

# Monad Federal Credit Union

APRIL 2009

SAVE A TREE,  
SIGN UP FOR  
E-STATEMENTS!



## No Credit Crunch Here!

Everyday we are hearing that the financial industry is ready to collapse, that banks are not loaning money, and that consumer credit has all but dried up. That may be the case for the banking industry, but not the credit union industry. Credit unions are safe and sound, and at Monad we have over \$1,000,000.00 available to loan to our members immediately. Looking to refinance your car from another lender, we've got money for that! How about getting out from under some of those high interest rate, fee heavy store credit cards? We have money for that too! And now you have the added convenience of applying for your loan online, on our website [www.monadfcu.com](http://www.monadfcu.com).

## Plan to Attend The Annual Meeting

It only happens once a year, the credit union annual meeting. And it is your chance to meet face-to-face with the people who run your credit union, members just like you. You can also learn about the credit union's financial position, current business issues and goals. It is also the time to elect the members that are running for election on the Board of Directors.

This year incumbents Phil Tebay and Lloyd Ingraham are running for re-election. If you are interested in serving on the Board of Directors, send a nomination letter to the credit union to the attention of the Nominating Committee, or attend the annual meeting so that your name can be nominated from the floor. Voting for the Board of Directors is only held at the annual meeting, so you must attend the meeting to vote. Details for this year's annual meeting are as follows:

Date: Monday, May 11, 2009  
Time: Dinner 6:30 pm  
Meeting 7:30 pm  
Place: Magill's Restaurant  
Corner of Road 68 & Argent in Pasco

This year you can order off the menu, no need to purchase your dinner tickets in advance.

## First Time Car Buyer Loans

Do you have a new driver in your family that needs a car of their own? Monad has first time car buyer loans for 16-21 year olds to buy their first auto. Borrowers will need to have a job (part time is okay) and will need a co-signor (usually their parents who have borrowed from Monad in the past). The interest rate is a fixed 8.25% APR.



## IRA Contribution Limits

In 2008, your maximum individual retirement account (IRA) contribution limit increased to \$5,000. And if you are age 50 or older, you can exceed that limit by an additional \$1,000 because of the catch-up provisions designed to boost your IRA contribution dollars. Remember that all the IRA expansion and pension reform provisions will expire at the end of 2010 if Congress does not extend or make them permanent, so take advantage of the law now and set as much money aside into your IRA account as your budget can allow.

There are no monthly or annual fees associated with your Monad IRA, and you have the ability to take your funds out as needed since our IRA's are not term certificates.

### LOAN RATES

- 2005-2009 Autos **4.99%**
- 2004 & Older Autos **5.50% - 6.50%**
- 2003-2009 Boats & RV's **7.0%**
- 2002 & Older Boats & RV's **8.0%**
- Timeline (Line of Credit) **13.5%**
- First Time Car Buyer **8.25%**
- Savings Secured **3.50%**
- Visa Classic & Secured Credit Cards **12.9%**
- Classic Autos **8.50%**
- Computer Loans **8.50%**
- New Off Road Vehicles **8.50%**
- Used Off Road Vehicles **10%**
- Stafford Student Loan **6.0%-6.80%**
- PLUS Student Loan **8.50%**
- Student Consolidation Loan **8.25%** (rate cap)

Rates quoted are the lowest available rate and are based on how you have managed your credit, the resulting credit score, and include an active member discount. All interest rates stated are fixed annual percentage rates and are subject to change by the Board of Directors.

### SAVINGS RATES

- Membership Share/Savings **0.50% APR - 0.50% APY**
- Christmas Club & Vacation Club Shares **1.50% APR - 1.51% APY**
- Super Saver Shares **1.50% APR - 1.51% APY**
- Traditional & Roth IRA, Coverdell ESA **2.25% APR - 2.27% APY**

APR is the annual percentage rate, APY is the annual percentage yield. Quoted rates are what was paid on accounts as of 3/31/2009. Dividend rates are not guaranteed as they are paid from available earnings and are subject to change by the Board of Directors. Contact our office and ask for a Truth in Savings disclosure for complete details including any minimum balance requirements to earn a dividend and the most current dividend rate.

