



## What's New at GenFed Financial



May 2011

This eNEWSLETTER is a monthly briefing of consumer news, member specials and updates exclusively for members of GenFed Financial!

### We are still fighting!

There is still time to tell your Senators and Representatives you don't want to put more money into the pockets of retailers by calling (877) 422-3525 or go to [www.cuna.org](http://www.cuna.org) and click on 'Call to Action' to write to your Senators and Congressman. Ask them to repeal the Durbin Amendment, specifically the interchange language, that was included in the Dodd-Frank Wall Street Reform and Consumer Protection Act (P.L. 111-203). Tell your Congressional representatives that the interchange language is not true financial reform since it is harmful to consumers (you!).

### Special Notes:

**Don't keep us a secret!** GenFed membership is now open to ANYONE who lives, works or worships in a county where we have a branch! Spread the word about GenFed's great rates and personal service.

**We have eAlerts!** Get email or text alerts for account activity. To set it up simply log into Home Banking as usual, click the 'Accounts' tab and then

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### LOANS

**Cars, Trucks and Most Vehicles**

as low as 4.49% APR

**Personal**

as low as 6.50% APR

**Home Equity or Improvement**

as low as 4.25% APR

**Home Equity Line of Credit**

as low as 4.00% APR

**3/3 ARM**

as low as 3.375% APR

**Balloon Loan**

as low as 4.25% APR

**Savings-Secured Loan**

'eStatements/eNotices'.

**Did you know many of our branches are open on Saturdays?** Visit [www.genfed.com](http://www.genfed.com) and click "Hours & Locations" under "Join GenFed" to find out if your branch is open on Saturdays!

**GenFed is on FaceBook!** Visit our FaceBook page [here](#) and 'Like' GenFed!

**ZashPay is here!** GenFed's Bill Pay service now offers the ability to send electronic payments to individuals! This new feature is called ZashPay. The ZashPay feature will allow you to send an electronic personal payment to anyone with an email address or mobile phone number. The cost for this feature will be \$1.00 per transaction. For more information call your branch.

**Think you are headed for trouble?** Do you feel your bills are starting to get away from you? Before contacting an outside agency that may make false promises or actually hurt you more, come to GenFed. If you're not comfortable dealing with creditors or feel overwhelmed by the task of getting your financial house in order, take advantage of the services offered by GenFed Financial.

### **RadioClip: Be Bold, Think Small: Small Moves That Add Up to Big Progress When Making Financial Changes**

by Susan Tiffany, CCUFC

Susan Tiffany, director of consumer periodicals at Credit Union National Association in Madison, Wis., explains how small actions can provide big results when it comes to your savings and spending.

<http://hffo.cuna.org/25602/audio/3061/html>

### **Three Ways to Make the Most of Your Payroll Tax Holiday**

If you have a job and pay into Social Security, you've gotten a temporary "raise" in 2011 thanks to the Tax Hike Prevention Act that Congress signed into law at the end of 2010. It's showing up as a 2% decrease in your payroll taxes.

Because the "raise" comes in small amounts with each paycheck rather than a lump sum, it's easy to let that money slip away.

If you have credit card debt, you might use the extra cash to pay it down. If you don't have credit card debt, here are three ways to get power out of that extra cash:

- Invest in yourself. Do this by putting the entire 2% in a pretax retirement account or Roth individual retirement account (IRA), laddering certificates of deposit/share certificates (CDs), opening a high-yield savings account, or investing in a mutual fund.
- Invest in your living situation. Establish an appliance-replacement fund and think "energy-efficient," pay more on your mortgage every month, or put the money aside every paycheck for auto maintenance.
- Invest in quality of life. Start a fund for gift giving, add a line to your budget for family entertainment, stash the money to pay the rising costs of health care, or join a fitness club.

Two of these ideas have bonuses: You'll get a percentage back if you invest in a pretax retirement account or a health savings account.

Others save you money by reducing costs. For example, if you pay down credit card debt, pay more on your mortgage, or upgrade an appliance, you'll wind up paying less in interest or the cost of energy.

If you invest in a Roth IRA, besides bringing you more money when you retire, your contributions most likely will be cheaper in today's tax climate than they will be in the future.

