

pennywise

A Publication of Penn State Federal Credit Union

Summer 2007
Volume 7 Issue 3

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

MESSAGE FROM THE CEO

Summertime is for family, friends, vacations and picnics, so Penn State Federal wants to make your life a little easier during those busy times. That's why we introduced a new feature to our Penny Bill Payment System during June. You no longer have to remember additional passwords to pay your bills. Just login to your Penny On-Line account and click on the Bill Payment tab. It's that simple.

During the upcoming months, we are going to be out in the community in full force volunteering our time and efforts. You'll be seeing our staff out at the Central Pennsylvania Festival of the Arts and the Children and Youth Sidewalk Sale July 11 -15. Penn State Federal Night at Medlar Field at Lubrano Park on July 27 and the Patton Township Annual Health and Safety Fair on September 22. Check out our website for more details and join us in the fun!

Be sure to stop at the North Atherton location on July 20th for our Annual SummerFest Celebration.

Don't miss the opportunity to meet the staff and enjoy the snacks throughout the day during SummerFest. There will be games for the kids, a giant bounce house and a sno cone machine to top off the festivities.

I hope you all like the new look of the Penny Wise newsletter. Each issue will still feature important Credit Union information, as well as relative topics for the season. Please feel free to let us know what you think.

I wish you all a wonderful summer,

Connie Wheeler
CEO

Share the Gift of Credit Union Membership with Your Family

You already know that Penn State Federal offers a variety of low-cost, financial services designed with you and your family in mind. No matter what your needs may be, Penn State Federal strives to exceed our member's expectations by delivering valuable products and education. We want to provide the whole family with financial security through all stages of life.

As a not-for-profit institution, the Credit Union generally pays higher rates on Savings Accounts and offers better deals on loans in comparison to other financial institutions. With convenient services like direct deposit, online banking, and low-interest credit cards, we can help manage finances through regular savings and smart borrowing.

Penn State Federal is focused on people, not profits. We help educate members for a better financial future. Regardless of how much you have on deposit, you have an equal voice in how your credit union is run. And since membership is for a lifetime, our services are avail-

able even if you retire, change jobs or move from the area.

Penn State Federal is just the place for your family members that need affordable financial services. Share the gift of credit union membership with your family today!

Continuing Series on Identity Theft: Protecting Your Credit

Your credit report follows you wherever you go, and locking away your personal and financial information from identity thieves is essential. Whether you're applying for an Auto Loan, First Mortgage, or Student Loan, good credit is the difference between opportunity and denial.

Here are a few tips to ensure that your finances are secure and sensitive information is kept safe.

- Shred any paperwork containing personal information. This includes "junk" mail offering credit card pre-approval.
- Keep secure documents containing personal data in a locked file drawer, cabinet or box.
- Limit the number of credit cards you use and carry.
- Memorize your Social

We're currently offering Home Equity Loan rates as low as **5.50% APR***!

Security number and passwords to avoid having them recorded in your wallet or purse.

- Order a copy of your credit report from each of the three major credit bureaus on a yearly basis.

For more tips on how to protect your credit, contact us today. Our team of financial experts is ready to provide you with advice and assistance.

Spruce Up Your Home This Summer

Ready to make some home improvements? Want to install a new pool in time for the summer? Look no further than your home to finance your summer plans! With help from the Credit Union, you can tap into your home's equity with a Home Equity Loan.

We're currently offering rates as low as 5.50% APR*, and with a variety of terms to

choose from, you'll find just what you need to fit your lifestyle. The application process is quick and easy, so contact us today!

*APR = Annual Percentage Rate. Rate requires direct deposit to a Penn State Federal Checking account and automatic payments from a Penn State Federal account. Rate dependent on credit history. Rate effective as of date of publication. Subject to change.

Kick Off the Summer in Style

If you're looking to get behind the wheel of a new or used car this summer, Penn State Federal can help! We've got a variety of rates and terms to fill your needs, so you'll be driving off in the car of your dreams in no time.

Our current rates start as low as 5.00% APR*!

*APR = Annual Percentage Rate. Rate requires direct deposit to a Penn State Federal Checking Account and automatic payments from a Penn State Federal account. Rate dependent on credit history. Rate effective as of date of publication. Subject to change.

Improve Your Credit Score



Follow these three easy steps, and you'll boost your credit score in no time!

Pay Bills On Time

Late payments pull down your credit score, plus paying all those late fees can add up. Save money and help pull up your credit score all at the same time.

Pay the Maxed-Out Cards First

Points are deducted if you use more than 50% of your card's limit. Pay your maxed-out credit cards, and your credit score will improve.

Don't Cancel Any Credit Cards

Most of your credit score is based on how much credit you have but aren't using. When you cancel a card, it will decrease the amount of your available credit.

If you are drowning in credit card or any kind of debt, give the Credit Union a call. We are your financial partner and want to help members keep their feet on the ground.

