

penny WISE

A publication of Penn State Federal Credit Union



Membership News & Letter
Summer 2006
Volume 6, Issue 3



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Summertime is for friends, vacations, picnics and making great memories with family. It's not a time to be worrying if someone is stealing your identity. Identity theft is the fastest growing crime in the United States and can change your life in just a few minutes. One out of twenty-three Americans are affected annually and the largest number of victims are between the ages of eighteen and twenty-nine. That's why Penn State Federal has partnered with Identity Safeguards to offer you a FREE solution that provides peace of mind. All of our members are covered under the ID Safe Choice plan for FREE. You can upgrade this coverage, at a low cost to you, to add even more great benefits. Visit our website at www.pennstatefederal.com for complete details.

Need to start saving for your next adventure? Check out our 12-month CD Special at 5.30% APY. Renew or open a new certificate for 12 months and you'll receive a fantastic rate of 5.30% APY when you have direct deposit into a Penn State Federal checking account. It's that easy! See the ad included in this newsletter and start saving today.

Join us for SummerFest on July 19 and 20. Don't pass up the opportunity to meet the staff and enjoy the food. As usual, there will be games for the kids, music and giveaways - plus a few surprises we have up our sleeve. Teens can also take part in our credit card seminar, which will also be offered during our two day bash.

Enjoy all your summertime fun,

Connie Wheeler
CEO

**Welcome:
New Select
Employer Groups**
We would like to welcome the following businesses into our field of membership:
Epic Abstract &
Epic Settlement
Services

Join us
Penn State Federal is accepting applications for group membership from area businesses. Visit our website to download an application letter.

That's my Credit Union! That's my Credit Union!

www.PennStateFederal.com

Things to do:

Home Buying Seminars

Program covers choosing the right mortgage & the application process to closing. Realtor & settlement experts will be on hand. Light refreshments along with a question & answer period follows.

Thurs., Aug. 3 at 4:00 PM, 1937 N. Atherton Street

Thurs., Sept. 14 at 4:00 PM, 1937 N. Atherton Street

Call the Mortgage department at (814) 865-2768 or email mortgages@pennstatefederal.com to reserve your place.

Arts Festival

Children & Youth Sidewalk Sale

July 12

Penn State Federal is the proud sponsor of this event. Stop by and enjoy the kid's booths from 10:00 AM to 3:00 PM.

Planning for your Retirement Lifestyle

Attend this free seminar to learn about retirement planning strategies. Explore how to create a balanced portfolio for retirement by using goal assessment, risk tolerance & asset allocation. Learn the advantages of rolling over assets from your employer's retirement plan to a traditional IRA.

Wed., July 26 at 11:45 AM to 1:00 PM in Room 106 HUB-Robeson Center, PSU campus.

Thurs., July 27 at 6:30 PM to 7:45 PM at Penn State Federal Credit Union, N. Atherton St.

Speaker Joseph A Webber, CFP & Financial Advisor with Merrill Lynch. Call (814) 231-8931 or email joseph_webber@ml.com to reserve your place today.

Closings

Independence Day

Tuesday, July 4

Labor Day

Monday, September 4

Penn State Federal is closed for Federal Reserve holidays.

Your accounts are always available by phone & online.

About us

info@pennstatefederal.com

(814) 865-7728; (800) 828-4636

Missing credit card? (800) 325-3678

Missing debit card? (866) 840-2662

Visit us

1937 N. Atherton St., State College PA 16803

Monday - Friday 9 - 4 & Thursday until 6

PSU 102 HUB-Robeson Ctr; University Park PA 16802

Monday - Friday 9 - 4

Roadshow

We regularly visit Penn State departments & campuses.

Call (814) 865-0384 if you'd like to schedule a visit or to involve us in your event.



Member Benefit:

Logon to your Penny Online account to view details on purchasing **discounted** Hershey Park tickets.



Teen Classes

We want to prepare your teen for financial independence by offering a series of fun and interesting educational classes. Teens will learn

everything from how to balance a checkbook, the difference between debit and credit cards and even the in's and out's of auto buying.

Classes that will be offered:

Credit Union 101 August 10, 4:00 PM

Checking 101 August 10, 5:00 PM

Car Buying 101 August 17, 4:00 PM

Credit Cards 101 August 17, 5:00 PM

All classes will be held at the N. Atherton location. Please call (814) 865-3980 or email amys@pennstatefederal.com to reserve your place.

SummerFest 2006

Come join us at the N. Atherton location for some fun in the sun during our SummerFest bash July 19 & 20. The festivities will start at 11:00 AM & end at 3:00 PM on both days (weather permitting).

There will be:

FREE food, music, games & giveaways all packed into two days of fun! Open a Kid's or Teen Club account plus enter to win great prizes.

How are you & your accounts affected by Regulation D?

Reg. D applies specifically to Penn State Federal Savings and Money Market accounts. Federal regulations limit members to six transfers or withdrawals from a savings or money market account. This includes pre-authorized and automatic (ACH) transfers and transactions made via telephone, online home banking or email. These limitations do not apply to ATM or checking account transactions.

