



Credit Union UPDATE

A Quarterly Publication of International Harvester Employee Credit Union, Inc.
"Serving Members and the Community Since 1934"



Fourth Quarter 2004

Our 71st Annual Meeting is Almost Here!

All shareholders are invited to attend the 71st Annual Meeting of

International Harvester Employee Credit Union

DATE:

Saturday, January 29th, 2005

TIME: 2 p.m.

PLACE: IH Credit Union

5000 Urbana Road

Springfield, Ohio 45502

Business to be conducted at this meeting will include annual reports and the election of directors.

IHECU Family Bids Farewell to Former Chairman, Lewis C. Jones



Lewis Carson Jones passed away on October 22, 2004 at the age of 69. Lewis was retired from Navistar, and the United Auto Workers (UAW) as an International Representative. He was also a Deputy Sheriff for Clark County for a number of years.

Lewis was elected to the Board of Directors of International Harvester Employee Credit Union on January 18, 1969. He served on many committees while on the Board, including the Finance Committee and Building Remodeling Committee. Lewis was elected Chairman

of the Board on January 25, 1971 and served until his retirement. On January 26, 2002, he was named Director Emeritus to recognize him for his many years of dedication and service to the International Harvester Employee Credit Union.

During his tenure on the Board, assets grew from \$7,452,000 in 1969 to \$138,974,000 on his retirement in January 2002.

We extend our sincere sympathy to Lewis's family. We thank you for sharing him with us for over 30 years. His leadership as well as his friendship will surely be missed.

Your Board of Directors Announce GREAT NEWS

for Borrowers & Savers

Year-end Rebate and Bonus Dividend Declared

The Board of Directors has once again decided to extend a year-end interest rebate and bonus dividend to the members of the International Harvester Employee Credit Union, Inc.

The Board has announced the following:

A 1.00% per annum dividend for December 2004 on Share Accounts #01 and #02.

A 6% interest rebate paid of loans in 2004 to qualified shareholders on eligible loans.

*** Important message regarding your checking account under the Overdraft Privilege Program. ***

Please make sure that you have funds in your checking account before making a purchase by debit card or check. Otherwise you will be charged the Overdraft

Privilege fee of \$25.00 per item.

There will be no exceptions. Also please remember that there is a 2 business day hold on all ATM deposits.



Don't Get Trapped Upside Down In a Car Loan

You may have four wheels on the pavement, but if you owe more on your car than it's worth, you're "upside down."

The formal term is negative equity, not uncommon in the past for maybe a few months after a purchase. But today, low interest rates, enticing rebates, minimal or even zero down payments, and auto loans that stretch out over six years or more are setting the stage for a financial rollover.

Put yourself right side up in the driver's seat. Talk to your credit union loan officer about a preapproved loan before you shop for your next car.

ON THE MOVE?

If you plan on moving or have recently moved, please remember to notify the credit union of your new address and phone number. Don't forget to change your address for your credit union VISA credit card as well if you have one. We want to make sure you get your statements and other important mail about your accounts with us.

IHECU Welcomes New Branch Manager



Bill White, manager of the new 145 West High Street location, comes to IHECU from a nine year term in the retail banking and finance field. He is a Springfield native who majored in Accounting at Wright State University and has received many certificates of completion on various business management programs. He also has been a supporter of both the Junior Achievement and United Way Programs.

Bill resides in Springfield with his wife Mindy and his two daughters, Rachel and Stephanie. Bill is excited in his new position with IHECU and sees a bright future for the company. He wishes to thank the staff, and old and new members of IHECU for making him feel welcome.

IMPORTANT INFORMATION REGARDING YOUR CREDIT UNION ACCOUNTS

Due to new amendments to the Fair Credit Reporting Act (FCRA), we are required by law to let you know that we may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report. Please call 937-390-1800 if you have any questions.

Attention Bellefontaine Area Members!

After many inquiries from Bellefontaine area members regarding ATM locations near the West Liberty and Bellefontaine area, we are pleased to inform you there are several surcharge-free ATM machines at your disposal:

Honda FCU
200 East Sandusky Avenue
Bellefontaine, OH 43311
Honda FCU
1138 North Main Street
Bellefontaine, OH 43311
Hardin Community
FCU
101 Elizabeth Street
Belle Center, OH 43310
Honda FCU
209 State Route 708
Russells Point, OH 43348



These ATMs are all part of the Alliance One ATM network. For a complete listing of Alliance One ATMs, go to our website at www.ihecu.com and click on "ATMs".