Your savings federally insured to at least \$250,000  
and backed by the full faith and credit of the United States Government

# NCUA

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

**Location & Hours**

1817 W. Sylvester  
Pasco, WA 99301  
Phone (509) 545-1406  
Toll Free (888) 488-1406

Lobby is open  
10:00 a.m. to 6:00 p.m.  
Monday through Friday

**Monad Audio Response Line**  
(509) 545-1989  
(our touchtone telephone teller,  
available 24/7)

Visit us on the Web at:  
[www.monadfcu.com](http://www.monadfcu.com)

**Holiday Closing**

Monday, May 25, 2009  
Memorial Day



Don't forget our drive-up window has extended hours, opening at 8:30 am and closing at 7:00 pm, Monday through Friday.



How much are you paying for the privilege of writing checks at your financial institution? Are you charged fees for overdraft transfers, fees for dropping below a minimum balance or even a fee just for talking to a teller? If so, it must be time to switch to a Monad checking account. We have no monthly service charges, no minimum balance requirement, and we think it is just great when you come in to see us, so why charge a fee for getting personal service? Stop by and open your Monad checking account today.

## Old Advice is Still Smart: Live Within Your Means

Back in the day, people used to worry about keeping up with the Joneses. The phrase means you spend more than you planned just to keep pace with the neighbors, friends, or family members. These days, many of us have zoomed way past the Joneses. Evidence from the Department of Commerce and the Federal Reserve is that American households spent 125% of disposable income in 2007 to pay off debt.

You do not have to be a math wiz to see that this can't work for long. If you are part of this sobering statistic, that old advice applies today: live within your means, don't spend more than you make.

It is hard to do when food, fuel, utilities, and medical costs are climbing, but this time tested piece of advice can help you plug leaks in your family finances. Use it up, wear it out, make do, or do without. It is that simple. And if you want to make real progress building your personal wealth, live below your means. Start putting money every payday into a savings account for large purchases or your family vacation. You should also have at least 3-6 months salary set aside in a savings account that you only touch for an emergency.

For information about the different types of savings accounts at Monad, contact our office or check out our website at [www.monadfcu.com](http://www.monadfcu.com).

## How to Improve Your Credit Score

Most people know that lenders use credit scores to assess risk, but few know exactly where the score comes from or how it is used. That little three-digit number summarizing your financial credit history is a critical factor in a lenders' decision to grant you credit and at what interest rate. And now some employers, landlords and insurance companies use them to evaluate applicants.

- Payment history makes up about 35% of the score, so make sure you pay all your bills on time.
- Amounts owed to creditors makes up about 30% of your score, so don't owe a lot of money to a lot of people and keep each account balance at less than 25% of your available credit limit.
- Length of credit history (how long you have had the account) makes up about 15% of your score, so keep fewer cards for a longer period of time and don't open a flurry of new accounts just to chase low teaser rates.
- New credit makes up about 10% of your score, so don't increase debt obligations right before applying for a mortgage loan.
- And type of credit currently in use makes up about 10% of your score, so make sure to maintain a mix of credit: mortgage, credit card, and installment loans (like car loans).

## Your Money is Safe with Us

Recent news agencies reported that two corporate credit unions, U.S. Central and Wescorp, were taken into conservatorship by the National Credit Union Administration (NCUA). Neither of these credit unions are regular credit unions like ours that serve consumers, these corporate credit unions only provide their services to other credit unions. The NCUA took control of these credit unions to stabilize the corporate credit union system in late March 2009 and both credit unions are still operating normally. NCUA's action has no impact on the members of Monad Federal Credit Union as Monad was not a member of either corporate credit union. Credit unions have been serving members in the U. S. for over 100 years, through good times and bad. We are positioned to remain strong. No credit union member has ever lost a penny of federally insured funds, and of course, your own funds here at Monad are perfectly safe and insured to \$250,000 by the NCUA.

## Benton Franklin Humane Society

Thanks to you, Monad donated \$830 to the Benton Franklin Humane Society earlier this year. Members that applied to skip their loan payments in October, November & December were charged a \$10 extension fee, which was in turn donated to the Humane Society. Thank you to all that participated!