

## Get free, expert help to make smart financial decisions



David W. Mooney  
President/CEO

Family members and friends often approach me for financial advice. Should they refinance their mortgage? Fixed rate or adjustable? Buy or lease? What are interest rates going to do? Because I work in financial services, they assume that I must be an expert in all matters of personal finance. I hate to disappoint them, but if I had the answers, I'd be sipping daiquiris on a beach in the Caribbean!

Actually, I do know the answer, and that is ... "it depends." The right financial decisions depend on each individual's or family's expectations, goals, values, circumstances and comfort with uncertainty. Sorting out these considerations and determining appropriate actions can be complicated, confusing and frustrating. Alliant, through its partnership with Lincoln Financial Advisors (LFA), can help members make sense of the tangle and organize and manage their finances.

LFA, a member of Lincoln Financial Group, has been providing financial planning and solutions for more than 50 years. LFA Planners employ a systematic, comprehensive approach to understanding and evaluating clients' financial and life situations and developing objective recommendations. LFA will help you develop the all-important financial plan (a set of goals - with strategies and timelines for achieving them). Then, LFA can also help you to implement and monitor your strategies and solutions.

After several months of evaluating financial services providers, Alliant chose to partner with LFA for several important reasons:

- Its "Serve First" philosophy, which emphasizes clients' long-term interests.
- Its consultative, financial planning-based approach, which helps ensure that strategies and solutions fit members' objectives and circumstances.
- Its broad-based capabilities. LFA's professional teams are skilled in all areas of financial planning, including defining goals, retirement planning, investments, insurance, education funding and estate planning.
- Its nationwide network of advisors that can serve virtually any Alliant member.
- Its reputation and resources. The Lincoln Financial Group is part of Lincoln National Corporation, a Fortune 500 company that manages more than \$110 billion in assets and it has a 100-year track record of effectively serving clients' financial needs.

I have personally worked with LFA's team, and have been impressed with their level of knowledge, helpfulness and professionalism.

No one has all of the answers. But if you want help with planning and managing your financial life, I encourage you to speak with an LFA Planner. An Alliant Service Center Representative would be pleased to make an introduction, or you may visit our web site, [www.alliantcreditunion.org](http://www.alliantcreditunion.org), to learn more about Lincoln Financial Advisors and to locate a financial planner near you.

CRN200511-1004154

### Alliant Board of Directors

|   |                                       |                |                 |
|---|---------------------------------------|----------------|-----------------|
| John Samolis<br><i>Chairman</i>               | Patricia Mash<br><i>Vice Chairman</i> | Laurene Bentel | Richard Poulton |
| David W. Mooney<br><i>President/Treasurer</i> | Bill Byrne<br><i>Secretary</i>        | Lynn Hughitt   | Scott Praven    |
|   |                                       | Amos Kazzaz    | Lyle U'ren      |
|   |                                       | Marc Krohn     |                 |



Alliance One ATMs now available surcharge-free. Our new partnership with Alliance One provides you access to 3,609 more surcharge-free ATMs in 37 states, Washington DC and Puerto Rico. This arrangement compliments our ongoing partnership with the CO-OP Network and its surcharge-free ATMs in all 50 states, which now include 7-11 stores in 30 states. To find the closest Alliance One ATM to you, use the location finder on our home page.



### office closings

Alliant will be closed in observance of the following holidays:

Martin Luther King Day - January 16

President's Day - February 20

Good Friday - April 14

For your convenience, SkyBranch<sup>SM</sup>, SST and ATMs will be available.

Alliant members receive **15% OFF** all flowers and gifts at **1-800-flowers.com**.  
Use the code ALLIANT when ordering online at [www.alliantcreditunion.org](http://www.alliantcreditunion.org) or by phone at 800-356-9377.

### financial update

| NOVEMBER              | 2005            | 2004            |
|-----------------------|-----------------|-----------------|
| Net Assets            | \$4,307,181,347 | \$4,359,617,203 |
| Total Loans           | \$2,183,898,656 | \$1,920,707,183 |
| Total Deposits        | \$3,697,535,164 | \$3,785,100,349 |
| Total Reserves        | \$581,871,202   | \$551,808,909   |
| Total Primary Members | 191,626         | 176,565         |



11545 W. Touhy Avenue Chicago, IL 60666  
[www.alliantcreditunion.org](http://www.alliantcreditunion.org)



### Alliant IRAs

## Use your IRA for a potential tax deduction

AS WE ENTER 2006, IT'S TIMELY TO GET YOUR TAX SITUATION IN GOOD SHAPE FOR FILING YOUR 2005 TAXES, DUE BY APRIL, 17, 2006.

