



member

# Advantage

August 2010

## Important Notice/Action Required

### New Online Banking Program Premieres August 26, 2010



The Credit Union will be introducing an entirely new Home Banking and Bill Payer platform on August 26. This upgrade is taking place to assure that our members have the most advanced program to access their accounts and pay bills. For example, the new software will set the stage for further enhancements to our online banking services. It will also streamline payments made to your Bill Payer vendors. Another new feature will be your ability to customize the naming of your accounts (such as "Johnny's College Fund" or "Cruise2012") for easy online identification.

With any system upgrade, however, one usually expects a short period of inconvenience during the conversion period. *That is why it is important to review the information below and take any necessary action that may apply to your circumstances.* In this way we may minimize disruptions in service or unexpected consequences.

• Conversion period (no access to Online Banking and Bill Payer): 9:00 AM, Tuesday, August 24 – to 9:00 AM, Thursday, August 26

- All Bill Payer vendors and scheduled transfers established prior to August 23, 2010, will migrate over to the new Online Banking program effective August 26, 2010.
- All scheduled Bill Payer payments established prior to August 23, 2010, will be made on August 24, 25 and 26 during the conversion. However, members will not be able to create, modify or delete payments during the conversion period.
- Scheduled transfers from one RTN FCU account to another (set up on Home Banking) – for example, a repetitive transfer from your Main Share to your Checking or Loan – will not migrate to the new Online Banking system on August 26. **You will be required to re-create these scheduled transfers by visiting the Overview or Account Access tabs.** We apologize for this unavoidable inconvenience.
- Transaction history before conversion will be available on the new Online Banking program.
- When you first visit the new Online Banking program, you will be required to reset your password. Simple instructions will be provided on the login screen.

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### Free Checking: A Sure Bet at Your Credit Union



In light of new regulations on overdraft fees, large banks like Bank of America are reviewing opportunities to generate income from checking accounts. The days of free checking may be waning. Large minimum balances and higher fees loom on the horizon.

Here at RTN FCU, we're content to continue giving our members a good value with Free Basic Checking – totally free checking at its best!

- NO minimum balance
- NO monthly service fee
- NO 'per check' charges
- Unlimited check writing
- Unlimited, free transactions at RTN-owned ATMs
- No surcharges at SUM<sup>SM</sup> and MoneyPass<sup>®</sup> enrolled ATMs
- FREE debit card transactions
- FREE eStatements with free check images
- FREE online and telephone banking

Get even more free ATM withdrawals at non-RTN machines with our Performance Package. All it takes is direct deposit of your pay, Social Security and/or pension check.

If you're not receiving value from your bank checking account, it may be time to seek a steady alternative – at your Credit Union!

## Tapping Your Retirement Nest Egg

A MESSAGE FROM THE RTN FINANCIAL AND RETIREMENT GROUP



**You should limit your annual withdrawal rate to a conservative amount.**

How much can you annually withdraw from your retirement savings with the least risk of running out of money?

There's no easy answer to this question, especially since you may be depending on your money for some 20 to 40 years. Plus, it's hard to plan when there's no way to know what investment returns or the cost of living will be in the future.

In general, the studies say that if you want to be fairly confident your savings will last for the rest of your life, through both good and bad economic times, you should limit your annual withdrawal rate to a conservative amount.

The studies generally suggest two alternate withdrawal methods. One method is to initially withdraw about 4% from a diversified portfolio and then annually increase that amount to keep pace with inflation. This may seem like a limited amount, but you have to start with a low rate so you can increase withdrawals each year for inflation.

A second method is to withdraw a fixed 5% each year with a ceiling and floor on the amount you withdraw, so the actual amount is dependent on your investment returns. By always withdrawing a fixed percentage from your remaining savings, you're forced to adjust your spending along with your portfolio's performance.

Most importantly, whether your money actually lasts depends on your actual investment returns and how much your expenses increase.

For more information about retirement income planning, please contact Swan Shen, CFP®, CRPC®, Vice President – Wealth Management at 1-800-338-0221, ext. 9877 to set up your complementary retirement income analysis today.

