



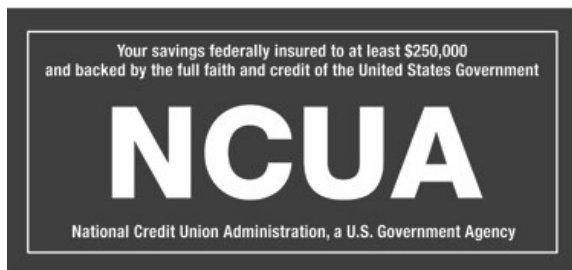
Westminster FCU *Of Interest!*

Harvey G. Morris, Chairman
John C. Burke, President

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Deposit Share Insurance

The Federal Government has increased the amount your deposits are insured from \$100,000 to \$250,000! That's right! Your deposits are now insured up to \$250,000 on savings and another \$250,000 on your IRAs! President Bush signed the change into law in October 2008. This is the first increase in the deposit insurance since President Carter raised the coverage from \$25,000 to \$100,000, back in 1977.



WFCU Annual Meeting

Watch our web site for our 2009 annual meeting. As of this newsletter, the date has not been determined but it will be sometime in April. It's your chance to vote for the Board of Directors, hear how WFCU is doing and visit with other members. We hope to see you there.

Strong & Growing

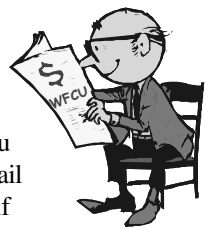
The media has been using an "R" word quite often these days. It's now official, as of November, 2008



the country is in a Recession. And now, just as always, credit unions are using their own "R" word ... **Reliable**. Members know that they can count on their credit unions for financial solutions. Since the financial industry problems started in September, members have flocked to us for both a secure (#2173) place for their savings and for loans. In fact, the fourth quarter has been a record growth quarter for Westminster FCU. This growth has been in both deposits and all types of loans. While other institutions shut their loans off we have been very busy giving our members the money they need.

Find Your Account Number and Win!

Hidden in this newsletter are three (3) account numbers. Find yours by January 14th and you will win \$20. Call or e-mail your Westminster FCU if you find your number.



Some Savers Tap Retirement \$

Talk about a downward spiral. Hundreds of thousands of Americans got pink-slipped in November and now they, along with millions already unemployed, will have to figure out how to make ends meet.

Yes, many might have a severance package, and some might have a few months' worth of living expenses set aside but once these severance packages and rainy-day funds are exhausted, and unemployment benefits fail to cover daily living expenses, out-of-work Americans will likely raid the only piggy bank with any money left in it: their IRAs and 401(k)s.

18% of Americans said they have withdrawn retirement assets prematurely because of the recent economic turmoil, according to a recent survey. Many raided those accounts to pay for near-term financial obligations, including credit card debt and mortgage payments. But more than one in five, or 22%, withdrew money early from their retirement because of a recent job loss.

"If the economy continues to worsen, these numbers may increase significantly," Bank of America said in its release. "The possibility of many more Americans dipping into their retirement savings could have profound implications for the country's future economic well-being." "Taking a distribution from a retirement account is one of the least tax-efficient places from which to get the money," said Mark Nash, co-author of Price Waterhouse Coopers' 2009 Guide to Tax and Financial Planning.

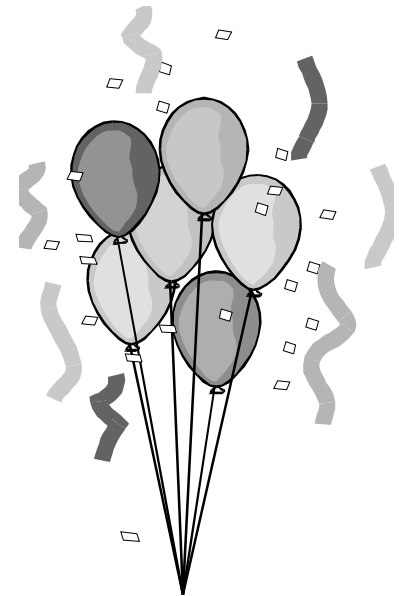
The distribution is subject to tax at (#5948) ordinary rates, including state income taxes in most cases, plus a 10% penalty if you are under 59 ½. What's more, he said the added income could have a negative impact on other tax benefits that are phased out based on adjusted gross income. Savers also lose the power of tax-deferred compounding when taking a distribution from a retirement plan or a loan from a 401(k).

Given those ramifications, we recommend looking for money in just about any place other than an IRA or 401(k).

Dividends Declared

The board of Directors declared dividends for the 4th quarter of 2008. The rate paid on Share savings was 0.50% APY and on the Money Market Accounts, as high as 2.00% APY.

Compare our rates to any other financial institution! Dividends (#4383) are calculated on the average daily balance and paid on the last day of the quarter. Your account must be open at the end of the quarter to receive dividends.



Holidays

Your Westminster FCU offices will be closed the following dates:
 Monday, January 1st - New Years Day
 Monday, January 19th - M.L. King Day
 Monday, February 23rd - Presidents Day

Did You Know?

Did you know... 1 in 6 Americans are a victim of ID Theft. Protect yourself by signing up for AlertMe.

Did you know... We have pre-paid Travel Debit cards? It's not only a great gift idea but a great way to protect yourself and your account when traveling! Don't let thieves get your checking account number.

Did you know... with our Shared Branching Program, our members can go to other Credit Unions around the country to transact business and their members can use our office.

Did you know... That you will get your Tax Refund quicker if you have it Direct Deposited into your credit union account versus getting a physical check?

