



November 21, 2008

MESSAGE TO MEMBERS
Recent Increase in Fraudulent Credit & Debit Card Activity

The U of I Employees Credit Union is committed to protecting the personal information and financial assets entrusted to us by our members. We take the trust our members place in us very seriously and have put measures in place to identify and reduce fraud in order to protect our members and the credit union as a whole. This includes layers of security as well as monitoring systems to identify and minimize exposure and risk of loss.

In the last few weeks, we have received information about and have experienced an increase in fraudulent activity involving both Credit Cards and Debit Cards. **It is important to note that the fraudulent activity that is occurring is not isolated to UIECU.** These transactions are affecting many banks and credit unions. Fraud is occurring on Debit Card and Credit Card accounts which carry either the VISA or MasterCard logo. Fraudulent activity has been reported at all types of merchants in several states across the country.

UIECU members can be assured that because of VISA's zero liability policy, they risk no financial loss for fraudulent activity on their UIECU credit card accounts, or on UIECU checking accounts due to fraudulent debit transactions.

If fraudulent activity is suspected, members may receive a call from our monitoring agency to verify the validity of the transaction. If fraud is confirmed, or in some cases if contact can not be made, the card will be restricted and/or cancelled, and a new card will be issued to the member.

As always, members are strongly encouraged to keep a close watch on their accounts and advise the credit union immediately if there is any transaction they do not recognize. This is important because fraud is very dynamic, and it is very challenging to identify patterns and predict how those patterns might change. Members who are alert and aware of their account activity can often alert us to suspicious activity on their accounts before it would have otherwise been flagged.

Despite the efforts of many financial institutions, credit card processing firms, and others, the source of this latest rash of fraud has not yet been identified. The credit union will continue to work with individual members to protect accounts and handle any unauthorized transactions, and will take appropriate action as more is learned about what cards are directly affected or at risk.

Again, members' funds are safe at UIECU and members are protected from fraudulent losses and unauthorized activity on their accounts. Thank you for your continued support and confidence. Please submit questions to info@uiecu.org.