

The Scanner

(904) 353-2240
(800) 881-2240
www.cityfcu.com

3rd Quarter 2008



"Where Your Membership Is Still Exclusive"

City & Police Federal Credit Union Is Safe and Sound

Due to recent events in the banking and mortgage industries, many members are wondering if their funds are safe at City & Police Federal Credit Union (CPFCU). Our members can rest easy. CPFCU has never participated in subprime or other non-consumer friendly mortgage lending, and proudly maintains a well-performing loan portfolio. Your credit union has low loan delinquency and charge-off rates, well below other banks and credit unions in our markets. Even with these positive numbers, CPFCU is taking extra precautions to build our reserves to protect against future potential losses, and maintains a "well-capitalized" capital ratio of over 10% which is well over the minimum required.

Since 1935, CPFCU has worked hard to serve as our members' trusted financial partner. As a not-for-profit financial institution owned by members, we continue to focus on doing what's best for the membership.

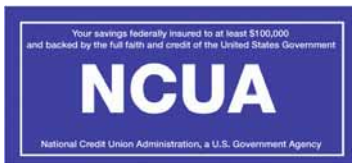
In addition, our member deposits are federally insured by the National Credit Union Administration, through the National Credit Union Share Insurance Fund (NCUSIF). NCUSIF is backed by the full-faith and credit of the United States Government. This offers an extra measure of protection for your money in share savings, share draft/checking, share term certificates, and retirement accounts. In fact, not one penny of insured savings has ever been lost by a member of a federally insured credit union. Deposits in CPFCU accounts are insured up to at least \$100,000 per account, with additional coverage of up to \$250,000 for certain retirement accounts. There is even more share insurance for joint ownership accounts and certain, qualified, named beneficiaries of accounts. If you would like to see how much insurance your accounts have, you can go online to the [NCUA Share Insurance Estimator](http://webapps.ncua.gov/ins) which allows users to input hypothetical data to compute the amount of NCUSIF coverage available under different account structure scenarios. This resource is available at

<http://webapps.ncua.gov/ins>

You can also visit any of our branches to pick up a brochure that will give a more detailed explanation of your insurance coverage.

In a recent news release on the strength of the share insurance fund, Chairman JoAnn Johnson stated, "The National Credit Union Share Insurance Fund (NCUSIF) is in a strong condition. While there are isolated instances of credit unions encountering difficulties, on the whole the credit union industry is healthy. The NCUSIF enters the second half of 2008 secure and well-capitalized."

The CPFCU board and management team remain committed to our fiduciary responsibility to be good stewards of our members' shares and to maintain a safe and sound organization.



Board of Directors

Thomas J. McGivney
Chairman

L. Jerome Spates
Vice Chairman

A. Dan Principe
Secretary

Richard L. Townsend
Treasurer

Jimmy A. Holderfield
Membership

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Donald E. Merritt
Chairman

Gregory H. Strickland

Richard W. Cohee

Management

Steven C. Benjamin
President, CEO

Jodi Anderson Dodge, CCUE
Vice President



Funds Availability Policy	2
Holiday Schedule	3
It Belongs to Me	3
Account Verification	3
Protect your SSN	3
Loan Rates	4

New Funds Availability Policy

effective November 15, 2008

This disclosure describes your ability to withdraw funds at City & Police Federal Credit Union. It only applies to the availability of funds in transaction accounts. The credit union reserves the right to delay the availability of funds deposited to accounts that are not transaction accounts for periods longer than those disclosed in this policy. Please ask us if you have a question about which accounts are affected by this policy.

Your Ability to Withdraw Funds. Our general policy is make funds from your cash and check deposits available to you on the same business day that we receive your deposit. It is also our policy to make wire transfers and electronic direct deposits available to you on the same business day that we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays and federal holidays. If you make a deposit in person to one of our employees on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit on a day when we are not open, we consider that the deposit was made on the next business day that we are open.

Government, Official, and Other Special Types of Checks. If you make the deposit in person to one of our employees, our policy is to make funds from the following types of deposits available on the same business day that we receive your deposit:

- U.S. Treasury checks that are payable to you
- State and local government checks that are payable to you
- Cashier's, certified and teller's checks that are payable to you
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders, if these items are payable to you

If you do not make your deposit of these checks in person to one of our employees (for example, if you mail the deposit), our policy is to make funds from the deposits available no later than the next business day after the day we receive your deposit.

