



member Advantage

March 2010

FREE! First Time Home Buyer Workshop

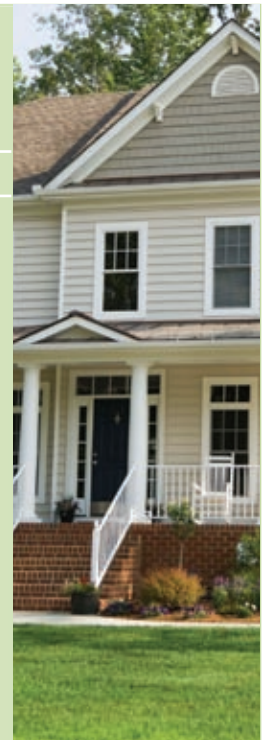
– Series Continues in Danvers –

Thursday, March 25 • 6:00 PM – 8:00 PM

RTN / Danvers • 29 Andover Street (Rt. 114)



This workshop is second in a series of three. Our next workshop will be scheduled for April at RTN / Waltham. Watch for newsletter and website announcements for actual date and time of this final session.



will explain the various stages in the home buying process from mortgage pre-approval to closing. Find out what other successful buyers have learned in advance about down payments, “piggyback financing”, credit scores, home inspections, mortgage choices, and special tax credits of up to \$8,000.

Bring your questions and concerns so that we can help make the process clearer and less intimidating. And while you’re there, be sure to ask how you can receive significant cash back on your home purchase with Home Cash Rewards, a valuable benefit under RTN’s Real Estate Service program.

Get the facts from RTN – your reliable source for mortgage financing -- and realize your dream of home ownership. This workshop is offered free of charge and without obligation.

But space is limited! Reserve your seat today!

Contact the Mortgage Department at mortgage@rtn.org or 1-800-338-0221, ext. 9859.

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

A message from the RTN Financial & Retirement Group

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.

(continued on page 2)

New Rules for 2010 Roth Conversions *(continued from page 1)*

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 <i>tax deferred</i> 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, the 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.

Send Your Tax Refund to Your Credit Union Account

When completing your federal and state tax return this year, be sure to choose to have your refund sent to your RTN FCU account. It's easy. Here's how:

- Our routing number is 211386445
- For checking, enter the account number as printed on the bottom of your check and mark the 'Checking' box.
- To send the funds to your Main Share (savings) account, simply enter the 'Member Number' as printed on the top of your statement and mark the 'Savings' box.

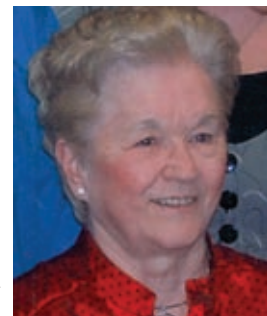


Employee News

In Memoriam

MARION T. PERKINS - RTN / Waltham

On January 29, 2010 our beloved employee, Marion T. Perkins, departed unexpectedly. Marion's career spanned 25 years at RTN Federal Credit Union where she was principally employed as



a mortgage processor in the Waltham office. Her fellow employees will miss her pleasant, helping manner and her steadfast commitment to member service. Marion's memory and spirit will endure in the hearts of her devoted friends, associates and family members for many years to come.

Retirement

CATHY TACHÉ - RTN / Danvers

Cathy Taché's retirement date arrived on January 15, 2010. Cathy came to RTN through the Unified FCU merger and her work record at both institutions spanned over 22 years.

She worked in mortgage lending nearly exclusively during this period assisting the overall origination process and maintaining and servicing the mortgage portfolio. Cathy's contributions are well documented and we are grateful for the dedication she brought to her daily work routine.

Retirement

PAT RICUPERO - RTN / Danvers

January 29, 2010 marked Pat Ricupero's departure to a well deserved retirement. Her employment began in 1987, establishing a 22-year employment record. Pat came to RTN through the Unified FCU merger having come to Unified through a previous merger with Sears Employees Federal Credit Union. As a Member Service Representative, Pat became very familiar with the needs of members living and working on the north shore of Boston as well as southern Maine and New Hampshire.

F Y I

Enterprise Rent-A-Car Discounts for Credit Union Members!

