



Quarterly

Healthcare Systems
Federal Credit Union

CHECKUP

*It's better to be
a member*

**Tips To Improve
Your Financial
Security In 2009**
See page 2.

**Your Funds
Remain Safe
At HSFCU**
See page 3.

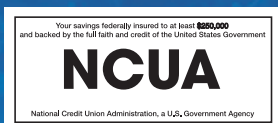
**Ten Reasons
Why It's Better
To Be A Member
Of HSFCU!**
See page 4.

Healthcare Systems
Federal Credit Union
3300 Gallows Road
Falls Church, VA 22042

Main Office:
703-776-2700
1-800-250-9676

Loan Office:
703-776-7960

www.healthcarefcu.org
help@healthcarefcu.org



January 2009

Start Your Retirement Planning With HSFCU's IRA Products

When it comes to retirement, it's wise to plan ahead and to begin your saving as early as possible. And to help you save, HSFCU provides a range of IRA (Individual Retirement Account) options at competitive rates. In addition, our Direct Deposit service can be used to automatically transfer funds into your IRA so that saving for retirement is virtually effortless.

Traditional IRAs

- Individuals under age 70½ with qualifying income may contribute
- Interest grows tax-deferred until withdrawal
- Withdrawals may be made at age 59½ without penalty or you can wait until later to make withdrawals
- Contributions may be tax-deductible

**Federally
Insured! ***



Thinking about a college fund? Ask about our high-yield Education IRA, too!

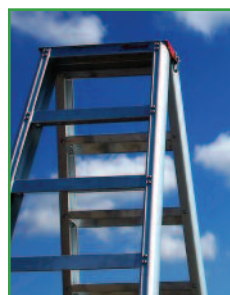
Roth IRAs

- Individuals with qualified income may contribute, regardless of their age
- Your earnings grow tax-free
- No requirement to take minimum distributions after you reach age 70½
- Withdraw your funds during retirement without federal penalty or tax liability
- All withdrawals, including earnings, are tax-free if the account has been open at least five years and are used for qualified expenses (ask us for details)

You can open or contribute to a 2008 IRA until April 15, 2009! For more information about our IRAs, visit an HSFCU office or call 703-776-2700 or 1-800-250-9676.

*By the National Credit Union Administration. Education IRA products are insured to at least \$250,000. Roth and Traditional IRA products are insured separately, up to a combined total of \$250,000.

Maximize Your Earnings And Liquidity With Certificate Laddering



If you have spare funds to invest but are concerned about rate changes and liquidity, there is a way to maximize what you earn through certificate laddering. It's very easy.

Just divide the amount you want to invest into equal parts and purchase several HSFCU Share Certificates, each with a different term (such as 12, 24 and 36 months). As each certificate matures, you can either "cash out" your certificate or reinvest your funds by purchasing another Share Certificate with a longer term.

This way, you have the best of both worlds. Each year, one-third of your funds is available if you need cash. And at the end of three years, all of your HSFCU Share Certificates are earning the higher 36-month rate!

For more information about certificate laddering, stop by an HSFCU office or call 703-776-2700 or 1-800-250-9676 toll-free.

A Letter From The President

Dear Members,

The last few months of 2008 have created a “perfect storm,” with a slumping real estate market, declining values for many investments and retirement funds, mass layoffs in many industries, and other troubling economic signs. As we enter 2009, many HSFCU members are obviously concerned about the future.

Our mission at Healthcare Systems Federal Credit Union is to help you weather the storm by providing the services and information you need to save and spend wisely, and to conduct your financial business efficiently.

Elsewhere in this newsletter, you’ll read an article that speaks to the safety and security of your funds at HSFCU, both through our internal safeguards and through NCUA insurance, now increased up to \$250,000. We deeply appreciate the confidence that you have placed in your Credit Union by entrusting your funds to us, and we will work hard to earn your continued loyalty and your business.

We are still actively making loans to members, because that is the core purpose of all credit unions as member-owned financial cooperatives. And while some banks and other lenders have introduced “default” rates or slashed available credit lines on credit cards, HSFCU is keeping a steady course. That’s not to say that every loan request will be approved. To protect the membership and HSFCU’s financial strength, we must maintain our credit standards. But we will do our best to accommodate your needs whenever possible.

If you’re concerned about your finances or your credit, come talk to us. We will also provide more information, both in seminars and online, to help you make informed financial decisions. Budgeting, saving, credit counseling and similar topics are on the agenda for 2009.

Each new year, we wonder what the future will bring. But one thing you don’t have to wonder about is HSFCU’s commitment to you. We value your membership and will do our very best to serve you – in any economic climate.

Best wishes and Happy New Year,



Bill Hawkins
President & CEO

Have You Experienced The Convenience Of eStatements Yet?

If you haven’t signed up for HSFCU’s newest online service, then maybe it’s time. Using eStatements spares you the wait for your account statement to arrive in the mail, and it’s environmentally friendly, too!

FREE!



- View your eStatement online through HSFCU’s secure Online Banking site*
- eStatements can be downloaded and saved into your computer’s memory, or printed out if you prefer
- Automatic e-mail notification when your eStatement is available

Sign up for eStatements today! For more information, visit us online at www.healthcarefcu.org.

*Online Banking sign-up is required in order to use eStatements.

Tips To Improve Your Financial Security In 2009

In the current economy and with the rising cost of living, good money management is increasingly important. If you are having some trouble managing your finances or want to maximize the funds you have, come to HSFCU. We can serve as your financial partner by offering advice to help you and finding you products or services to match your needs and goals.