*Representatives are registered, securities are sold, and investment advisory services offered through CUNA Brokerage Services, Inc. (CBSI), member FINRA/SIPC, a registered broker/dealer and investment advisor, 2000 Heritage Way, Waverly, Iowa 50677, toll-free (866) 512-6109. Non-deposit investment and insurance products are not federally insured, involve investment risk, may lose value and are not obligations of or guaranteed by the financial institution. CBSI is under contract with the financial institution, through the financial services program, to make securities available to members.*

### **New Online Banking Program** *(continued from page one)*

- If you have bookmarked or saved the login screen as a favorite, please visit our homepage at [www.rtn.org](http://www.rtn.org) to access the new Online Banking system and then save the new link to the login screen. You will no longer need to log into the old site to retrieve account information or conduct transactions.
- If you experience difficulty accomplishing some tasks in the new RTN Online Banking program, we suggest trying another supported Internet browser (Internet Explorer, Safari, or Opera). If you continue to experience difficulties, please contact Member Services at 1-800-338-0221, ext. 9829, (781) 736-9829, or [info@rtn.org](mailto:info@rtn.org) for assistance.

Thank you for your patience and cooperation as we strive to maintain the highest levels of service and convenience to our valued members.

## RTN: Always a Consumer-Friendly Credit Card Option

You've surely been reading the news about changes many credit card issuers have made in order to increase their earnings in the face of many pro-consumer laws becoming effective. These include sharply increased interest rates, higher late payment penalties, and decreased credit lines, just to name a few.

Here at RTN Federal Credit Union, none of these types of changes have taken place. As has been the case for 20-plus years, our card programs have always offered an unsurpassed consumer value. Our rates are among the lowest you will find (excluding their temporary 'gotcha' rates designed to hook you in) and our VISA Gold and VISA Platinum rewards programs pay full value on every purchase, unlike many cards offered by other issuers.

So if you (or a sister, spouse, significant other...) are looking for the respect you deserve when using a credit card, ask for details on our credit card programs. We invite you to apply for your RTN VISA card today. It's a card that will earn its place in your wallet!



## Six Tax Benefits for Job Seekers

Did you know that you may be able to deduct some of your job search expenses on your tax return? Many taxpayers spend time during the summer months updating their resumes and attending career fairs. If you are searching for a job this summer, you may be able to deduct some of your expenses on your tax return.

**Here are six things the IRS wants you to know about deducting costs related to a job search.**

- To qualify for a deduction, the expenses must be spent on a job search in your current occupation. You may not deduct expenses incurred while looking for a job in a new occupation.
- You can deduct employment and outplacement agency fees you pay while looking for a job in your present occupation. If your employer pays you back in a later year for employment agency fees, you must include the amount you receive in your gross income up to the amount of your tax benefit in the earlier year.
- You can deduct amounts you spend for preparing and mailing copies of your resume to prospective employers as long as you are looking for a new job in your present occupation.
- If you travel to an area to look for a new job in your present occupation, you may be able to deduct travel expenses to and from the area. You can only deduct the travel expenses if the trip is primarily to look for a new job. The amount of time you spend on personal activity compared to the amount of time you spend looking for work is important in determining whether the trip is primarily personal or is primarily to look for a new job.
- You cannot deduct job search expenses if there was a substantial break between the end of your last job and the time you begin looking for a new one.
- You cannot deduct job search expenses if you are looking for a job for the first time.

For more information about job search expenses, see IRS Publication 529, *Miscellaneous Deductions*. This publication is available on [IRS.gov](http://IRS.gov) or by calling 800-TAX-FORM (800-829-3676).



## F Y I

### Another Benefit of eStatements

In addition to the convenience and security of receiving your regular statements electronically with a personal computer, there is a special benefit for eStatement members. Not only can you print statements or store them on your computer, but you also have access to unlimited free copies of paid checks you've written from your checking account. You avoid the fee ordinarily charged for requesting check copies. eStatements record both sides of a check with details (such as endorsements, depository financial institutions, etc.) proving that the check was processed and funds were received by the payee you had indicated. eStatements allow you to have access to check images for six months. You may view these checks on your computer or print them out as needed. Simplify your life while taking full advantage of your member benefits. Sign up for eStatements now!

### Share the Benefits of Belonging

If you're satisfied with the products and service at RTN, it may be easy to forget that not all of your friends and family are so lucky. Let them in on the best deal in town: Tell them about the benefits of belonging to the Credit Union. They win and you win. They win because they'll likely get better rates and friendlier service than they are currently experiencing at any other financial institution. You win because the more people who participate in the credit union, the more efficiently we can conduct business. As a financial cooperative, we pass those savings back to you. Plus, you'll have the satisfaction of knowing that your friends and family will likely be better off for having made the switch. Not everyone is in the know, so please pass the word about your Credit Union. We'll be pleased to introduce them to a brighter financial future.

### ALL RTN OFFICES CLOSED LABOR DAY

In observance of Labor Day, all RTN offices will be closed on Monday, September 6, 2010.

