



WHITING REFINERY Federal Credit Union

1339 119th STREET • WHITING, INDIANA 46394 • (219) 659-3254 • www.wrfcu.org • October 2009



By George. . .

CD: A Compact Disc or Certificate of Deposit?

It's funny how an abbreviation can sometimes mean different things to different individuals. Take the abbreviation CD for example.

To some, a CD is an important source of musical and visual enjoyment, a vinyl disc providing a temporary escape during a hectic day and providing the individual with a recharge for the future – be it later that same day, tomorrow, next week, etc.

To others, a CD is an important source of personal and financial enjoyment, a formal document providing a temporary investment during hectic economic times and providing the individual with a larger financial resource for the future – be it next year, two years from now, or in an emergency.

Your Credit Union takes pride in providing CD's (also known as Share Certificates) to members as one deposit option (along with Share Accounts and Share Drafts).

Even more so, your Board of Directors is proud of the fact that we have been able to continually offer highly

competitive CD rates to members even during these recent trying times our national economy has been experiencing. Our current one year CD rate is 2.00% APR/ 2.02%APY, and our two-year rate is 2.25% APR/2.27% APR. Your quick review of local newspaper CD ads will show our rates are right on!

Thus, as you review your utilization of the Credit Union, consider purchasing a CD (Share Certificate). A minimum CD is \$1,000; the maximum amount is up to you.

Share Certificates can be a good investment for you. Or, open a Credit Union account for an eligible family member (son, daughter, grandchild, great-grandchild, etc.) and purchase a CD for them. You've not only beefed-up their lifetime financial future, but hopefully provided a lifetime member to the Credit Union.

If there are other questions that you have about a Credit Union CD (the financial kind, not the musical kind) that I haven't covered here, contact the Credit Union Office at 219-659-3254.

Take care!
George Toth
President, WRFCU

A Message from the Manager



I'm proud to say the office staff and I survived another Federal Audit and came through with flying colors. The final report showed our credit union, once again, was operating above our peer group averages in all key areas and that we continue to be safe, sound and secure. Even in these difficult times, the credit union's earnings remained strong due to our conservative

lending and the close monitoring of costs. We've operated on a very low gross margin for many years and because operating expenses to average assets are so low, it allowed the credit union to enjoy a large return on average assets.

Our net worth position of 24.25% of total assets is solid and stable (peer average 13.23%). In fact, our non-performing loans are minimal with .10% of total loans being delinquent as opposed to our peers with an average of 1.59%

Overall, I couldn't be happier with the findings of the examiner. I want to commend the office staff for a job well done and thank the Board of Directors for their continued support and confidence in me.

Carol A Graziani, Manager



Share Insurance



With the struggling economy, we want to assure all our members that your savings are now insured up to \$250,000.00 per individual account and \$500,000.00 per joint account. Please stop by for a brochure explaining your insured savings through NCUA, our federal agency.



What affects your Credit Score?

By now, most consumers know that they have something called a “credit score” haunting their financial lives, and that this number is very important when it comes to getting credit, such as a consumer loan, credit card or a mortgage. But did you know that the higher your score, the better?

Your credit score can have a significant impact on your credit worthiness. So how is the score determined?

1. Your payment history. Late payments reduce your score, so always pay your bills and loans on time.
2. Your total debt. Do you have lots of debt? Multiple credit cards that are maxed out, plus car loans, a

mortgage and 2nd mortgage may have a negative impact on your score. High debt will reduce your credit score also.

3. Your credit history. The longer it is, the better your score.
4. Your credit types. The wider the variety of credit you have, the more you demonstrate your ability to handle debt well.
5. Seeking new credit. If you apply for and receive a lot of credit (ex. Opening several credit cards, taking installment loans), you may come across as a credit risk and your score could also be reduced.

Your safest course of action is to have credit, but keep it to a minimum and never miss or be late with any payment.

Here’s the 411 on APR and APY



When you see an ad for a loan or for a savings certificate, you’ve probably noticed the “APR” and “APY”. But what do they mean?