In addition, here are some tips for improving your financial worth in the new year:

1. **Go through your checkbook and account statements, and use them to create a budget.** There may be areas where you can reduce your spending and save money.
2. **Consider using HSFCU’s free Online Banking and Online Bill Pay.** Both of these convenient electronic services can help you to more easily determine what you’re spending.
3. **Consolidate your debt with HSFCU’s Signature Loan or transfer your high-rate credit card balances to a low-cost Visa® Platinum Credit Card.** Read the stories on page 3 and page 4 for more details.
4. **Start an emergency fund.** You’ll have more peace of mind knowing that you have a financial cushion for emergency expenses, and it’s easy to save with our Direct Deposit service. Even if you can spare just \$25 or \$50 a month, you’ll be surprised how quickly your money will add up.

Feeling The Cash Crunch After The Holidays?

Take A Bite Out Of Debt With Help From HSFCU!

Feeling stressed about those holiday bills? Don't despair....HSFCU is here to help you!

For example, you can transfer the balances on high-rate credit cards (such as department store credit cards or credit cards from other lenders) to a low-cost HSFCU Visa® Platinum Credit Card. You could reduce your monthly interest payment and free up more cash for the things you need. (See the story on page 4 for more information about our Visa Platinum Credit Card.)



Or, you can use an HSFCU Signature Loan to consolidate your debt into one low monthly payment. Our Signature Loan has these features:

- Rates as low as **8.99%** APR* for 12 months
- Alternate terms and rates available
- Monthly payments as low as \$87.45 per month (per \$1,000 borrowed)
- No need for collateral – just your signature and your good credit!

Don't wait – take care of your debt today! Visit an office, call 703-776-7960 or visit us online at www.healthcarefcu.org.

*Annual Percentage Rate; subject to change. "As low as" rates are the lowest available rates; actual APRs may vary, based on the applicant's creditworthiness.

Your Funds Remain Safe At HSFCU

Lately, the financial world has been through various upheavals, such as the failures of well-known financial institutions, concerns about Fannie Mae and Freddie Mac, and the general state of the economy. Many consumers feel concern about the safety of their accounts. Rest assured, however, that your accounts are safe at the Credit Union, for several reasons.

First, HSFCU is a well-run, financially healthy credit union. Our state of financial fitness enables us to continue offering you great products and services such as loans at competitive rates, high-yield savings and investments, and convenient banking services for easy access to your accounts. In addition, we are evaluated annually by the National Credit Union Administration (NCUA), who also ensures that our financial status stays healthy.

Second, HSFCU uses responsible lending practices and does not participate in subprime lending, so we were not affected by the recent mortgage crisis. We have sufficient funds to provide a good financial cushion and have enough capital to meet your borrowing needs.

Third and most important, your accounts at the Credit Union are federally insured by the National Credit Union Share Insurance Fund, provided by the NCUA. Most HSFCU deposit accounts are insured up to a combined total of \$250,000 (in October 2008, insurance coverage on deposit products was raised from \$100,000 to \$250,000), and Traditional/Roth IRA products are insured separately, up to a combined total of \$250,000.



Got questions or concerns about your NCUA insurance coverage? Visit us online at www.healthcarefcu.org or call 703-776-2700 or 1-800-250-9676 toll-free.

Ten Reasons Why It's Better To Be A Member Of HSFCU!

You may feel that in the current economy, there is little that the Credit Union can do to help you financially. Wrong! Here are 10 good ways we can help you save time *and* money:

- 1) FREE Checking (Share Draft) Accounts with no monthly service charges and no minimum balance requirements
- 2) FREE Online Bill Pay that reduces your need to buy stamps or wait in line at the post office
- 3) FREE Online Banking
- 4) FREE eStatements
- 5) FREE Direct Deposit
- 6) Access to surcharge-FREE Credit Union 24/CU HERE ATMs and to shared branches
- 7) Auto loan and mortgage refinance options – ask HSFCU's Loan Department for details
- 8) Credit card balance transfers (see story below for more information)
- 9) Lower rates than other lenders on auto, home equity, and personal loans
- 10) FREE real estate assistance programs such as SMARTMOVE®, available to qualified HSFCU members

For more information on our products and services, stop by an HSFCU office, call 703-776-2700 or 1-800-250-9676 toll-free, or visit us online at www.healthcarefcu.org.



Experience the convenience of eStatements! See page 2 for details.

There is a new HSFCU ATM available at Inova Alexandria Hospital! This new ATM is located near the vending machines next to the cafeteria.

Holiday Closings

Martin Luther King Jr. Day –
Monday, January 19

Presidents Day –
Monday, February 16

Are Your High-Rate Credit Cards Causing You Headaches? Transfer Your Balances To An HSFCU Visa Platinum Credit Card!

Right now, many lenders are tightening their credit card standards for new borrowers, jacking up the rates or cutting credit lines even for responsible borrowers who pay their bills on time. But here at HSFCU, we'll give you better treatment.

By transferring the balances on high-rate department store credit cards or other credit cards to a low-cost HSFCU Visa® Platinum Credit Card, you'll save more money in monthly interest payments. Our Visa Platinum Credit Card features:

- A rate as low as **8.90%** APR*
- No annual fee
- No fees for purchases, cash advances or balance transfers
- Earn CU Rewards® bonus points and redeem them for free travel or brand-name merchandise – ask us for details

Transfer your balances today! For more information, stop by an HSFCU office or call 703-776-2700 or 1-800-250-9676 toll-free.



*Annual Percentage Rate; subject to change. "As low as" rates are the lowest available rates; actual APRs may vary, based on the applicant's creditworthiness.