Look to GenFed for all your investment needs. Contact us today to learn more about the investment products available to you at your credit union.

### **Financial Literacy for Youths**

Get your money working towards your goals and future without sacrificing the present with MoneyMix™: Launch Your Life. It's a free collection of financial tools and articles geared specifically for the opportunities and challenges young adults are facing today. You can even discuss ideas and issues with peers on our interactive blog. Visit the Young Adult Member Information page under the Savings tab at [www.genfed.com](http://www.genfed.com) for more information.

MoneyAndStuff is a free, online financial resource from the financial experts at Ohio's credit unions. Ohio credit unions offer great rates and convenient services to more than 2.6 million Ohioans who are credit union members. MoneyAndStuff.info is just one more way to help educate kids, teens and adults. Visit MoneyAndStuff online at [www.moneyandstuff.info/](http://www.moneyandstuff.info/).

as low as 3.25% APR  
**Certificate-Secured Loan**  
as low as certificate rate plus  
2% APR  
**Platinum MasterCard**  
as low as 9.96% APR

#### **CERTIFICATES**

**3 months\***  
0.25% APY  
**6 months**  
0.25% APY  
**9 months**  
0.25% APY  
**12 months**  
0.25% APY  
**18 months**  
0.50% APY  
**24 months**  
0.75% APY  
**30 months**  
1.00% APY  
**36 months**  
1.25% APY  
**48 months**  
1.75% APY  
**60 months**  
**2.00% APY**

#### **IRA CERTIFICATES**

**12 months**  
0.25% APY  
**18 months**  
0.50% APY  
**24 months**  
0.75% APY  
**30 months**  
1.00% APY  
**36 months**  
1.25% APY  
**48 months**  
1.75% APY  
**60 months**  
**2.00% APY**

#### **HEALTH SAVINGS ACCOUNT**

A Health Savings Account is a tax-exempt account in which you accumulate savings to pay medical expenses that make up your deductible or that are not covered by your plan. This could be a great way for you to save money on medical expenses. If you have a high-deductible health plan, then you may be able to get up to 0.95% APY on your deposits with a GenFed Health Savings Account to help with medical expenses. If you already have your HSA established elsewhere, make sure to compare the rates, fees and interest to GenFed's account! We'll likely save you money.

#### **NEW HSA RATES**

**\$0-\$2,499**  
0.30% APY  
**\$2,500-\$9,999**  
0.35% APY  
**\$10,000 and over**  
0.95% APY

\$100 minimum.

#### **37-MONTH BUMP-UP CERTIFICATE**

1.12% APY\*\*

We are thrilled to offer, for a limited time, our Bump-Up Certificate!

This certificate allows you to increase the rate of your Saving Certificate to that of our current standard rate one time during the life of your certificate!

There are NO limits so the rate

## Long-Term Care Insurance Premiums Rising: Is It Time to Self-Insure?

If you're considering purchasing long-term care insurance, or already have it, get ready for a surprise. Insurers such as John Hancock and Genworth Financial want to raise the premiums between 18% and 40%. MetLife has stopped selling the insurance altogether.

What happened? People are living longer and using more benefits than insurers anticipated. In addition, the bond market is not doing so well, which means less income for insurers to pay claims.

Regulators will probably keep the requested rate increases to 15% in any one year in most states, but the new reality is that long-term care insurance policies are getting pricier.

Can you pay for your own care? Self-insuring sounds attractive because you don't have to pay for something you may not need. If you have at least \$1.5 million that you can invest for long-term care, and don't have assets to protect for a spouse or heirs, you should be able to self-insure and still meet your other retirement goals.

If you don't have that much, you might be wondering if you would benefit by investing a certain amount regularly, for example, \$100 a month, starting at age 55. After all, if you earn a 5% average annual return, assuming you are capable of continuing this to age 85, you'd have almost \$84,000.

That's \$84,000 future dollars, but look at today:

- The average annual cost of care in a nursing home is \$81,777; in an assisted living facility, \$42,345; and in your own home, \$33,223.
- You can assume a 4% inflation rate for medical costs.
- The average stay in a nursing home is three years.

In this case, long-term care insurance may make more sense.

can go as high as our current standard rates!

There are no time limitations for exercising the 'bump'.