To earn a potential tax deduction for 2005, one prudent move is to boost your contribution to a Traditional IRA before you file. The maximum contribution you can make is \$4,000 for those under 50 years of age - and \$4,500 for those 50 and older. Contributing to a Roth IRA won't earn you a tax deduction, but you'll enjoy the benefit of withdrawing your contributions tax and penalty free anytime and withdrawing the earnings tax- and penalty-free after certain requirements are met. Consult your tax advisor to see if boosting your IRA is right for you.

## Get a faster tax refund with direct deposit

Have your tax return deposited directly into your Alliant savings or checking account. It's easy...on the tax form, use 271081528 as your ABA routing and transit number and include your 10- or 14- digit Alliant member account number. Then, indicate if you want your refund to go in your savings or checking account.



dial direct: Alliant is there when you need us

**Self Service Telephone (SST)**  
773-462-2100, 800-482-5328  
24-hour account access

**Alliant TeleCenter**  
800-328-1935  
Mon-Fri, 7am-7pm Central  
TDD/TTY 773-462-2300

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

**VISA® Credit Cards**  
Account info: 800-328-1935, x2302  
Mon-Fri, 7am-5pm Central  
After Hours: 800-299-9842  
Lost/Stolen: 800-325-3678

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

**Mortgage Hotline**  
800-365-7003  
Mon-Th, 7:30am-7pm Central  
Fri, 7:30am-5pm Central

**Auto/Home Insurance**  
888-380-9287  
Mon-Fri, 7am-10pm Central  
Sat, 7am-5:30pm Central

**Lincoln Financial Advisors**  
Visit [www.alliantcreditunion.org](http://www.alliantcreditunion.org) for the representative nearest you

**BALANCE Financial Fitness**  
888-456-2227  
Mon-Th, 5am-8pm Pacific  
Fri, 5am-5pm Pacific  
Sat, 8am-5pm Pacific

**Alliant Headquarters**  
11545 W. Touhy Avenue  
Chicago, IL 60666

**Deposits/Payments**  
P.O. Box 2387  
Des Plaines, IL 60017-2387

**All Other Correspondence**  
P.O. Box 66945  
Chicago, IL 60666-0945

For more information visit: [www.alliantcreditunion.org](http://www.alliantcreditunion.org).

### mortgage loan rates

AS OF DECEMBER 21, 2005

| Type                   | Interest Rate | APR*   | Points |
|------------------------|---------------|--------|--------|
| <b>First Mortgages</b> |               |        |        |
| 1/1 ARM                | 4.500%        | 6.894% | 0      |
| 3/1 ARM                | 5.000%        | 6.639% | 0      |
| 5/1 ARM                | 5.500%        | 6.552% | 0      |
| 7/1 ARM                | 5.625%        | 6.426% | 0      |
| 10/1 ARM               | 5.875%        | 6.374% | 0      |
| 15-YR. FIXED           | 5.625%        | 5.744% | 0      |
| 30-YR. FIXED           | 6.125%        | 6.199% | 0      |

### Second/Vacation Homes

|          |        |        |   |
|----------|--------|--------|---|
| 1/1 ARM  | 4.750% | 7.142% | 0 |
| 3/1 ARM  | 5.250% | 6.884% | 0 |
| 5/1 ARM  | 5.750% | 6.798% | 0 |
| 7/1 ARM  | 5.875% | 6.671% | 0 |
| 10/1 ARM | 6.125% | 6.621% | 0 |

### dividend rates

FOURTH QUARTER

|   | Current Annual Dividend Rate | Effective Annual Percentage Yield (APY) |
|---|------------------------------|---|
| <b>Share Savings</b>                                      | 3.75%                        | 3.80%                                   |
| <b>IRA</b>  | 3.75%                        | 3.80%                                   |
| Traditional, Roth and Coverdell Education Savings Account |                              |   |
| <b>Checking</b>   | 0.25%                        | 0.25%                                   |

Current checking dividend is subject to change monthly. For current consumer loan rates contact Alliant. Rates, terms and conditions subject to change. Loan approval, APR and downpayment required based on creditworthiness, collateral, payment method and ability to repay. APR=Annual Percentage Rate.

