



ALLIANT
credit union

75th Anniversary
1935-2010

members circle



www.alliantcreditunion.org

a newsletter for Alliant Credit Union members

January 2010

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Is Alliant's 2.00% APY savings dividend something to be happy about?

Yes, a 2.00% APY savings dividend is something to be happy about, according to Jim Simon, a United Airlines retiree and Alliant member since 1977.

single-engine Piper Cherokee. Simon now lives in Chetek, WI, sells life insurance and serves as Midwest director for RUAEA (the Retired United Airlines Employee Association).



Jim Simon

"Economic conditions have changed and people have to face that," says Simon, who worked at United for 33 years in San Francisco, primarily as a lead technical engine mechanic. "Alliant members should be happy they are still making money on their money with a savings rate much better than a bank's."

"And then there's the peace of mind," says Simon. "Alliant provides more financial safety and security than any major bank." Simon made Alliant history in 1980 by becoming the first member to take out a loan to buy an aircraft. He purchased a

**ALLIANT
REGULAR SAVINGS...AMONG THE
HIGHEST IN THE NATION!**

**2.00%
APY¹**

earn over
7x more on your
savings with
Alliant

**NATIONAL AVERAGE
BANK SAVINGS**

**.28%
APY²**

1 Alliant's January 2010 savings dividend. APY=Annual Percentage Yield
2 Source: National Association of Federal Credit Unions in cooperation with Datatrac Corp. as of 01/01/2010.

DIVIDEND

February savings dividend

DECLARED JANUARY 21, 2010

The **February 2010 Savings and IRA dividend**, declared 1/21/10, provides a Compounded Annual Percentage Yield of **2.00%^{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.

February checking dividend

DECLARED JANUARY 21, 2010

The **February 2010 High Rate Checking dividend**, declared 1/21/10, provides a Compounded Annual Percentage Yield of **1.75%^{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.

Resolved to lose weight in 2010? Great. But, don't fall for "too good to be true" offers

Each year, losing weight is one of the most popular and challenging New Year's resolutions that Americans make. Not surprisingly, the marketplace is full of products that promise an easier way to shed excess pounds.

But, before you take out your credit card to sign up for a miracle product, take a hard, cautious look at the terms and conditions of sales and service.

You may wind up with unexpected fees and aggravating attempts to get your money back. To add insult to financial injury, most of these "gotcha" offers are perfectly legal.

You might try a product for free. Meanwhile, you're being automatically shipped and charged for your next month's supply because you failed to cancel the arrangement within 14 days of accepting your free trial. And if you need to return an item for a credit refund, experts suggest you document the transaction by mailing it from the post office with a tracking number.

To protect yourself, remember "if it sounds too good to be true, it is too good to be true."

New rules for 2010 Roth IRA conversions may help you save on taxes

Content developed by CUNA Brokerage Services, provided by MEMBERS™ Financial Services Representatives Shaun Floresca and Giacomo Parente, CFP®, located at Alliant Credit Union.



At Alliant, we make available Traditional, Roth and SEP IRA accounts, as well as alternative investment options, through the MEMBERS™ Financial Services program.

Before 2010, you could only convert from a Traditional IRA to a Roth IRA if you made \$100,000 or less in modified adjusted gross income.

Not anymore. With the new federal rules, there's no such income restriction. Plus, the new rules enable you to defer the taxes associated with a 2010 conversion and spread them across two years – 2011 and 2012. These changes make a conversion to a Roth IRA more attractive for many people.

But, should you shift your Traditional IRA to a Roth IRA? Making this decision requires careful thought. 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. Other issues to consider include the product to select for your converted Roth IRA. One option: annuities, which can offer safety of principal, guaranteed growth at a declared rate and guaranteed income for life. Then, there's the question of withdrawals. For instance, if you make withdrawals from a Roth IRA before age 59½, you may be subject to a 10% federal tax penalty.

If you want help in sorting through whether a Roth IRA conversion (and annuities) make sense for you, then consider making a no-cost, no-obligation appointment with a MEMBERS Financial Services Representative located at Alliant Credit Union.

Contact Shaun Floresca at Alliant's Chicago location (800-328-1935, ext. 8845) or Giacomo Parente, CFP®, at the San Mateo, CA, location (650-295-3865). If you're at another location, call the MEMBERS™ Financial Services Call Center at 800-226-2994.

Representatives are not tax advisors or legal experts. For information regarding specific tax situations, please contact a tax professional. For legal advice, consult an attorney. 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. CFP=Certified Financial Planner. *The CFP® certification is not affiliated with CBSI.

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Which type of IRA is best for you?

Consider the differences

TRADITIONAL IRA

- 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

ROTH IRA

- Earnings are **free from income tax** when you withdraw if you've reached age 59½ and have had the Roth for at least five years
- Qualified distributions are tax free
- There are no required distributions beginning at age 70½

office closings

Alliant main office and Service Centers will be closed on the following days:

President's Day

– Monday, February 15

Memorial Day

– Monday, May 31

For your convenience, Alliant Online Banking, SST and ATMs will be available. Our 24/7 Member Contact Center at 800-328-1935 is also available.

dial direct: Alliant is there when you need us

Member Contact Center

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

Self Service Telephone (SST)

800-482-5328
24/7 automated account access

VISA® Debit Card

Lost/Stolen: 800-328-1935

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

MEMBERS™ Financial Services

800-226-2994
(Representative located in Chicago, IL, and in San Mateo, CA)

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 web site: www.alliantcreditunion.org

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