Avoid these restrictions by opening a Penn State Federal Checking account. Visit www.pennstatefederal.com, call 814-865-7728 or 800-828-4636 for options.

Lending Rates effective June 1, 2006

See Rate Disclosures below

Vehicle & Motorcycle	Term	APR
2006 & newer ^{1,2} 10,000 miles or less	12-24 mos	5.00% - 14.50%
	25-60 mos	5.50% - 15.00%
	61-72 mos	6.00% - 15.50%
	73-84 mos	6.00% - 15.50%
2002 to 2006 ^{1,2,3}	12-24 mos	5.00% - 14.50%
	25-60 mos	5.50% - 15.00%
	61-72 mos	6.00% - 15.50%
	73-84 mos	6.00% - 15.50%
2001 & older ^{1,2,3}	12-24 mos	6.50% - 16.00%
	26-48 mos	9.75% - 18.00%
	49-60 mos	9.75% - 18.00%

Recreational	Term	APR
New ^{1,2}	12-36 mos	7.75% - 17.25%
	37-60 mos	8.00% - 17.50%
	61-84 mos	8.50% - 18.00%
	85-120 mos	9.00% - 18.00%
Used ^{1,2,3}	12-36 mos	8.75% - 18.00%
	37-60 mos	9.00% - 18.00%
	61-84 mos	9.50% - 18.00%
	85-120 mos	10.00% - 18.00%

Home	Term	APR
Home Equity ^{1,4,6}	12-60 mos	5.50% - 15.00%
	61-84 mos	6.50% - 16.00%
	85-120 mos	6.75% - 16.25%
	121-180 mos	8.00% - 17.50%
HE First Lien ^{1,4,6}	61-120 mos	6.00% - 15.50%
	121-180 mos	7.00% - 16.50%
HE Credit Line ^{4,5,6}	based on 180	9.00%
HE Credit Line ^{5,6}	based on 180	9.00%

(Platinum Card)
Mortgage Rates -- call (814) 863-0549 or email mortgages@pennstatefederal.com

Shared Secured	Term	APR
Regular Shares ¹	12-60 mos	5.25%
CD (no minimum)	cd term at	2.25% + CD APR

Personal	Term	APR
Installment/Unsecured ^{1,2}	1-12 mos	7.00% - 16.50%
	13-24 mos	8.50% - 18.00%
	25-36 mos	12.50% - 18.00%
	37-48 mos	13.50% - 18.00%
	49-60 mos	14.50% - 18.00%

Acce\$\$ Credit Line ⁵	based on 60 mos	10.50%
VISA Credit Card	Platinum	7.90%
	Classic	12.90%



Education Loans

Penn State Federal's Student Loan Code is 823021. Stafford 4.7% APR, PLUS 6.1% APR, Consolidation rates up to 8.25% APR. Education Loan Rates are determined by the US Dept. of Ed. For students attending PA schools, the origination fee is absorbed under the KEYSTONE BEST PROGRAM. PHEAA absorbs 1% & Penn State Federal funds the remaining 2%. Other Stafford loans require a 3.0% origination fee.

Lending Rates Disclosures

Rates disclosed in *italics* are Performance Plus rates. Your rate on these products may vary and will be determined by the number of years your loan is financed plus your credit history. Rates are set by the Board of Directors and are subject to change.

- 25 BPS discount (subtract 0.25%) for having or opening a Penn State Federal checking account with direct deposit to that account. A 25 BPS discount (subtract 0.25%) applies when automatic payments are made from a Penn State Federal account (BPS = basis points are one one-hundredth of a percent). Discount affects accruing loan interest, payments are based on advertised rate.
- Loans used to refinance a current Penn State Federal loan add 50 BPS (add .50%) unless an additional \$1,000 is borrowed.
- Loan term dependent on age & NADA value.
- Loan-to-appraised value ratios over 80% will be 150 BPS (add 1.50%).
- Interest rate is variable.
- 3,000 additional money or \$300 fee to refinance a current Penn State Federal Home Equity Loan.

Savings Rates effective July 1, 2006

See Rate Disclosures below

Regular Share Rates	APY
Basic ^{7,9} , Special ⁹ , Kids ^{7,9} , Teen ^{7,9} , Club ^{8,9}	1.00%

SmartStart ^{7,8,9}	Term	APY
	10-19 mos	1.50%
	20-29 mos	1.75%
	30+ mos	2.00%

Premier Checking ^{7,9}		0.75%
Money Market Checking ^{7,9}	\$1,500 - \$2,499	1.75%
	\$2,500 - \$9,999	3.00%
	\$10,000 - \$24,999	3.50%
	\$25,000+	3.75%

Certificate Rates ^{7,8,10}	CD APY	CD APR	IRA APY
6 mos	3.50%	3.46%	3.65%
9 mos	3.75%	3.70%	3.90%
12 mos	4.00%	3.94%	4.15%
15 mos	4.10%	4.04%	4.25%
18 mos	4.20%	4.14%	4.35%
24 mos	4.30%	4.23%	4.45%
30 mos	4.40%	4.33%	4.55%
36 mos	4.45%	4.38%	4.60%
48 mos	4.55%	4.47%	4.70%
60 mos	5.00%	4.91%	5.15%
Accumulative	N/A	N/A	1.75%

Roth, Traditional, Coverdell ESA & Accumulative IRAs available

Earn Extra Dividends on New or Renewing CD RATES¹⁰. Add a quarter of a percent (add 0.25% APY) to the current CD rates when you have direct deposit to a Penn State Federal checking account.