First Mortgages available in all 50 states. Rate 0.25% higher for Jumbo Loans \$417,001 and more. ARM=Adjustable Rate Mortgage. \*The Annual Percentage Rate (APR) assumes a 20% downpayment on a loan amount of \$250,000 with a 30-year term. The results to the left assume an origination fee of \$950 plus \$180 in additional prepaid finance charges plus 15 days of prepaid interest.



# connections

December 2005

the newsletter for Alliant<sup>SM</sup> Credit Union members

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Alliance One

### home equity

## Turn your dream into a reality

Ready to remodel a kitchen, take a dream vacation, go back to school or get something special just for you?

Then, consider using the equity in your home for an Alliant Home Equity Line of Credit (HELOC). Equity is the difference between how much your home is worth and how much you still owe on your mortgage. And, today, as real estate values continue to climb, so does your equity and the attractiveness of a HELOC.

HELOCs are set up as a revolving line of credit for a specified maximum draw, rather than a fixed dollar amount. For example, using a standard mortgage you might borrow \$100,000, which would be paid out in its entirety at closing. Using a HELOC instead, you receive a lender's promise to advance you up to \$100,000 for a specified length of time, in an amount and at a time of your choosing. You can draw on the line at any time, paying money in and taking it out again whenever you want for whatever you want.

- Flexible repayment terms of up to 15 years
- Interest that is potentially tax-deductible (ask your financial advisor for details)
- A revolving credit arrangement - as you pay back the borrowed funds, they revolve and become available again over a seven-year draw period
- Easy access to your available line through your Alliant savings or checking account through our online banking service, SkyBranch<sup>SM</sup>

### APPLY TODAY!

- Online at [www.alliantcreditunion.org](http://www.alliantcreditunion.org)
- Call 800-328-1935 (M-F, 7am-7pm CT)
- In person at your local Service Center

### DIVIDEND RATE INCREASE!

### fourth quarter dividend

DECLARED DECEMBER 15, 2005

Fourth Quarter 2005 Savings and IRA Dividend provides an Annual Dividend Rate of 3.75% - Compounded Annual Percentage Yield of 3.80% APY to members who have maintained an average daily balance of \$100 or more.

The Monthly Checking Dividend provides an Annual Dividend Rate of 0.25% - Compounded Annual Percentage Yield of 0.25% APY who have maintained an average daily balance of \$1,000 or more.

Dividends payable to Shareholders on record as of December 31, 2005.

Offer subject to credit approval, which includes verification of application information and receipt of collateral documents. Rates and closing costs are subject to credit qualifications. We may not extend credit to you if you do not meet Alliant criteria. You must be an Alliant member to be eligible for an Alliant Home Equity Line of Credit (HELOC). Your qualifying rate adjusts annually on the anniversary date of your first payment depending upon credit qualifications and loan to value ratio. Your qualifying rate is based on the highest Prime Rate published in The Wall Street Journal 30 days prior to your anniversary date, plus a margin. The APR range is from 3.50% to 16.0%. The minimum initial advance is \$10,000 thereafter, the minimum advance is \$1,000. No closing costs based on loans up to \$250,000 and meeting Alliant criteria. A fee of \$1,000 is applied to HELOC loans more than \$250,000. Costs to satisfy certain prior liens may be assessed. Property insurance is required. Flood insurance may be required. If the state and/or county in which the collateral is located charges additional fees and taxes, the borrower will be responsible for payment. A \$200 termination fee may be applied to a HELOC cancelled or closed by the borrower within one year of origination. Refinancing is not applicable to current Alliant HELOC loans. Rates, terms, and conditions subject to change. Other restrictions may apply. Home equity products are available in the following states: AZ, CA, CO, FL, HI, IL, KY, MA, MD, MI, MN, NV, NM, NY, TN, VA and WA. HELOC loans available on 1 to 2 unit owner occupied dwellings. Consult your financial advisor about potential tax savings.





