



member

Advantage

January 2010

Year End Clearance at Enterprise Car Sales!

December 26, 2009 through January 31, 2010 ONLY!

Choose one of two exceptional offers:

- \$1000! over Kelly Blue Book[®] trade-in value¹

OR

- A Remote Starter²

For complete details and to check current vehicle inventories, visit rtn.org or call 1-800-338-0221, ext. 9829.



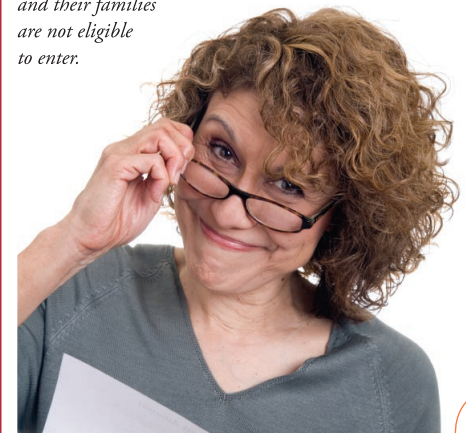
¹ Trade-In values obtained from © 2009 Kelley Blue Book Co.'s website KBB.com. Blue Book Trade-In Value is based on accurate condition rating, vehicle options, age and mileage of vehicle. Accurately appraising the condition of the vehicle is an important aspect of determining its Blue Book Trade-In Value. If a Blue Book Trade-In Value is not available for your vehicle, Enterprise will provide a fair and competitive value for customer's vehicle. Additional trade-in value of \$1,000 is not available on vehicles without a Blue Book Trade-In Value or if an Enterprise Car Sales Vehicle is not purchased. Customer is responsible to any extent vehicle pay-off exceeds Enterprise offer. Customer must provide required proof of ownership/registration and all other necessary paperwork to transfer title. Restrictions apply. For details, see an Enterprise Car Sales Manager. Offer void where prohibited. ² Remote Starter has an approximate retail value of \$499. Offer will be issued 30 business days after vehicle purchase. Offer void when 7-Day Repurchase agreement is activated. Offer valid only on Enterprise vehicles purchased 12/26/09 - 1/31/10. Offer not redeemable for cash. Cannot be combined with any other offers. Not valid on previous purchases.

It Pays to Read the Member Advantage Newsletter

Buried somewhere in this newsletter is a word that can make you an easy \$25. This issue's secret word is: *inventories*. Just find the word 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 word as it appears exactly in this newsletter. Read only the one sentence containing the word; then be sure to leave your name and contact information.

Voicemails must be received on or before January 22, 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 January 29 and announced (using first name with first initial of last name) on our website.

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



A Sound Strategy for Those Holiday Bills



Too many bills? Too little cash? Perhaps, a bill consolidation loan will help. With bill consolidation it may be possible to bring down total finance charges with a better rate, have one or only a few bills, and reduce your overall monthly payment at the same time. A consolidation loan at RTN can take many forms. You can transfer balances to an RTN VISA card or you can take an unsecured loan to pay off those bills. A home equity loan could give you ample funds to pay off higher balances with the potential of a yearly tax deduction of finance charges on this type of loan (please consult your tax advisor for qualifying guidelines). So, think about

simplifying your life in the New Year, freeing up some cash, or paying off your debt more quickly with a debt consolidation loan from your Credit Union. Our loan representatives can help you explore what type of consolidation might work for you.

BOARD OF DIRECTORS ELECTION AND ANNUAL MEETING

The following candidates have been nominated to fill Board of Director vacancies for 2010:

Edward C. Brown IV

Mr. Brown is currently Chairman of the Legislative and Educational committees. During his tenure on the credit union board of directors, he has served as First Vice-Chair and Secretary of the credit union. He has also served as Chairman of the Credit Committee, Nominating Committee and the Long Range Planning Committee. He also served on the Security and Bylaw Committees. For over thirty five years Mr. Brown has been a member of the credit union and of IBEW Local 1505.

