



ALLIANT[™]
credit union

members circle



www.alliantcreditunion.org

a newsletter for Alliant Credit Union members

August 2011

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Should you lend money to a friend or family member?

Suppose a friend or family member approached you with a plea, “I need money. Will you help?” How will you ensure you don’t lose your money and your friendly relationship? Here are some rules of thumb, from the experts.

1. Assess the situation – from your perspective and the potential borrower.

Ask why the person needs the money and resist the urge to show your good nature by saying “yes” right away. Wait 24 hours before you give an answer. “Consider the amount involved, how close the person is and how dire the need,” says financial writer Kate Ashford. “Then weigh the risk of damaging the friendship if you say no against the risk of losing the money and damaging the friendship if you say yes.”

2. Be prepared for the possibility that you won’t get your money back, so lend only as much as you can afford to give away.

Consider whether the borrower is fiscally trustworthy. Is the money needed for a legitimate one-time, emergency fix? Or to take care of the person’s chronic money mismanagement? If the former is the case and you don’t want to assume the role of being a bank, suggest Alliant. Refer the person to our website, www.alliantcreditunion.org, where he or she can check out our low loan rates and apply for a loan. Or if the person is not a member, apply for membership, too. *(About 14% of friend-and-family borrowers default vs. 1% of those who get their loans from a financial institution.¹)*

3. Be businesslike if you make the loan.

Get a clear agreement about repayment terms, such as how much and how often payments are to be made. Discuss what happens if payments are missed. Consider whether you want some kind of collateral or to charge interest. Then, get the agreement in writing. That reinforces the idea that the money isn’t just a gift and helps ensure that your relationship will outlive the loan. *(Currently, 8.7% of Americans have outstanding substantial loans they have extended to friends or family.¹)*

¹ CNNMoney
Other sources: bankrate.com, CNBC.com, wikihow.com and ehow.com



DIVIDEND

September Dividend

DECLARED August 18, 2011

The **September 2011 Savings and IRA Dividend**, declared 08/18/2011, provides a Compounded Annual Percentage Yield of

1.15%^{APY}

Dividends are paid on the last day of the month to accountholders who have maintained an average daily balance of \$100 or more. Savings dividend is subject to change monthly.

The **September 2011 High Rate Checking Dividend**, declared 08/18/2011, provides a Compounded Annual Percentage Yield of

1.10%^{APY}

Checking dividends are paid on the last day of each month to accountholders who meet the requirements of the account. Checking dividend is subject to change monthly.

Moving your grown kids out of your checkbook

From a financial perspective, it's not when your adult children move out of the house that matters. It's when they move out of your checkbook that counts.

LEGAL RULES

Parental responsibility for supporting children financially typically ends when the child achieves legal age or graduates from high school. However, some parents choose to extend their financial responsibility past that age by co-signing for rental leases, loans and credit cards.

Legal and financial experts say you should avoid co-signing. They say that a better option is to help your adult child with gifts or loans for a specific amount. Use a written agreement to clarify the amount of the gift, its purpose and whether it must be paid back. Limiting yourself to that option is sometimes difficult, especially now that many credit card issuers can't provide cards to people under the age of 21 unless they have the income to pay the bills or a co-signer over the age of 21.

INSURANCE ISSUES

Transferring ownership of a vehicle to an adult child's name also transfers liability, and that includes the legal responsibility for insuring it. This helps limit your obligation even if you help pay the premium.

Health insurance is a different matter. You may want to cover your child under your employer's health plan, as it typically costs less than individual coverage.

The federal Affordable Care Act passed in early 2010 extends eligibility for family coverage until young adults reach age 26, even if they have married or left school.

Visit the U.S. Labor Department website at www.dol.gov for details. Check insurance rules in your state, which may extend coverage even longer.

FOCUS ON NECESSITIES

If your child asks for additional help, try to focus on necessities. Being mindful of the difference between "needs" and "wants" simplifies matters as you ease your child into financial autonomy. And tell your kids to visit www.alliantadvantage.com to see how they can achieve their own financial goals and independence.

Source: CUNA



It pays to be a member of Alliant – \$303 a year

The Alliant Advantage is more than just a slogan.

The average Alliant member earns a financial benefit of \$303 per year (and the average household, \$576) for doing business with Alliant Credit Union – compared to doing business with a bank, according to a national economic study prepared by the Credit Union National Association (CUNA).

These are the total benefits we provided divided across all members – even those who conduct very little business with Alliant. CUNA also estimates that Alliant provided "loyal high-user" member households \$1,050 in direct financial benefits during 2010.

The report points out that Alliant offers lower loan rates than banks on:

- new and used car loans
- personal unsecured loans
- home equity loans
- credit card loans



And, Alliant pays its members higher dividends on Savings, Free High Rate Checking, Certificates and IRAs.

CUNA calculated that Alliant provided more than \$77 million in direct financial benefits to our 254,355 members during the 12 months ending December 2010. To compare our benefits against banks, CUNA used the average bank rates provided by Datatrac Corp., which monitors more than 20,000 financial institutions.

office closings

Alliant main offices and Service Centers will be closed in observance of:

Columbus Day
– Monday, October 10, 2011

Veteran's Day
– Friday, November 11, 2011

Thanksgiving Day
– Thursday, November 24, 2011

Convenient 24/7/365 account access

- Online banking at www.alliantcreditunion.org
- Mobile banking app for iPhone® and Android™
- Member Contact Center at 800-328-1935
- Self Service Telephone at 800-482-5328
- Over 80,000 surcharge-free ATMs nationwide

dial direct: Alliant is there when you need us

Self Service Telephone (SST)
800-482-5328
24/7 automated account access

Member Contact Center
800-328-1935
24/7 personal assistance
TDD/TTY 773-462-2300

VISA® Debit Card
Lost/Stolen: 800-328-1935
After Hours: 866-861-5411

VISA® Credit Cards
24/7 Member Services/
Account Info/Lost or Stolen:
866-444-8529

VISA® Gift Card
Purchase: 800-328-1935
Support Center: 866-466-2362

Mortgage Hotline
800-365-7003
Mon–Fri, 6am–7pm CT
Sat, 8am–noon CT

Auto/Home Insurance
888-380-9287
Mon–Fri, 6am–10pm CT
Sat, 6am–8pm CT

BALANCE™ Financial Fitness
888-456-2227
Mon–Thu, 7am–10pm CT
Fri, 7am–7pm CT
Sat, 10am–7pm CT

Alliant Headquarters
11545 W. Touhy Avenue
Chicago, IL 60666

Alliant Retirement and Investment Services

Financial Advisors are available to serve members in AZ, CA, CO, FL, HI, IL, NJ, NY, TX, VA, WA, WI. In other locations call 800-226-2994.

Deposits/Payments
P.O. Box 60050
City of Industry, CA 91716-0050

Credit Card Payments
P.O. Box 60051
City of Industry, CA 91716

All Other Correspondence and IRA and HSA Deposits
P.O. Box 66945, Chicago, IL 60666-0945

For Alliant Service Center locations, Online Banking, and product and service information, visit our website: www.alliantcreditunion.org

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