New Year's Resolutions

## Will you keep your financial resolutions?

Last year, 31 percent of the Americans who made a New Year's resolution focused on improving their fiscal fitness, according to a survey by Bankrate.com. But, in general, only 57 percent of the people who make a resolution keep it, according to a Marist College Institute survey. And, financial resolutions are a challenge to keep, especially for those facing financial difficulty. Here are five tips from Freedom Financial Network, LLC, to keep you on your fiscal bandwagon.

- 1. GET BACK ON THE HORSE.** If your 2005 financial efforts haven't gone as well as hoped, don't despair. The key: work to change long-term habits. Devise a monthly budget divided into weekly increments, and if one week doesn't go well, make a fresh start the next week.
- 2. SET GOALS.** Set specific goals, then plan to meet them. Want to eliminate credit card debt, save 10 percent of your income for retirement, reduce discretionary spending by 40 percent? Without a target to shoot for, you can't tell if you're on target.
- 3. MAKE A PLAN.** A resolution without a plan is only a wish. Will you eat out less? Stick with a cash budget? Keep a spending journal, write down every penny you spend daily and you'll clearly see where your bucks go. Then you can identify which areas to trim.
- 4. WORK YOUR WAY UP.** To eliminate credit card debt, make at least the minimum payments on all your debts. Meanwhile, pay as much as you can on the card with the highest interest rate. After you pay off that card, focus on paying off the next highest-rate card, and so on.
- 5. STAY INSPIRED.** Why do you want to keep your resolution? Give yourself rewards for reaching small milestones. If you're paying off a hefty bill, tell yourself when it's done, you'll treat yourself and a loved one to a movie out. If you want to get out of debt so you can save to buy a home, cut out or sketch a picture of your dream home and post it somewhere you can see it regularly. Or, keep a copy of the image in your wallet to remind you not to spend foolishly.

Source: www.kfor.com

**Notice of Annual Meeting**  
Notice is hereby given that the Members' Annual Meeting of Alliant Credit Union will be held at Alliant Headquarters, 11545 W. Touhy Avenue, Chicago, Illinois on Thursday, the 16th day of February 2006, at 10:00am for the purpose of electing Directors of said credit union and transacting such other business as may properly come before the meeting.

*William Byrne*

William Byrne, Secretary  
Alliant Board of Directors

## Give the Perfect Gift...the Alliant VISA® Gift Card!

Looking for the perfect gift for a birthday, anniversary, graduation or other special occasion? Get the Alliant VISA gift card for a nominal \$2.50 processing fee.

You can purchase an Alliant VISA gift card three easy ways:

- 1 At your local Service Center
- 2 Online at [www.alliantcreditunion.org](http://www.alliantcreditunion.org)
- 3 By calling the TeleCenter



Got a question about Alliant?  
"Just Ask"

Whenever you want quick, reliable information about Alliant's products and services, there's a new place to go – the "Just Ask" search engine on our home page. Simply click the "Just Ask" icon, submit your question and you'll get an instant answer. It's that easy. If the information you seek is not yet in our database, then use the "Forward Your Question" button. We'll get back to you promptly with a personal reply. A note of caution, however: "Just Ask" is not a secure tool, so do not include confidential information in your correspondence, such as your Social Security Number, account number, password, etc.

