



Quarterly

Healthcare Systems
Federal Credit Union

CHECKUP

January 2010

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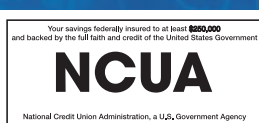
Healthcare Systems
Federal Credit Union
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Falls Church, VA 22042

Touch Tone Teller:
703-776-2498

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

Loan Office:
703-776-7960

www.healthcarefcu.org
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- Reduce the need to buy stamps or to wait in line at the post office
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- Receive account information quicker each month
- Decrease your risk of identity theft and mail fraud
- Reduce household clutter in filing cabinets
- Save account information on your computer, or download and print out your eStatements if you prefer



Online Bill Pay and eStatements are part of our Online Banking service. Sign up today! To get started, visit www.healthcarefcu.org, find the "Online Services" drop-down menu on the homepage and select "Online Banking." If you have questions, call 703-776-2700 or 1-800-250-9676 toll-free.

HSFCU's 2010 Annual Meeting Is March 24th

Time: 5:30 p.m.

Location: Physicians Conference Center, Inova Fairfax Hospital

On November 18, 2009, the HSFCU Board of Directors appointed a Nominating Committee to nominate at least one member for each of the three vacancies on the Board. Jay Brown and John Howell are up for re-election to the Board.

In addition, HSFCU members may also make nominations by petition. Each petition must be signed by 1% of the membership (at least 100 members). Petitions must be received by the Secretary of the Board, Erick Peterson, on or before February 10, 2010. A list of all eligible nominees will be posted at all Credit Union offices on February 15, 2010.

The election will be held at the Annual Meeting. No nominations will be accepted from the floor unless there are insufficient nominees for the vacancies to be filled.

Please make plans to attend! We will award door prizes and serve light refreshments.

If you are interested in being a candidate for the Board, please write the Nominating Committee and include a resume or a list of qualifications.

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

A Letter From The President

2009 was a difficult economic year for many people. But even though times have been hard, there are signs that the economy is gradually improving. According to Kiplinger, a leading economic expert, unemployment claims are down and home sales are increasing.

Despite the current economy, HSFCU is financially strong and continues to be well-capitalized. HSFCU did not participate in subprime lending and we did not go through a financial fallout due to subprime loans. We are still making loans and are able to handle all of your borrowing needs.

As we begin 2010, please remember: We are here to help, in any way we can. There are many ways we can assist you. For example, we could refinance a high-rate auto or home loan from another lender, transfer the balance on high-rate credit cards to an HSFCU VISA® Credit Card, help you earn more than other financial institutions on your savings, or save you money through our free convenience services such as Online Banking, Bill Pay and eStatements.

We value the faith you have shown us in the past year. We look forward to serving you, in 2010 and beyond!

Best wishes and Happy New Year,



Bill Hawkins
President and CEO

Begin 2010 With A Budget

With the current state of the economy, creating a budget and following it has become increasingly important. A budget is a great tool for self-improvement for the following reasons:



- By using a budget, you have a clearer picture of exactly where your money is going every month.
- You can easily analyze what money is being used on unnecessary items and cut back on those expenses.
- Following a realistic budget can free up any spare cash you may have. This spare cash can be deposited into an emergency fund for unexpected expenses.

And remember: HSFCU has other ways to make your money go farther.

**For more information, stop by an HSFCU office,
call 703-776-2700 or 1-800-250-9676 toll-free,
or visit www.healthcarefcu.org.**

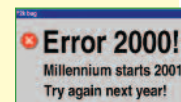
A Look Back On Our First 40 Years: 1969 – 2009

What Was Happening During HSFCU's Fourth Decade?

1999 – Countries in Europe begin to use the euro as currency.



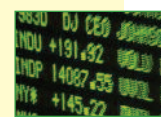
2000 – The world braces for potential (Y2K) problems, which prove largely unfounded.



2001 – Wikipedia, an online encyclopedia, is launched on the World Wide Web.



2002 – The Dow Jones Industrial Average stock market index goes down to a record low of 7,286.



2003 – The United States Department of Homeland Security begins operations.



2004 – Director Peter Jackson's *The Lord of the Rings: Return of the King* wins 11 Oscars, tying the record set by *Ben-Hur* and *Titanic*.



2005 – Video website Youtube.com appears online.



2006 – Famous stolen paintings *The Scream* and *Madonna*, by Norwegian artist Edvard Munch, are recovered in Oslo, Norway after a two-year hunt.



2007 – The final book of the Harry Potter series, *Harry Potter and the Deathly Hallows*, is released to the public. It sells over 11 million copies in the first 24 hours, the fastest-selling book in history.



2008 – Swimmer Michael Phelps wins eight gold medals in the Summer Olympics in Beijing, China.



2009 – Barack Obama is inaugurated as the first African-American president in United States history.



We hope you've enjoyed HSFCU's look back at the past 40 years. Now it's time to look ahead to a great future!