Other Delays May Apply. The delay for other check deposits depends on whether the check is a local or a non-local check. To see whether a check is a local or a non-local check, look at the routing number on the check, if the first four digits of the routing number are 0630, 0631, 0632, 0660, 0670, 2630, 2631, 2632, 2660, 2670, 0610, 0611, 0612, 0613, 0620, 0621, 0622, 0640, 0641, 0642, 0650, 0651, 0652, 0653, 0654, 0655, 0820, 0829, 0840, 0841, 0842, 0843, 2610, 2611, 2612, 2613, 2620, 2621, 2622, 2640, 2641, 2642, 2650, 2650, 2651, 2652, 2653, 2654, 2655, 2820, 2829, 2840, 2841, 2842, or 2843, then the check is a local check. Otherwise, the check is a non-local check. Some checks are marked "payable through" and have a four- or nine-digit number nearby. For these checks, use the four-digit number (or the first four digits of the nine-digit number), not the routing number on the bottom of the check, to determine if these checks are local or non-local. Our policy is to make funds from local and non-local checks available as follows:

Local checks. The first \$100 from a deposit of local checks will be available on the first business day after the day of your deposit. The remaining funds will be available on the second business day after the day of your deposit.

Non-local checks. The first \$100 from a deposit of non-local checks will be available on the first business day after the day of your deposit. The remaining funds will be available on the fifth business day after the day of your deposit.

Local and non-local checks. If you deposit both categories of checks, \$100 from the checks will be available on the first business day after the day of your deposit, not \$100 from each category of check.

In addition, we may delay the availability of funds deposited by check into your account for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You have deposited checks totaling more than \$5,000 on any one day.
- You have redeposited a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of communications or computer equipment.

If we are not going to make all the funds from your deposit available on the same business day of your deposit, we generally notify you at the time you make the deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the next business day after we receive your deposit. If you need the funds from a deposit right away, you should ask us when the funds will be available. They will generally be available no later than the eleventh business day after the day of your deposit.

Holds on Other Funds. If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

Special Rules for New Accounts. If you are a new member, the following special rules may apply during the first 30 days your account is open. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state, and local government checks will be available on the next business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available on the eleventh business day after the day of your deposit.

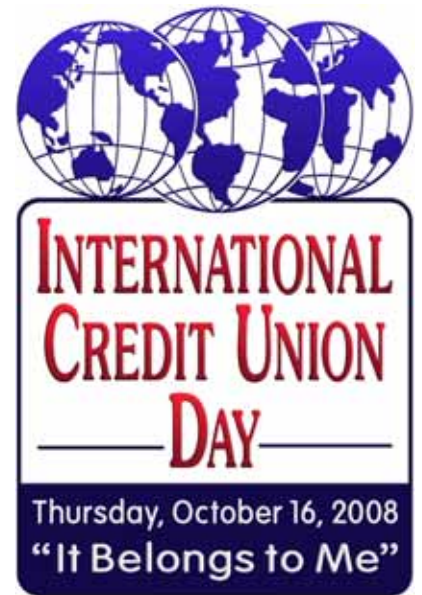
Foreign Checks. Checks drawn on financial institutions located outside the U.S. (foreign checks) cannot be processed the same as checks drawn on U.S. financial institutions. Foreign checks are exempt from the policies outlined in this disclosure. Generally, the availability of funds for deposits of foreign checks will be delayed for the time it takes us to collect the funds from the financial institutions upon which they are drawn.

“It Belongs to Me”

"It Belongs to Me" is the theme for International Credit Union Day, Thursday, October 16, 2008. "It Belongs to Me" celebrates the benefits of belonging to a financial cooperative, and for the first time in credit union history, Canadian cooperatives will share the theme in celebrating Co-op Week, October 12-18.

At your credit union, you're not just a customer. You can take pride in the fact that you're a member and an owner. As a member-owner, you have equal ownership rights with other members, regardless of how much money you have in savings. "It Belongs to Me" is testament to your role in the credit union.

Since 1948, the third Thursday in October has been designated as International Credit Union Day, a day set aside to recognize and honor those who have made the cooperative movement what it is today: a worldwide force in economic democracy. It's also a time to say thank you to the millions of members like you. Without your participation, the credit union would not exist. Your membership is appreciated.