Penn State Federal and the State College



Join us on July 27 at 7:00 pm for Penn State Federal Night at Medlar Field (Lubrano Park). Be one of the first 2000 baseball fans and receive a Free Spikes and Penn State Federal T-Shirt. Check out pennstatefederal.com for more details.

SummerFest 2007

Come join us at the N. Atherton location for some fun in the sun during our SummerFest bash on July 20. The festivities will start at 10:00 am & end at 3:00 pm (weather permitting).

There will be: FREE Snacks, Games, Giveaways and a Giant Bounce House all packed into one day of fun! Open a Kid's or Teen Club account plus enter to win great prizes.

Skip-A-Pay Coupon

Need a break from your next loan payment? 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#:

CHECK skip month(s)

July 07 Aug. 07 Sept. 07 Oct. 07 Nov. 07

Loan Purpose or Loan ID#:

CHECK skip month(s)

July 07 Aug. 07 Sept. 07 Oct. 07 Nov. 07

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

RATE CHART

effective June 20, 2007 See Rate Disclosures below.

Lending

VEHICLE & MOTORCYCLE	TERM	APR
2007 & newer ^{1,2} 10,000 miles or less	12-24 mos	5.50% - 15.00%
	25-60 mos	6.00% - 15.50%
	61-72mos	6.50% - 16.00%
	73-84 mos	6.50% - 16.00%
2003 to 2006 ^{1,2,3}	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%
2002 & older ^{1,2,3}	12-24 mos	6.50% - 16.00%
	25-48 mos	9.75% - 18.00%
	49-60 mos	9.75% - 18.00%

RECREATIONAL

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

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%
HE First Lien ^{1,4,6}	61-120 mos	6.50% - 16.00%
	121-180 mos	7.00% - 16.50%
HE Credit Line ^{4,5,6}	based on 180	9.25%
HE Credit Line ^{5,6} (Platinum Card)	based on 180	9.25%

Mortgage Rates -- call (814) 863-0549 or Email mortgages@pennstatefederal.com

SHARED SECURED

SHARED SECURED	TERM	APR
Regular Shares ¹	12-60 mos	5.25%
CD	cd term at	2.25% + CD APR

PERSONAL

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%
	37-48mos	14.00% - 18.00%
	49-60 mos	15.00% - 18.00%

Acce\$\$ Credit Line ⁵	based on 60 mos	10.75%
VISA Credit Card	Platinum	7.90%
	Classic	12.90%

EDUCATION LOANS

Penn State Federal's Student Loan Code is 823021. Stafford 6.54% APR & 7.14% APR, PLUS 7.94% 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.

Saving

REGULAR SHARE RATES	APY
Basic ^{7,9} , Special ⁹ , Kids ^{7,9} , Teen ^{7,9} , Club ^{8,9}	1.00%

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

Premier Checking ^{7,9}	APY	
Money Market Checking ^{7,9}	0.75%	
	UP TO \$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	4.00%	3.94%	4.15%
9 mos	3.75%	3.70%	3.90%
12 mos	4.10%	4.04%	4.25%
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.

LENDING RATE DISCLOSURES

Rates disclosed in italics are Performance Plus rates. Your rate on these 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 change. 1) 25 BPS discount (subtract 0.25% APR) for having or opening a Penn State Federal checking account with direct deposit to that account. A 25 BPS discount (subtract 0.25% APR) 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. 2) Loans used to refinance a current Penn State Federal loan add 50 BPS (add .50% APR) unless an additional \$1,000 is borrowed. 3) Loan term dependent on age & NADA value. 4) Loan-to-appraised value ratios over 80% will be 150 BPS (add 1.50% APR). 5) Interest rate is variable. 6) 3,000 additional money or \$300 fee to refinance a current Penn State Federal Home Equity Loan.

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 at least \$100,000 by the National Credit Union Administration, a U.S. Government Agency. IRA Investments are insured up to an additional \$250,000. Penn State Federal is an Equal Housing Lender. We do business in accordance with Federal Fair Housing Law & the Equal Credit Opportunity Act.

Holiday Closings

Independence Day

Wednesday, July 4

Labor Day

Monday, September 3

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 or debit card?
(866) 840-2662

VISIT US

1937 N. Atherton Street
State College, PA 16803

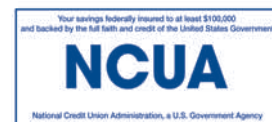
Mon. - Fri. 9:00 am - 4:00 pm
& Thurs. until 6:00 pm

PSU 102 HUB-Robeson Center
University Park, PA 16802
Mon. - Fri. 9:00 am - 4:00 pm

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.

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Special Seminar Announcements

August 16 from 5:00-6:30 pm • Teaching Your Children About Money

September 13 from 5:00-6:30 pm • Understanding Your Credit Report

September 20 from 5:00-6:30 pm • Budgeting Basics

Contact seminars@pennstatefederal.com for details