APR stands for “annual percentage rate.” This is the price you pay per dollar, per year for the credit you use. It’s a standard measure required by law, and all else being equal, the lower the APR, the better the credit bargain. It helps you sort out loans with different fees and terms by providing an “apples-to-apples” comparison. For example, is a loan with a lower stated interest rate, but high fees, a better deal than one with a higher stated rate and low fees? Because APR calculations account for fees to determine a single rate you can quickly find the answer.

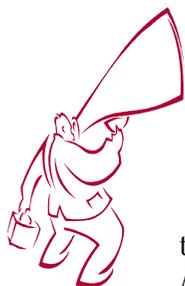
APY is “annual percentage yield” and its disclosure is also required by law. APY is the yardstick for the interest being paid on savings accounts or certificates. The higher the APY, the more money you’ll earn on your savings. It, too, helps you make accurate comparisons between savings vehicles.

Your Next Car: LEASE OR BUY?



If you’re in the market for a new car, you may have wondered if leasing is a better option than buying. Often a lease will put you in a more expensive car than you might otherwise afford to buy outright. That’s because, typically, lease payments are lower than loan payments – you are paying only for the vehicle’s depreciation during the lease term, plus rent charges (like interest), taxes, and fees. Instead of a down payment on your vehicle loan, your upfront costs may include the first month’s payment, a refundable security deposit, a capitalized cost reduction payment, taxes, registration, and other fees and charges. Also when you lease, there are limits on mileage, wear, and a substantial penalty for ending the lease early.

For many, the tax breaks in the economic stimulus package, low interest rates, and ample dealer inventories may provide the compelling reasons to buy. If you are a high mileage driver and plan to keep your car a long time, buying is usually the better alternative. For your best loan options, contact the credit union. We’ll help you sort out the numbers to help you determine what works best for you.



Please Pass the Word

Do you know someone who could benefit from belonging to the credit union? Because you are a member of the credit union, members of your immediate family are also eligible to join. Please pass the word about the credit union difference. As a financial cooperative, any profits don’t

land in the pockets of a few shareholders. Instead, they are returned to member/owners in the form of lower rates on loans, higher rates on savings, or improved services. The more members who join the credit union, the stronger we become. So do yourself and your family a favor and direct them to the credit union. They will thank you for it, and so will we!

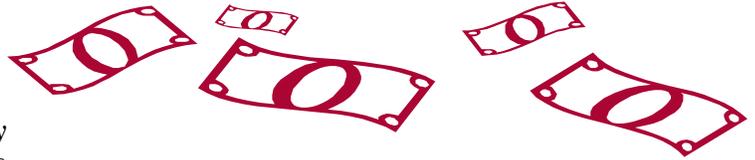
E-Services: Put the CD at Your Fingertips



It's midnight and you want to know the balance in your checking account. Or it's 6 am and you need to transfer funds to make a loan payment. No need to wait until the credit union office is open – our online branch never closes. We are here when you need us, day or night, every day of the week and just a few keystrokes and mouse

clicks away. When you sign up to use the credit union's e-services, you can do many transactions on your schedule, not ours. In addition to checking balances and making loan payments, you also can transfer funds between your share savings account and your checking account or transfer funds between joint accounts. Getting low on checks? There's also a link to order a new supply. To find out more about putting the credit union at your fingertips, call on us today. It's easy to sign up and sooner or later, you'll be glad you did.

Get your share of the Economic Stimulus Package



The record-setting \$787 billion stimulus package passed by Congress includes something for nearly everyone. But some tax-credits are for a limited time only, so don't miss out on any that might apply to you. Below are some of the benefits; see your tax advisor for all of the details.

- First-time homebuyers are eligible for a refundable tax credit of up to \$8,000 for purchases made before December 1. The credit phases out for single taxpayers with adjusted gross incomes that exceed \$75,000 (or \$150,000 for married couples filing jointly). If you sell the house within three years, you must forfeit the credit.
- Tax credits for purchases to make homes energy efficient, such as new furnaces or insulation, are increased to 30 percent through 2010, for up to \$1,500. The tax credit for purchasing a plug-in hybrid vehicle is now \$7,500.
- Buy a new vehicle in 2009 (with a price tag of up to \$49,500) and you can deduct state, local, and excise taxes, as well as the interest on your car loan. The tax break is an above-the-line deduction, which means it can be taken even if you do not itemize other deductions. The deduction begins to phase out for single tax filers with adjusted gross income of more than \$125,000 or \$250,000 for married couples filing jointly.
- Buy an Energy Star appliance and get a rebate.