Savings Rate Disclosures

7) Minimum balance requirements. 8) Early withdrawal penalties & fees apply. APY -- quarterly compounding interest. APR -- monthly interest paid to share. 9) Interest rate is variable, rates are set by the Board of Directors. 10) A 25 BPS increase (add 0.25% APY) on current CD rates for having or opening a Penn State Federal checking account with direct deposit. New & Renewing CDs are eligible.

Rates are subject to change. Current rate and fee schedules are available at www.PennStateFederal.com or any Penn State Federal location.

See Rate & Fee Schedule for account details. Savings are federally insured to \$100,000 by the National Credit Union Administration, a U.S. Government Agency. IRA investments are insured up to an additional \$100,000. Penn State Federal is an Equal Housing Lender. We do business in accordance with Federal Fair Housing Law & the Equal Credit Opportunity Act.



Fraudulent Email Alert!

False emails are being sent to some of our members. Penn State Federal, Credit Card Companies, NCUA or any other reputable company will never ask for account information via email. Do not click links within these emails, and NEVER give out your information. If you have received a PHISHING email and responded to it, please Contact the Credit Union immediately.



Hurry in ~ New Home Equity, Vehicle (new & used) & Personal Loan Rates will go into effect August 1, 2006.

Home	Term	APR
Home Equity ^{1,4,6}	12-60 mos	6.00% - 15.50%
	61-84 mos	7.00% - 16.50%
	85-120 mos	7.25% - 16.75%
	121-180 mos	8.00% - 17.50%

Vehicle & Motorcycle	Term	APR
2006 & newer ^{1,2} 10,000 miles or less	12-24 mos	5.50% - 15.00%
	25-60 mos	6.00% - 15.50%
	61-72 mos	6.50% - 16.00%
2002 to 2006 ^{1,2,3}	73-84 mos	6.50% - 16.00%
	12-24 mos	5.50% - 15.00%
	25-60 mos	6.00% - 15.50%
	61-72 mos	6.50% - 16.00%
73-84 mos	6.50% - 16.00%	

Personal	Term	APR
Installment/Unsecured ^{1,2}	1-12 mos	7.50% - 17.00%
	13-24 mos	9.00% - 18.00%
	25-36 mos	13.00% - 18.00%
	37-48 mos	14.00% - 18.00%
	49-60 mos	15.00% - 18.00%

Where's your "happy" place?

12-month CD Special

5.30% APY*



*APY = Annual Percentage Yield. 5.30% Annual Percentage Rate. Dividend paid at maturity. Rate requires direct deposit into a Penn State Federal Credit Union checking account. Rate without direct deposit to a checking account is 5.05% APY. Certificate minimum is \$500. Early withdrawal penalties apply. May be withdrawn at any time. Membership eligibility required.

Visit www.PennStateFederal.com or call 814-865-7728 for more info.



Skip-A-Pay Coupon

Save some pennies! This coupon gives you a **Fee-Free** opportunity to skip one or more of your loan payments. *Fill this coupon out now & fax it to (814) 865-9041.*

NOTE: Real estate secured loans, VISA and Acce\$\$ credit lines are not eligible for Skip-A-Pay.

Member number or name	
Loan Purpose or Loan ID#	Loan Purpose or Loan ID#
circle skip month(s) July 06 Aug. 06 Sept. 06 Oct. 06 Nov. 06	circle skip month(s) July 06 Aug. 06 Sept. 06 Oct. 06 Nov. 06

Skip-A-Pay terms and conditions: Members can choose to skip a payment on one or more loans. The payment will be deferred & extended to the end of the original term of the loan(s). There is no fee for this service. Interest will continue to accrue on the unpaid balance(s) during this period. The next regular payment is due on the normal due date. By skipping a payment, the term of the loan may be extended. All other terms & provisions of the original loan agreement are unchanged. Regular payments made through Direct Deposit or Payroll Deduction will be deposited into your Share Savings (01) Account for the skipped month only. Loans for which any payment has been 30 days late in the last 12 months are not eligible. Loans for which extension agreements have been granted will be limited to one month and are subject to credit review. To defer a payment, this signed agreement must be received no later than 15 days prior to that payment's due date & must be signed by all borrowers on the loan(s) deferred. We reserve the right to limit the number of skipped payments granted per year. More than one month's payment may be skipped per loan, but not in consecutive months.

I understand and agree to the terms and conditions of Skip-A-Pay.

sign & date	sign & date
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