Thomas DiPaolo

A retired assistant treasurer of Raytheon Company and a member of the credit union for over 38 years, Mr. DiPaolo has been a member of the credit union board of directors for eighteen years. As a board member, he has served on several of its committees including the supervisory, investment and nomination committees. Mr. DiPaolo is a graduate of Bentley College and the Raytheon Advanced Management Program.

Charles Doherty

A former Executive Vice President of Finance and Administration for Granada North America, Mr. Doherty has been a credit union member and director for thirty five years. As a board member, he currently serves as its First Vice Chair and also on the credit union's executive committee. Mr. Doherty received an accounting degree and MBA in Finance from Boston College. He is also a graduate of the Executive Management Program at Amos Tuck Dartmouth College.

David Farnsworth

Currently Vice President for a business unit of Raytheon Company, Mr. Farnsworth has been an employee of Raytheon Company for twenty six years. Mr. Farnsworth has also been a member of the credit union for twenty six years. As a member of the credit union's supervisory committee for sixteen years, Mr. Farnsworth is familiar with its operations. Mr. Farnsworth is a graduate of the Wharton School-University of Pennsylvania and received a Masters in Business Administration from Boston University.

Arthur Osborn, Jr.

An employee of Raytheon and a member of the credit union for thirty years, Mr. Osborn has been a member of the credit union board of directors for eleven years. As a board member, he has served on several of its committees including the nomination, executive, supervisory and investment committees. Currently, Mr. Osborn works in the human resources department at Raytheon Integrated Defense Systems. He is a graduate of the Harvard University TUP program and has a BA in business administration.

John Torpey

Mr. Torpey is a current Raytheon employee and Chairman of the Board of Directors of the RTN Federal Credit Union, serving on the Executive Committee and has served on various other committees.

A graduate of Suffolk Law School and a judge advocate with the military reserve, Mr. Torpey is employed by Raytheon Company as the corporate Director of Labor Relations.

The above statements are representations made by the candidates.

If you are interested in running for a seat on the board, you can request nomination by petition. Nomination by petition requires the signature of 1% of the members as of Thursday, December 31, 2009 with a minimum of 20 and a maximum of 500 signatures. Petitions must be received by Pat Manley prior to 4:00 PM on Friday, March 5, 2010. For more information, contact Pat Manley at 1-800-338-0221, ext. 9831.

When there is only one nominee for each position to be filled, the election will not be conducted by ballot and there will be no nominations from the floor.

If there is more than one nominee for each position to be filled, ballot boxes will be made available at the following locations to cast your ballot for a candidate:

1. 1810 Wilson Parkway, Fayetteville, TN (Fayetteville Office), Monday, May 3rd, 2010, 8:30 AM to 4:00 PM (CST)
2. 1847 West Main Road, Portsmouth, RI (Portsmouth Office), Thursday, May 6th, 2010, 8:30 AM to 4:00 PM (EST)
3. 600 Main Street, Waltham, MA (Waltham Office) Monday, May 17th, 2010, 8:00 AM to 5:00 PM (EST)

To be eligible to vote you must, as of Friday, April 30, 2010, be 18 years of age or older and have your social security number on file with the Credit Union. If you have any questions concerning the Annual Election or these procedures, please contact Pat Manley at (781) 736-9831.

The annual meeting for RTN Federal Credit Union

will be held at

5:00 PM on Monday, May 17th, 2010

at its main office located at

600 Main Street, Waltham, MA.

The ballot boxes from all locations will be opened at the annual meeting, where the ballots will be tallied and the election results announced.

New Rules for 2010 Roth Conversions May Help You Save on Taxes

A message from the RTN Financial & Retirement Group



There are distinct differences between a traditional and a Roth IRA

Many investors are familiar with the traditional IRA – an individual retirement account or annuity that provides a tax-deferred way to save for retirement. But many people are not aware of the Roth IRA alternative, an option that offers the potential for tax-free savings. Many are also not aware of the ability to convert a traditional IRA to a Roth IRA, to take advantage of the Roth IRA's unique benefits. In the past, there were income limits that kept many traditional IRA owners from converting to a Roth. But beginning in 2010, the rules change.

