

UPDATE RELIANCE FEDERAL CREDIT UNION

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RFCU is Healthy

As you watch or read the financial news of the past few weeks, it would be understandable to question the soundness of all financial institutions. As I have written earlier this year, the financial news from RFCU is very positive. While some other institutions are being severely tested, RFCU is reporting record earnings and core financial strength.

RFCU's largest holdings are in loans to members like you. Almost all of our assets are in consumer loans to members. I'm proud to report that our members continue to repay their loans at record rates in spite of a challenging economy. The quality of a consumer loan portfolio like RFCU's is largely measured by its overall delinquency. With only 0.60% of our loans in technical delinquency, that means that 99.4% of all loans are in a current status. By comparison, the national average delinquency rate for bank credit cards was recently reported at 4.5%, fully 7.5 times higher than the delinquency ratios at RFCU. Thanks to all of our members for honoring their borrowing agreements with us.

As a federally insured credit union, RFCU is restricted to federally insured or backed investments. Federally backed securities are considered the most secure of all investments. Our federal insurance is provided by the National Credit Union Administration (NCUA) and is equal in every respect to the federal deposit insurance provided to banks. Every member is insured up to \$100,000 of deposits held with RFCU. Retirement accounts like IRAs are separately insured up to \$250,000.

Finally, we recently completed our federal examinations and again received ratings from our regulators. The National Credit Union Administration monitors our operations on an ongoing basis and conduct intense reviews of our operations each year. This is in addition to our annual CPA audit and internal audit reviews.

This is certainly a challenging time and is likely to get more challenging in the months ahead. The good news for RFCU members is that we remain strong and very capable of navigating these difficult waters.

Sincerely,
Susan Chally
President/CEO



More Rewards

We would like to thank our active checking account holders in a very special deposit way.

You will earn an extra .25% on your new Certificate of Deposit rates. An active checking account is one that has at least six transactions per month. We already reward borrowers with a .25% discount on loan rates, now we are rewarding CD owners as well.

Rookies' Corner

Congratulations to the following Reliance Rookies for earning good grades on their report cards. The Rookies earn \$2 for As and \$1 for Bs in Reading, Math, History, and Science.



Rookies' Rewards

Jedidiah Abelo	Lauren Quinn
Brianna Decerio	Chelsea Ramage
Dalton Decerio	Kara Ramage
Kyle Decerio	Brandon Rambo
Taylor DiFeo	Brianna Rambo
Jennifer Farrell	Amber Reuschlein
Andrew Golato	Angelina Schaff
Bridget Golato	Daniel Shane
Celsey Golato	Ethan Shane
Charles Graham	Timothy Shane
Christopher Graham	Katelynn Sundheim
Sara Haddon	Kyle Sundheim
Shannon Heim	James Ward
Audrey Karas	Richard White
Morgan Karas	Robyn White
Stephen Klawans	Lindsay Zamites
Mackenzie Murray	William Zamites
Page Murray	Zachary Zamites

*Teach your children well.
Open a Rookie Account for your children and receive age-appropriate financial education material.
Is your child already a Rookie?
Email us at creditunion@earthlink.net requesting the material and we'll mail it to your home.*

Interest Free Loan

Any auto loan taken in September, October and November will be entered in to a drawing for that loan to be interest free. The drawing will be held January 2nd, 2009 and announced the spring newsletter.

