

Sincerely,
 Ken Swann

Mission Statement
 Kemba Federal Credit Union is a member-owned, non-profit financial cooperative. It is the mission of Kemba Credit Union to create economic benefits for members by providing quality financial products delivered with the highest level of service and integrity.

Financial Highlights

Assets \$22,590,874

Loans \$11,422,728

Deposits \$19,187,584

Members 6,333

as of February 2003



KEMBA DELTA FEDERAL CREDIT UNION

Serving Kroger Employees & their families since 1934

April 2003 Second Quarter

New Vehicle in Your Future?



If you're thinking of shopping for a new vehicle, you've no doubt seen the ads on TV and newspapers promising ridiculously low interest rates. What they fail to tell you is that everyone will not qualify for these rates. In fact, very few people do.

rate you can qualify for, and - lo and behold - it's an above market loan rate designed to pad the dealer's profit margin.

These rates are based on a credit scoring system that factors income, other outstanding debts, and net worth. The dealers and the manufacturers have the "formula" rigged so that few can actually qualify for the rate. Of course, you don't find that out until you're in the "hot seat" inside one of the dealer's cozy little offices. They then tell you what

At KEMBA, we don't play these "bait and switch" games. What you see is what you get. Our rates are extremely competitive, and in most instances, will beat what the car dealer will actually offer you after applying their "magic formula" to your loan application. So, avoid the dealer's high-pressure tactics. See KEMBA first and get a pre-approved car loan. Then visit the dealer and bargain from a position of power. You'll get the best of both worlds - the new car you want, and the best deal on the loan.

How Low Can We Go?

Kemba has lowered new and used auto loan rates even more! We've been crunching the numbers for you and now can offer you FANTASTIC rates as low as:

4.99% APR*

Plus, with an auto loan from Kemba you'll have these advantages:

- Borrow up to 100% of the purchase price
- Includes taxes, license and service contracts
- Terms Up to 72 months

This rate won't last forever-call our office today!

God Bless America



Keep our Troops in your Prayers



Your Credit Report

Keep Your Credit Report in Good Health

Building and maintaining a good credit rating is more important than ever. A credit rating, credit history, or credit record is a detailed report of an individual's credit use. Creditors can use the report to decide whether you qualify for a loan, a credit card, or even renting an apartment or house. A good rating may also help you get loans at a lower cost.

Your credit rating is maintained by a credit bureau - a private record keeping business that maintains a historical record about consumers and their use of credit. This information is then sold for a fee to businesses that inquire about a consumer's creditworthiness. Your creditors, in turn, send information back to credit bureaus - this becomes part of your credit history. Information on bankruptcies and court judgments

is also added to records. Unfavorable information is kept on record for seven years, and bankruptcies remain for ten years. How do you keep a good credit rating? Most importantly, pay your bills on time. Missed or late payments are counted as strikes against you by future creditors. Also, try to avoid excessive use of credit, especially credit cards. Applying for new credit cards to pay off old ones (Known as debt pyramiding) is a red flag to creditors. Likewise, applying for several credit cards all at once or within a short time span is viewed by most as a sign you are headed for financial trouble.

KEMBA urges you to maintain a good credit rating through good decision - making and responsible action.

TOO MANY LOANS?

Consolidate Them at Your Credit Union

Now that the holidays are over, do you find yourself owing too many creditors too much money? If you're making minimum payments on credit cards and department store cards, it could be years before those bills are paid off.

Let's say you have a combined total of five credit card and department store accounts, each charging 18% annual interest. Each has an outstanding balance of \$1,000. If you make a minimum payment of 2.2 percent of the balance each month to each creditor, it will take you almost 16 years (192 monthly payments) to pay off the balances! In that time, you will have paid

\$7,415 interest over and above the \$5,000 principle.

Now, let's say you consolidate those accounts with a three-year bill consolidation loan at 12.99% interest. After 36 payments, you will have the loan paid off and would have only paid \$1,062 in interest. What could you do with the \$6,353 in interest you saved? Think about it! Doesn't it make more sense to consolidate those outstanding debts into one monthly payment at KEMBA? Call or stop by today and get consolidated.

CU Tid-Bits

CARD ACTIVATION

Whenever you receive a new VISA credit or debit card, there should be a sticker on the card to call and activate it. You can call the 800# on the sticker or contact our office to have the card activated. Card must be activated before using.

When writing a check you need to make certain that the numeric amount and the written amount match. If the two amounts don't match, we will be unable to accept the check possibly delaying payments or deposits.

CORRECT ADDRESS

Please make certain that we have your correct address!

ANNUAL MEETING

This year's Annual Meeting will be on April 24th at Memphis Coors Brewery, 7pm

HOLIDAY CLOSINGS

Good Friday, April 18
 Memorial Day, May 26
 Independence Day, July 4

ATMs Safety First

Visiting an ATM to fill up our wallet is almost as routine as a stop at a gas station to fill up our car. But don't let familiarity breed carelessness. Keep these tips in mind:

- Memorize your Personal Identification Number (PIN) or if you can't disguise it as part of a financial phone number or street address.
- Have your card ready to use. Complete your transaction and leave.
- Keep the ATM receipt until you record the transaction and verify it when your monthly statement arrives. Then shred it or tear it up.
- Use only well-lit ATMs after dark. Find another machine if you see anything or anyone that makes you nervous.
- Guard against someone observing your transaction by using your body as a shield when doing your transaction.
- Do not let anyone see how much money you've withdrawn, and don't walk or drive away with a wad of cash in plain sight