- The federal Hope Scholarship for 2009 and 2010 is expanded to provide a tax credit of up to \$2,500 a year for all four years of college tuition, instead of \$1,800 a year for the first two years. The tax credit phases out for individuals making between \$80,000 and \$90,000 and couples earning between \$160,000 and \$180,000.
- If you lose your job, 65 percent of the premium costs to keep group health coverage for nine months are covered. Previously, jobless workers had to pay 102 percent of health insurance premiums, including the employer's share. To be eligible, workers need to have been forced out of their jobs between September 1, 2008, and December 31, 2009.
- A tax credit at a rate of 6.2 percent of earned income (after federal taxes are taken out), up to \$400 for individuals and up to \$800 for couples; will be provided in 2009 and 2010. The credit begins to phase out at income levels of \$75,000 for individuals and \$150,000 for married couples filing jointly. Since the credit is "refundable," people with no federal income tax liability will get money back. Recipients of Social Security, Supplemental Security Income, railroad retirement benefits, and veteran's disability compensation or pension benefits were given a one-time payment of \$250.



Pulling back from the brink of Bankruptcy

When you are in over your head financially, it's hard to see clearly. Sometimes a fresh eye on your situation can make all the difference. One of our loan officers can help you size up your bills and your resources and see what might work to clear your debts – short of bankruptcy.

The key is to ask for help before it's too late. While some advisers – bankruptcy lawyers, mostly – will tell you that bankruptcy has lost its former stigma, most people feel better about getting a fresh start by paying their bills. It won't necessarily be easy, but it may be much easier in the long run than paying extremely high rates on any loan you make, losing a promising job opportunity or being turned down for

insurance coverage for the next 10 years. That's how long bankruptcy will stay on your credit record.

In a time of economic upheaval, some people may have to declare bankruptcy who never would have considered it in the past. Bankruptcy is meant to be a safety net for families without any other alternative. The question is – what's that point? One of our loan officers can help you review your circumstances and suggest some options.

There are times when bankruptcy is the only answer to severe financial problems, but don't be too quick to assume that's your only option. Call the credit union today and we can work together on a better answer.

Dividend News

The Board of Directors declared to pay 1.00% APR/1.00% APY on all eligible share accounts for the Third quarter of 2009 payable October 1, 2009.

Certificate Rates

1 Year (\$1,000.00 min) 2.00%APR/2.02%APY
2 Year (\$1,000.00 min) 2.25%APR/2.27%APY

Board Approves Member CONNECT Program

Members will soon receive home mailings from MemberCONNECT, offering products and services such as Life Insurance, AD&D Insurance, Auto and Home, Long-Term Care, and a Supplement to their Medicare Program. The WRFCU Board of Directors approved this voluntary participation offering at its September 17th meeting.

Whiting Refinery Federal Credit Union

SERVING OUR MEMBERS SINCE 1935

1339 - 119th Street,
Whiting, Indiana 46394
(219)659-3254

HOURS

8:15 a.m. to 5:00 p.m. - Monday thru Friday
Payday Friday - Open until 6:00 p.m.

www.wrfcu.org

Holiday Closings

**Thursday & Friday, November 26 & 27
THANKSGIVING HOLIDAY**

**Thursday & Friday, December 24 & 25
CHRISTMAS HOLIDAY**

Your Savings Federally Insured to \$250,000

NCUA

National Credit Union Administration.
a U.S. Government Agency

**Savings Rate: 1.00% APR/1.00% APY
2 Year (\$1,000.00 min) 2.25%APR/2.27%APY**

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FEDERAL CREDIT UNION
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Whiting, Indiana 46394**

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