## A SHARP EYE Can Be Worth a Quick \$25



Buried somewhere in this issue of Member Advantage is a phrase that can make you an easy \$25. This month's phrase is: *Performance Package*. Just find the phrase and then call 1-800-338-0221, ext. 9815 or (781) 736-9815 and leave a voicemail message by reading the whole sentence containing the secret phrase exactly as it appears in this newsletter. Read only the one sentence containing

the phrase; then be sure to clearly leave your name and contact information.

Voicemails must be received on or before August 24, 2010. The first four randomly selected members who successfully respond to these instructions will each receive a \$25 cash deposit to his/her main share account. You must be a current member in good standing to participate. Winners will be notified by August 27 and announced on our website (using first name with first initial of last name).

*July winners were: David B. (Amesbury, MA), Rhonda D. (Billerica, MA), Darlene L. (Lake Placid, FL), and Sandra M. (Billerica, MA).*

Each member may enter only once per monthly contest. Only one entry allowed per phone call. RTN employees, directors and their families are not eligible to enter.



**CONSUMER LOANS**

	APR <sup>†</sup> Starting at:
BOAT	6.875% <sup>1</sup> to 7.75% <sup>1</sup>
HOLIDAY AND VACATION	8.75% <sup>1</sup>
PERSONAL (12 - 84 months)	9.25% <sup>1</sup> to 12.00% <sup>1</sup>
VISA PLATINUM /GOLD CREDIT CARD	
Purchases	
Platinum	9.99% <sup>2</sup>
Gold	10.99% <sup>2</sup>
	APR <sup>††</sup>
Balance Transfers	8.24% <sup>2,3</sup>
Cash Advances	8.24% <sup>2,3</sup>
MAIN SHARE SECURED	3.20% <sup>2</sup>
OVERDRAFT PROTECTION	13.75% <sup>2</sup>

**VEHICLE LOANS**

	APR <sup>†</sup> Starting at:
<b>CAR, LIGHT TRUCK, SUV (NEW)</b>	
for up to 100% financing plus tax	
up to 36 months	4.25% <sup>1</sup>
up to 48 months	4.50% <sup>1</sup>
up to 60 months	4.50% <sup>1</sup>
up to 72 months	5.25% <sup>1</sup>
up to 84 months	5.75% <sup>1</sup>
<b>CAR, LIGHT TRUCK, SUV (USED)</b>	
2004 - 2010 model years;	
for up to 100% financing plus tax	
up to 36 months	4.50% <sup>1</sup>
up to 48 months	4.75% <sup>1</sup>
up to 60 months	5.125% <sup>1</sup>
up to 72 months	5.75% <sup>1</sup>
up to 84 months	6.25% <sup>1</sup>
<b>MOTORCYCLE terms vary</b>	5.375% <sup>1</sup> to 6.875% <sup>1</sup>

**SAVINGS ACCOUNTS**

	APY*
<b>MAIN SHARE</b> .....	\$25 minimum balance, \$50 minimum to earn dividends <sup>8</sup>
<b>CHECKING</b>	
<b>Basic</b> .....	No fee, no minimum balance
<b>Dividend</b> .....	\$5 monthly fee, no minimum balance <sup>8</sup>
<b>BUSINESS CHECKING</b>	
Value.....	no fee, no minimum balance
Premier.....	\$2,500 balance to waive \$9.95 monthly fee
<b>IRA SAVINGS</b> .....	1.06% <sup>8</sup>
Coverdell Education Savings, Traditional and Roth IRAs; no minimum contribution, balance or fees	
<b>CLUB</b> .....	0.50% <sup>8</sup>
Holiday and Vacation - no minimum balance or contribution. \$15 penalty for early withdrawal.	



**Apply for consumer and vehicle loans quickly and easily by phone!**  
 > 24 hours a day / seven days a week  
 > Toll-Free: 866-564-9481

**BUSINESS LOANS**

- EQUIPMENT
- LINE OF CREDIT
- COMMERCIAL MORTGAGES

Quick processing. Great Rates & Terms. Ask us for details.

(800) 338-0221

jlippman@rtn.org

**FIRST MORTGAGE LOANS**

Fixed Rate	Rate	Points	APR <sup>††</sup>
40 Year	4.875%	1	4.978%
	5.125%	0	5.125%
	6.000% <sup>4</sup>	0	6.000%
30 Year	4.500%	1	4.619%
	4.750%	0	4.750%
	5.625% <sup>4</sup>	0	5.625%
15 Year	3.875%	1	4.073%
	4.125%	0	4.125%
	4.750% <sup>4</sup>	0	4.750%
10 Year	3.750%	1	4.033%
	4.000%	0	4.000%
	4.625% <sup>4</sup>	0	4.625%