Don't have enough saved up for the \$1,000 minimum for a certificate? Open our new Certificate Accumulator account that allows you to put aside a smaller amount each week or month until you have enough saved to be able to take advantage of one of GenFed's great certificate rates while earning interest!

Ask us for details!

## You're more than a score

At GenFed, we use more than a credit score to decide when to grant a loan. GenFed doesn't participate in risk-based lending and, with our approval system, members can understand the criteria. GenFed takes time to find out what's behind the score. We look at more than the number. As an owner of GenFed, we owe you that much.

## WE'RE HERE TO LISTEN

We know you're busy and it is pretty easy to lose track of your expenses. If you have made a mistake, let us know. We will try to be flexible and help remedy the situation. Don't forget you can use HomeBanking from your computer or mobile phone at [www.genfed.com](http://www.genfed.com) to keep track of your balance.

*GenFed services are for our members only, not everyone else in the country. We know you. We work hard to help you handle your financial affairs. We care about you. And remember, because GenFed is a not-for-profit cooperative, people are worth more than money here.*

## Contact Information

Akron	330.784.5451
Antwerp	419.258.5151
Bryan	419.636.1053
Centralia	618.532.9524
Fairlawn	330.835.9103
Lorain	440.282.4606
Mt. Vernon	618.244.1077
Sheffield Lake	440.949.1782
Shelbyville	317.392.6230
Wadsworth	330.336.2150
Wadsworth North	330.336.3556

**Please make sure to contact your local branch with any changes in your mailing address and/or phone number(s).**

**NEVER enter personal details including account numbers, PINs or Social Security Numbers into a web page link that has been sent to you via email. GenFed will never request personal information from members via email. If you have entered account information from a link in an email claiming to be from GenFed, call your local branch.**

**For this reason, GenFed will no longer include links to HomeBanking in any of our emails. Please type the address into your web browser to enter our site. For further convenience, remember to add GenFed to your 'Favorites' list.**

Refinance of existing GenFed loans subject to applicable fees & conditions. Other rates and programs apply to new money only. Loans subject to approval and terms. Loan rates as of 5/1/11 and include full discounts. We may offer different rates in the future. Contact your branch to determine your discounts. Vehicle loan terms may be limited, based on age of vehicle. Annual percentage yield (APY) on regular savings is accurate as of the last declaration date of 4/1/11. Other savings rates are as of 5/1/11. Penalty will be imposed for early withdrawal on certificates. Certificates have \$1000 minimum. Certificate rates subject to change at any time. Disclosures available upon request. Fees or early withdrawals could reduce earnings on accounts. Contact GenFed staff for more information about current rates, terms and fees. Variable rate HELOC with a 4.00% APR minimum rate (floor). Rate tied to the Prime Rate as published in the Wall Street Journal. The rate will only rise if Prime rises and will not exceed 18.00% APR, even if Prime rises above that. HELOC holders are notified quarterly of rate and payment changes. ARM rate adjustment at each 36th month increment. The interest rate for the ARM is tied to 3-year Treasury Constant Maturities found at [www.hsh.com](http://www.hsh.com) and will never be less than the floor rate of 3.25% and will not exceed 18.00%. Annual Percentage Rate (APR) for share secured advances will be adjusted quarterly to three percentage points above share dividend rate which was paid at the end of the previous quarter. The Annual Percentage Rate can change quarterly on the 10th day of the month, January, April, July and October. The interest rate will never be less than 3.00% per year and the maximum rate will not exceed 18.00%. When the rate changes, the payment may be adjusted. \*3 month certificate is for MINORS ONLY with a minimum of \$500. \*\*Education IRA

increases not available on special terms (items in bold) or with any other coupons or special offers. \*\*\*'Hybrid' as defined by <http://www.fueleconomy.gov>. \*\*\*\*Available on new money only. No other coupon increases available. Minimum deposit is \$1,000. One rate increase can be requested and performed during the life of the certificate to a current standard rate. Bumps will be made to the rate available for the term closest to, but no greater than, the number of months remaining on the Bump-Up Certificate. Will roll over into S1 Share Savings account at maturity.

Please do not reply to this email. For assistance call your local branch or email [info@genfed.com](mailto:info@genfed.com)

[Forward email](#)



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