No Income Limits for Roth Conversions Starting in 2010

Before 2010, conversions from a traditional IRA to a Roth IRA were available only for those making \$100,000 or less in modified adjusted gross income (MAGI). Beginning

in 2010, though, the income limit goes away and everyone is eligible. Not only that, for conversions done in 2010, the taxes due when switching to a Roth IRA can be deferred and spread across two years – 2011 and 2012. For those considering a Roth conversion, that could provide real advantages.

Consider the Differences

Keep in mind there are distinct differences between a traditional and a Roth IRA:

TRADITIONAL IRA	ROTH IRA
<ul style="list-style-type: none"> Earnings grow tax deferred until you withdraw, at which time deductible contributions and earnings are taxed at your regular income tax rate Distributions before age 59½ may be subject to a 10% federal tax penalty You are required to begin distributions once you turn age 70½ 	<ul style="list-style-type: none"> Earnings are free from income tax when you withdraw if you've reached age 59½ and have had the Roth for at least 5 years Qualified distributions are tax free There are no required distributions beginning at age 70½

Making the Shift with a Roth Conversion

Deciding whether it pays to shift from a traditional to a Roth IRA can be complex, and just because you can convert starting in 2010 doesn't mean you should. You need to weigh the possibility of future tax savings from a Roth conversion against the tax bill that will come due now. If you believe your tax bracket may be higher in the future, a Roth conversion might be the right move. But there are many issues to consider, including the product to select for your converted Roth IRA. Annuities are just one choice and can offer safety of principal, guaranteed growth at a declared rate and guaranteed income for life.

For more information about the new rules for Roth conversions in 2010 and the potential use of annuities when converting to a Roth IRA, contact Swan Shen, CFP, CRPC, Vice President – Wealth Management, RTN Financial & Retirement Group located at RTN Federal Credit Union at 1-800-338-0221, ext. 9877.

All guarantees are based on the claims-paying ability of the issuer. If you are considering purchasing an annuity as an IRA or other tax-qualified plan, you should consider benefits other than tax deferral since those plans already provide tax-deferred status. Withdrawals may be subject to surrender charges during the early years of the contract. Withdrawals before age 59½ may be subject to a 10% federal tax penalty.

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.



NOTICE: Changes to RTN's Funds Availability Policy Second Business Day Availability

Our policy is to make funds from check deposits available as follows:

The first \$100 from a deposit of checks, into your checking account only, will be available on the same business day as the day of the member's deposit. The remaining funds will be available on the second business day after the day of the member's deposit. For example, if the member deposits a check of \$700 on a Monday, \$100 of the deposit is available on Monday. The remaining \$600 is available on Wednesday. For a deposit of checks into an account, other than a checking account, the full amount of the deposit will be available on the second business day.

Reminder: Good Time for 2009 & 2010 IRA Contributions

Up until the April 15 tax filing deadline, wage earners are still eligible to make a 2009 IRA contribution. If you qualify for a tax deductible contribution, this could be a good tax planning tool as well. Get a jump on your retirement by making your 2010 contribution at the same time and start earning interest on these funds without delay!



All RTN Offices Closed MLK Day

In observance of Martin Luther King, Jr. Day, all Credit Union offices will be closed on Monday, January 18, 2010.