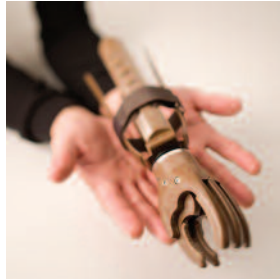
Helping Hands – A Lesson In Teamwork

In December, HSFCU employees participated in a staff training exercise with a twist. Rather than the normal PowerPoint presentations or role-playing, nine teams of three people were assigned the same project: build a prosthetic hand, which will be sent overseas for amputees in developing countries.

The artificial hands are composed of moving and non-moving digits controlled by a spring-loaded mechanism. The plastic hands, which are strapped on, are both sturdy and simple to operate, with no hard-to-replace electronic parts.

Recipients – both adults and children – quickly learn to adapt their new appendage to the tasks of everyday living – picking up items, tying a shoelace, holding a pen and more.

Participants learned an important lesson in teamwork by taking on this challenging but rewarding assignment and completing it successfully.



“Working together, we were able to accomplish more than we thought possible,” said one participant. Another noted, “We now understand how this same spirit of teamwork can be

carried over to help us serve HSFCU members even better.”

Homebuyer Tax Credits Have Been Extended And Expanded!



With interest rates remaining at low levels and home prices available for different budgets, 2010 is a good year to buy a new home. And the federal government is making it even easier. In November 2009, the tax credit for first-time homebuyers was extended into 2010 and was expanded to include a tax credit for current homeowners seeking a new home. Here's an overview of the new legislation:

- **First-time homebuyers are eligible for a tax credit of up to \$8,000.** They must buy or enter a contract to buy a principal residence on or before April 30, 2010. Settlement must occur by June 30, 2010.
- **Existing homeowners may receive a tax credit of up to \$6,500 if they have lived in the same principal residence for at least 5 consecutive years out of 8 years.** The homeowners must meet the same April 30 and June 30 deadlines as first-time homebuyers, and the purchase price on your new home can be up to \$800,000 to qualify for the credit.
- **Income limits were raised for homebuyers.** A single person may qualify for the credit if he or she makes up to \$125,000 per year. Married couples may make up to \$225,000 per year.

HSFCU offers a wide range of First Mortgages at competitive rates through our partner, Primary Residential Mortgage, Inc. For more information, visit www.healthcarefcu.org or call our loan specialist, Alex Alquinta, at 703-426-6961.



Certificate Laddering: Take The First Step To Smarter Investing

Want to make the most of your savings? Laddering your HSFCU Share Certificates is a reliable way to maximize what you earn without sacrificing liquidity.

Here's how it works: Take the funds you have, divide the funds into equal amounts and invest them in Share Certificates with different maturity terms (such as 12, 24 and 36 months). As each certificate matures, you have the choice of “cashing out” your certificate or to reinvest your funds by purchasing another Share Certificate with a longer term (such as 36 months). This way, some of your funds are available each year if you need the cash, but your funds are earning the higher 36-month rate at the end of three years!

Unlike stock market investments, your HSFCU Share Certificates are federally insured.* You can invest with confidence without concern about the safety of your investment.

Contact us today to start investing! Stop by an HSFCU office or call 703-776-2700 or 1-800-250-9676 toll-free.

*By the National Credit Union Administration. Deposit products are insured to at least \$250,000.

Post-Holiday Bills Squeezing Your Budget?

Transfer Your High-Rate Balances To An HSFCU Visa Platinum Credit Card!

If the high rates on your credit cards from department stores or other lenders are stretching your budget, then come to HSFCU! By transferring your balances to a Visa® Platinum Credit Card with a lower rate, you'll pay less in monthly interest payments.

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



**Contact us today! To learn more, 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.

**Certificate
laddering
can help you
increase your
savings!**

See page 3
for details.

It's Never Too Late To Start Your Retirement Fund...

And It's Easy To Do With An HSFCU IRA!

**Our IRAs are
federally insured! ***

Whether you're well on your way to retirement or just starting out, HSFCU's IRAs make it easy to save for retirement. We offer a choice of either Traditional and Roth Individual Retirement Accounts with tax advantages and competitive rates. Plus, you can have funds automatically put into your IRA through Direct Deposit, saving you the need to write and mail checks each month.

Traditional IRAs

- Available to individuals under age 70 ½ with qualifying income
- Interest is tax-deferred until withdrawal
- Withdrawals can start at age 59 ½ without penalty or you can wait until later
- Contributions may be tax-deductible

Roth IRAs

- You can contribute, regardless of age, if you meet income requirements
- Earnings grow tax-free
- You are not required to take minimum distributions after age 70 ½
- Funds can be withdrawn during retirement without federal penalty or tax liability
- Withdrawals are tax-free if your IRA has been open for at least five years and if the withdrawals are used for qualified expenses (ask for more information)

**Try an Education IRA
to start a college fund!
Ask for details.**

**You can open or contribute to a 2009 IRA until April 15, 2010!
To learn more about HSFCU IRAs, visit an HSFCU office, call 703-776-2700
or 1-800-250-9676 toll-free, or visit us online at www.healthcarefcu.org.**

Holiday Closings

**Martin Luther
King Jr. Day –
Monday, January 18**

**Presidents Day –
Monday, February 15**

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