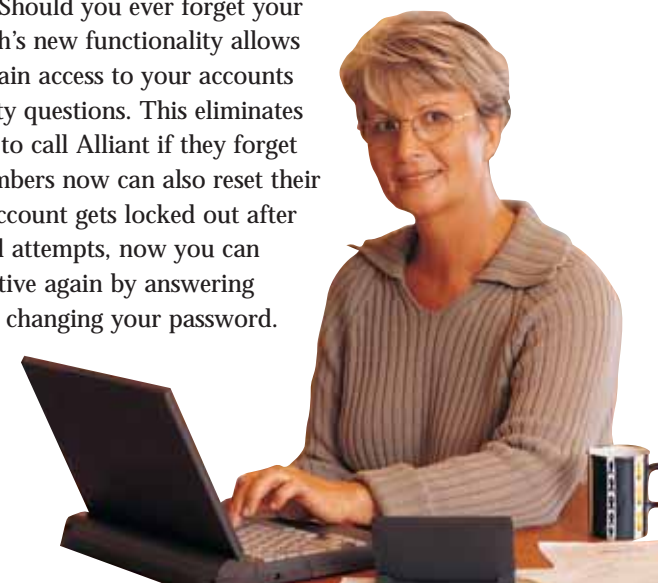
Online Access

## SkyBranch gets even easier to use

As part of Alliant's ongoing effort to make SkyBranch® a best-in-class online banking system and a pleasant, effective way for you to stay connected with your accounts, we've incorporated a couple of new features. These enhancements provide more security, make the system more user-friendly and encourage members not yet using the system to start enjoying its benefits.

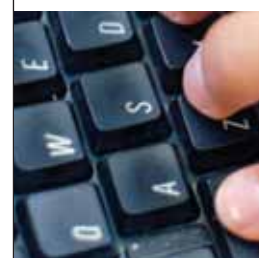
**NOT YET A USER?** Did you know that when you joined Alliant, you were automatically enrolled in SkyBranch? Now, signing on to use your accounts online is easier than ever. Simply logon to [www.alliantcreditunion.org](http://www.alliantcreditunion.org), click on the SkyBranch icon, follow a few simple steps and enjoy the convenience of Internet banking right away!

**ALREADY A USER?** Should you ever forget your access code, SkyBranch's new functionality allows you to reset it and regain access to your accounts after answering security questions. This eliminates the need for members to call Alliant if they forget their access code. Members now can also reset their login online. If your account gets locked out after three invalid password attempts, now you can make your account active again by answering security questions and changing your password.



## Less hassle, quicker response

Apply for Your Alliant Mortgage Online!



Whether you're buying a new home or refinancing your current residence, Alliant is dedicated to making your mortgage process easy, secure and convenient with our new online mortgage application.

Now you can apply for a home loan and get pre-approved in just minutes.

All it takes is three easy steps to apply:

- 1 Go to [www.alliantcreditunion.org](http://www.alliantcreditunion.org), and click on "Apply for Your Mortgage Online."
- 2 Follow the prompts to complete the application.
- 3 Click "Submit," and your information will be processed for quick approval.

An Alliant mortgage expert will contact you with a loan decision, as well as answer any questions you may have.

Remember, too, to sign-up for our "rate watch" e-mail feature that allows you to enter your targeted mortgage rate. When your targeted rate is met, you'll receive an instant e-mail notification from Alliant.

# What I want to be when I grow up

Alliant's first National Education Program contest attracted more than 200 creative entries from students who used their imaginations – and a variety of media – to describe what they want to become when they grow up and how a computer would help.

Alliant recently awarded the winners a total of \$5,250 in gift cards redeemable for computers and accessories. Students competed in three age groups – 5 to 9, 10 to 14, and 15 to 17. For first place, winners earned a \$1,000 gift card; second place a \$500 card and third place, \$250. Judges evaluated the entries in terms of appealing presentation, degree of effort demonstrated and overall creativity.

"These students showed a great deal of innovation," says Alliant President and CEO David Mooney. "Alliant is delighted to give our prizes to encourage these young people to pursue and realize their dreams."



Artwork submitted by contest winner Chris Masaquel

### MEET THE WINNERS

#### Age Group 5-9



(1st place)  
**Daniel Hollar**, 8, San Mateo, CA.



(2nd place)  
**Kira Wence**, 6, Manassas Park, VA.



(3rd place)  
**Makayla Schirmer**, 6, Lizton, IN.

#### Age Group 10-14



(1st place)  
**Chris Masaquel**, 13, Honolulu, HI.



(2nd place)  
**Jacob Armenta**, 13, Round Lake Beach, IL.



(3rd place)  
**Gregory Xavier**, 12, Northpoint, NY.

#### Age Group 15-17



(1st place)  
**Erik Mathre**, 17, Fremont, CA.



(2nd place)  
**Brooke Bolden**, 16, Wheeling, IL.



(3rd place)  
**Michael Gumberg**, 15, Northridge, CA.

"When I grow up I want to be President of the United States. Computers can help me learn different things... and also help me organize information."

Excerpt from the essay submitted by Kira Wence