CONSUMER LOANS

	APR[†]
	<i>Starting at:</i>
BOAT	7.125% ¹ to 7.99% ¹
HOLIDAY AND VACATION	8.99% ¹
MAIN SHARE SECURED	3.20% ²
OVERDRAFT PROTECTION	13.75% ²
PERSONAL (12 - 84 months)	9.50% ¹ to 12.25% ¹
VISA PLATINUM /GOLD CREDIT CARD	
Purchases	
Platinum	9.99% ^{1,2}
Gold	10.99% ^{1,2}
	APR^{††}
Balance Transfers	8.24% ^{2,3}
Cash Advances	8.24% ^{2,3}

VEHICLE LOANS

	APR[†]
	<i>Starting at:</i>
CAR, LIGHT TRUCK, SUV (NEW)	
for up to 100% financing plus tax	
up to 36 months	4.50% ¹
up to 48 months	4.75% ¹
up to 60 months	4.75% ¹
up to 72 months	5.50% ¹
up to 84 months	5.99% ¹
CAR, LIGHT TRUCK, SUV (USED)	
2004 - 2010 model years;	
for up to 100% financing plus tax	
up to 36 months	4.75% ¹
up to 48 months	4.99% ¹
up to 60 months	5.375% ¹
up to 72 months	6.00% ¹
up to 84 months	6.50% ¹
MOTORCYCLE terms vary	5.625% ¹ to 7.125% ¹

SAVINGS ACCOUNTS

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



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 > Toll-Free: 866-564-9481

BUSINESS LOANS

- EQUIPMENT
- LINE OF CREDIT
- COMMERCIAL MORTGAGES

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(800) 338-0221 ext. 9985

jlippman@rtn.org

FIRST MORTGAGE LOANS

Fixed Rate	Rate	Points	APR ^{††}
40 Year	5.375%	1	5.451%
	5.625%	0	5.625%
	6.250% ⁴	0	6.250%
30 Year	4.750%	1	4.838%
	5.000%	0	5.000%
	5.875% ⁴	0	5.875%
15 Year	4.125%	1	4.275%
	4.375%	0	4.375%
	5.000% ⁴	0	5.000%
10 Year	4.000%	1	4.216%
	4.250%	0	4.250%
	4.875% ⁴	0	4.875%

Blended and Adjustable Rate (ARM⁵)^{2,6}

Blended Rate	Rate	Points	APR ^{††}
<i>40-year mortgages available on products listed below. Add 1/4% to rate.</i>			
30 year, 5/1 Blended	4.125%	1	3.560%
• 5 year fixed	4.500%	0	3.613%
• 25 year ARM ⁶	5.125% ⁴	0	3.842%
30 year, 7/1 Blended	4.250%	1	3.738%
• 7 year fixed	4.625%	0	3.835%
• 23 year ARM ⁶	5.250% ⁴	0	4.152%
30 year, 3 year ARM ⁴	3.875%	1	4.055%
	4.250%	0	4.058%
	4.875% ⁴	0	4.202%

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 • 5% Down Payment Mortgage

HOME EQUITY

Fixed Rates	
Up to 60 months	5.875% ¹
61 - 120 months.....	6.25% ¹
121 - 180 months	6.50% ¹
181 - 240 months	6.99% ¹
Ready Line variable rate HELOC.....	4.00% ^{2,3,7}

Available in MA, NH, ME and RI

HOME IMPROVEMENT

Fixed Rates	
Up to 60 months.....	5.875% ¹
61 - 120 months.....	6.25% ¹
121 - 180 months.....	6.50% ¹
181 - 240 months.....	6.99% ¹

[†]APR = Annual Percentage Rate. The APR you receive will be based on your credit history.

^{††} APR = Annual Percentage Rate.

¹ 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.

² Rate is subject to change after consummation.

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

⁴ No closing cost, minimum loan of \$100,000

⁵ Adjustable rate mortgage

⁶ Adjustment cap: 2% periodic, 6% lifetime

⁷ Minimum 4.00% APR

MONEY MARKET

\$100,000 and over	1.50%
\$75,000 - \$99,999.....	1.25%
\$50,000 - \$74,999.....	0.90%
\$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	1.80%	2.00%
12 months	1.55%	2.00%
6 months	1.30%	1.50%
3 months	1.10%	1.30%

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 December 18, 2009, 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 December 18, 2009. 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.

⁸ 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 or call 1-800-338-0221 to verify rates.



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