You'll find your statement enclosed with this Newsletter. Our Supervisory Committee is conducting an account verification, so please review your statement. A response is necessary if you do not agree with

the balances of your account. Direct your response (including your account number) to our auditors at the following address:

SMOAK, DAVIS & NIXON, LLP
CERTIFIED PUBLIC ACCOUNTANTS
1514 NIRA STREET
JACKSONVILLE, FL 32207

The Supervisory Committee consists of Don Merritt, Greg Strickland and Dick Cohee. They extend their appreciation to all members for cooperation in this effort.



Protect Your Social Security Number

- Ⓛ Never give your SSN (Social Security number), account numbers, passwords, mother's maiden name, birth date, PIN (personal identification number), or personal information over the phone, unless you initiated the call.
- Ⓛ Ask, "Why do you need it?"
- Ⓛ Don't put your SSN on your driver's license.
- Ⓛ Don't carry your Social Security card in your wallet or pocketbook unless you need it that day.
- Ⓛ Never use the last four digits of your SSN as a PIN. Memorize your PINs!
- Ⓛ Don't let store clerks write your SSN on checks as identification.
- Ⓛ Don't have your SSN preprinted on checks.





Loan Rates



The following ANNUAL PERCENTAGE RATES (APR) for each loan sub-account are effective as of January 28, 2008:

HOURS OF OPERATION

Monday—Friday 8:30 am—4:30 pm
 Saturday (Drive-Thru) 8:30 am—12:00 pm

MAILING ADDRESS

4675 Sunbeam Road
 Jacksonville, FL 32257

MANDARIN

4675 Sunbeam Road
 (904) 854-9775
 Fax (904) 854-9776

*Lobby & Drive-Thru Financial Services
 Safe Deposit Boxes
 On-Site ATM*

DOWNTOWN

501 E Bay Street
 (904) 353-8454
 Fax (904) 353-6613

*Full Service Lobby
 On-Site ATM*

SOUTHSIDE

5546 Beach Boulevard
 (904) 398-7760
 Fax (904) 396-4967

*Lobby & Drive-Thru Financial Services
 On-Site ATM*

WESTSIDE

4830 Waller Street
 (904) 388-4234
 Fax (904) 389-4834

*Lobby & Drive-Thru Financial Services
 Safe Deposit Boxes
 Drive-up ATM*

NORTHSIDE

2409 Dunn Avenue
 (904) 751-5445
 Fax (904) 751-6234

*Lobby & Drive-Thru Financial Services
 Safe Deposit Boxes
 Drive-up ATM*

TELLERLINE24

(904) 353-2240, Option 1
 (904) 353-0338

ROUTING & TRANSIT NUMBER

263 079 289

SUB - ACCOUNT DESCRIPTION

DAILY PERIODIC RATE

ANNUAL PERCENTAGE RATE

New Auto, Truck, Van*	0.013699% - 0.028767%	5.00% - 10.50%
Used Auto, Truck, Van*		
1 - 4 Model Years Old	0.014521% - 0.031507%	5.30% - 11.50%
5 & Older Model Years	0.015890% - 0.034247%	5.80% - 12.50%
New Motorcycle*	0.015890% - 0.032877%	5.80% - 12.00%
Used Motorcycle*	0.018630% - 0.035616%	6.80% - 13.00%
New RV/Boat/Travel Trailer*	0.015890% - 0.032877%	5.80% - 12.00%
Used RV/Boat/Travel Trailer*	0.018630% - 0.035616%	6.80% - 13.00%
Miscellaneous Non-Titled*	0.018630% - 0.041096%	6.80% - 15.00%
Unsecured*	0.021370% - 0.043836%	7.80% - 16.00%

VARIABLE RATES:

Share Secured	Disclosed on Voucher	Disclosed on Voucher
Certificate Secured	Disclosed on Voucher	Disclosed on Voucher

Rates vary based on your individual credit history.

*Some rates reflect a discount of .20% for accounts with direct deposit.

Banking online is the easiest way to manage your finances. It's secure, easy to use and completely free!

Just visit www.cityfcu.com

and click on the CU@Home button.



Online Bill Pay.
Easy. Secure. Convenient.

...
And it's Free.

LIFE IS GOOD.

For more information:



Visit our website at www.cityfcu.com and login to CU@Home

then click on the "CU Bill Pay"

button.