**Blended and Adjustable Rate (ARM<sup>5</sup>)<sup>2,6</sup>**

Blended Rate	Rate	Points	APR <sup>††</sup>
<i>40-year mortgages available on products listed below. Add 1/4% to rate.</i>			
30 year, 5/1 Blended	3.875%	1	3.414%
• 5 year fixed	4.250%	0	3.469%
• 25 year ARM <sup>6</sup>	4.875% <sup>4</sup>	0	3.702%
30 year, 7/1 Blended	4.000%	1	3.578%
• 7 year fixed	4.375%	0	3.677%
• 23 year ARM <sup>6</sup>	5.000% <sup>4</sup>	0	3.989%
30 year, 3 year ARM <sup>4</sup>	3.625%	1	4.023%
	4.000%	0	4.028%
	4.625% <sup>4</sup>	0	4.177%

The mortgage rates listed above are for owner-occupied homes in New England with the quoted APRs reflecting a 20% down payment to a member with excellent credit. Loans for vacation homes and for first-time home buyers also available. Your rate/points may be different based on your credit score and the specifics of your transaction. Call 1-800-338-0221, ext. 9859, for details. Jumbo Loans — Range from \$417,000 to \$625,000 on single family homes, up to \$1,202,925 on 4-unit properties. Add 1/4% to blended or ARM programs.

Ask about our special programs • First Time Home Buyer • HELPER Affordable Housing • 3% Down Payment Mortgage

**HOME EQUITY**

Fixed Rates	Rate
Up to 60 months .....	5.75% <sup>1</sup>
61 - 120 months.....	6.125% <sup>1</sup>
121 - 180 months .....	6.375% <sup>1</sup>
181 - 240 months .....	6.875% <sup>1</sup>
Ready Line variable rate HELOC.....	4.00% <sup>2,3,7</sup>

Available in MA, NH, ME and RI

**HOME IMPROVEMENT**

Fixed Rates	Rate
Up to 60 months.....	5.75% <sup>1</sup>
61 - 120 months.....	6.125% <sup>1</sup>
121 - 180 months.....	6.375% <sup>1</sup>
181 - 240 months.....	6.875% <sup>1</sup>

<sup>†</sup>APR = Annual Percentage Rate. The APR you receive will be based on your credit score.

<sup>††</sup> APR = Annual Percentage Rate.

<sup>1</sup> Reflects 3/4% discount for direct deposit of net pay, Social Security and/or pension benefits coupled with automatic payment from an RTN FCU account.

<sup>2</sup> Rate is subject to change after consummation.

<sup>3</sup> Variable rate based on the month-end prime rate in The Wall Street Journal.

<sup>4</sup> No closing cost, minimum loan of \$100,000

<sup>5</sup> Adjustable rate mortgage

<sup>6</sup> Adjustment cap: 2% periodic, 6% lifetime

<sup>7</sup> Minimum 4.00% APR

**MONEY MARKET**

\$100,000 and over .....	1.25%
\$75,000 - \$99,999.....	1.00%
\$50,000 - \$74,999.....	0.75%
\$25,000 - \$49,999.....	0.50%
\$ 2,500 - \$24,999.....	0.30%

**SAVINGS CERTIFICATES**

Education Savings Accounts, IRA and Non-IRA accounts

	\$500/\$1,000	\$50,000
	APY*	APY*
60 months	2.30%	2.50%
48 months	2.30%	2.50%
36 months	2.00%	2.30%
24 months	1.50%	1.90%
12 months	1.20%	1.70%
6 months	0.75%	1.00%
3 months	0.60%	0.80%

**Share Certificate Terms**

\$500 minimum for Coverdell Education Savings; \$1,000 or \$50,000 minimum balance required to open non-IRA, Roth or traditional IRA certificate accounts and to earn dividends. Penalty imposed for early withdrawal of funds. Rates as of July 29, 2010, and subject to change at any time. Dividends compounded and paid monthly.

**Savings Account Terms**

Except where noted otherwise, the APYs are accurate as of July 29, 2010. Fees and other conditions could reduce the earnings on the account. Savings rates may change at any time after the time the account is opened except on established share and IRA share certificates. Dividends paid at month-end. No dividend paid on accounts closed prior to month-end except for IRAs and share certificates.

<sup>8</sup> Calculated day-of-deposit to day-of-withdrawal, paid and compounded monthly.

\*APY = Annual Percentage Yield

**Current rates may change at any time. Not responsible for typographical errors.**

Visit [www.rtn.org](http://www.rtn.org) or call 1-800-338-0221 to verify rates.



Equal Housing Lender



Federally Insured by NCUA

Equal Opportunity Employer