Your Credit Union membership offers you yet another money-saving benefit – discounts on car rentals at Enterprise Rent-A-Car. You must bring proof of your Credit Union membership when you pick up the car. Discounts are available only when making your reservation online using the link provided under the Resources tab at rtn.org. Get your special quote whenever you need a reliable car rental. With Enterprise you'll get a great value, exceptional customer service, and a vast network of rental offices throughout the country.

Low 3% Down Payments for First Time Home Buyers

The "My Community Mortgage" (MCM) program at the Credit Union makes available to qualified first-time home buyers purchase mortgages with down payments as low as 3%. The program offers fixed rate loans with terms up to 40 years. You may choose to lock in a rate either at application or at mortgage commitment. For more information on this new program, please contact the Mortgage Department at 1-800-338-0221, ext. 9859 or mortgage@rtn.org.



Coin Redemption Machines



Empty the piggy bank! Scoop up all those loose coins littering the dresser! Convert this metal mania to something useful – cold cash – with our coin machines located in our Danvers, Marlborough, Tewksbury and Waltham offices. This is a great member service because there are no fees, and there is no need to roll up your loose coins. When the machine has fully counted your treasure, you will receive a receipt that you simply present to a teller to make a deposit or receive cash. You may be surprised how much money is lying around – not easy to spend and certainly not earning dividends!

Extended Warranty Program

Our Extended Warranty program for both new and used vehicles pays for the cost of parts and labor for any covered repair. You pay only the deductible amount you select. The plan also includes rental and towing reimbursement, roadside assistance and emergency travel expense. The plan is good at any licensed repair facility in the US and Canada. It is transferable, cancelable, convenient, flexible and hassle-free. Ask about our extended warranty program whenever you finance your vehicle purchase at the Credit Union.

Discover Buried Treasure

Buried somewhere in these newsletter pages is a phrase that can make you an easy \$25. This issue's phrase is: My Community Mortgage. 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 March 19, 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 March 26 and announced (using first name with first initial of last name) on our website.

February winners were: Geraldine B. (Seabrook, NH), Charlotte M. (Braintree, MA), Maria N. (Lynnfield, MA), and Joseph S. (Waltham, MA).

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

New Secure Email at RTN



To better protect your privacy and identity the Credit Union has changed the way it communicates with members. When we send (or respond to) a message containing sensitive information — such as your Social Security number, member account number, and numbers for debit card and credit cards — the communication will be delivered via our secure email center provided by a ZixCorp email portal that is encrypted to shield this information from undesirable external parties on the Internet.

When a message containing sensitive information is sent to you from the Credit Union, you will receive a notification email stating that you have received a message from the RTN Secure Email Portal. You will then log into your Secure Email Center account and view all messages and attachments over a secure connection. A first time user will need to register an email address and create a password in order to access RTN emails.

Please note: For those initiating an e-mail containing sensitive information, the Credit Union strongly suggests using the secure messaging system available through our online banking program, which requires a secure log-in from our website. Simply click on "Contact Us" in the blue menu bar to send or receive a message. Unless you know you are using a secure email system, you should always refrain from including privileged or private information.



CONSUMER LOANS

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

VEHICLE LOANS

	APR [†] Starting at:
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	
Basic.....	No fee, no minimum balance
Dividend.....	\$5 monthly fee, no minimum balance ⁸
BUSINESS CHECKING	
Value.....	no fee, no minimum balance
Premier.....	\$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.	



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 ext. 9985

jlippman@rtn.org

FIRST MORTGAGE LOANS

Fixed Rate	Rate	Points	APR ^{††}
40 Year	5.375%	1	5.487%
	5.625%	0	5.625%
	6.500% ⁴	0	6.500%
30 Year	5.000%	1	5.127%
	5.250%	0	5.250%
	6.125% ⁴	0	6.125%
15 Year	4.125%	1	4.327%
	4.375%	0	4.375%
	5.000% ⁴	0	5.000%
10 Year	4.000%	1	4.288%
	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	4.375%	1	3.682%
• 5 year fixed	4.750%	0	3.737%
• 25 year ARM ⁶	5.375% ⁴	0	3.991%
30 year, 7/1 Blended	4.500%	1	3.892%
• 7 year fixed	4.875%	0	3.993%
• 23 year ARM ⁶	5.500% ⁴	0	4.333%
30 year, 3 year ARM ⁴	4.125%	1	4.239%
	4.500%	0	4.244%
	5.125% ⁴	0	4.395%

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	5.875% 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	Rate
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 score.

^{††} 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 February 25, 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 February 25, 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.

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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