Check 21 - What YOU Should Know

Q. What is Check 21?

A. Short for the "Check Clearing for the 21st Century Act," Check 21 is a law that went into effect October 28, 2004. This law deals with how financial institutions collect checks and share drafts from one another. For example, when a check drawn on a bank in California is deposited at a financial institution in Ohio, the actual check must be transported to California in order to collect it. This takes time and money, plus weather conditions and other factors sometimes delay the transport of checks. Check 21 was meant to encourage financial institutions to begin exchanging checks with one another more efficiently. Financial institutions will be allowed to truncate the original check from the process and send each other a "substitute check" instead.

Q. What is check truncation?

A. Check truncation means to remove an original paper check from the check collection process and, in its place, make a "substitute check." However, even after Check 21, you will still be able to access copies of share drafts just as you always have.

Q. What is a "Substitute Check"?

A. Like any new technology, Check 21 won't be adopted overnight and may take several years to gain widespread acceptance. In the meantime, most financial institutions will still need to receive paper items in order to process their customers' transactions. Check 21 allows them to print and use "substitute checks", which are paper replacements intended to be presented for payment between financial institutions. These substitute checks will be the legal equivalent of the original and will likely have limited impact on the typical credit union member.

Q. How will this affect my checking account?

A. Check 21 opens the door for financial institutions to eventually begin exchanging electronic images of checks instead of original checks or substitute checks. This change from exchanging checks to exchanging electronic images will not occur right away. It will be several years before all financial institutions move to this new electronic process. Once many of them have done so, your share drafts may clear your account more quickly than they do today. As always, balance and monitor your account regularly to prevent unwanted overdrafts.

Q. Will I still be able to get a copy of a cancelled check if I need one?

A. Yes. This will not change.

Q. What are my rights as a consumer?

A. Check 21 provides consumer protection provisions in case of a financial loss caused by a financial institution paying a substitute check instead of the original check. Check 21 also requires that financial institutions notify consumers of their rights each time they receive a substitute check in their statements.

See How We Compare!

	6 Month CD	1 Year CD	2 Year CD	3 Year CD	4 Year CD	5 Year CD
IHECU	2.00% APY	2.35% APY	3.30% APY	4.00% APY	4.10% APY	4.10% APY
Home City	1.40% APY	2.05% APY	3.15% APY	3.25% APY	3.50% APY	4.00% APY
Fifth/Third	1.00% APY	1.75% APY	2.40% APY	3.00% APY	3.20% APY	3.50% APY
New Carlisle Fed.	1.11% APY	1.72% APY	2.32% APY	3.00% APY	3.23% APY	N/A
WesBanco	1.40% APY	1.70% APY	2.20% APY	2.60% APY	2.90% APY	4.00% APY
Huntington	1.50% APY	2.10% APY	2.80% APY	2.70% APY	3.00% APY	3.40% APY
Key Bank	1.70% APY	2.30% APY	2.80% APY	3.05% APY	3.10% APY	3.70% APY
Security National	1.25% APY	1.45% APY	2.22% APY	2.60% APY	2.85% APY	N/A

*Rates as of Dec. 10, 2004



As of December 14, 2004

Annual Dividend Rate

Annual Percentage Yield (APY)

Regular Share Savings Account, Earnie the Early Bird (Youth Savings)/Christmas Club:

Balances \$100.00 - \$9,999.99 .....	.60%	.60%APY
Balances \$10,000.00 - \$49,999.99.....	.69%	.69%APY
Balances \$50,000.00 and higher .....	.80%	.80%APY

Share Draft Checking Account:

Balances \$500.00 - \$2,499.99 .....	.40%	.40%APY
Balances \$2,500.00 - \$9,999.99 .....	.55%	.55%APY
Balances \$10,000.00 and higher .....	.69%	.70%APY

Money Market Share Savings Account:

Balances \$1,000.00 - \$9,999.99 .....	.99%	1.00%APY
Balances \$10,000.00 - \$49,999.99	1.49%	1.50%APY
Balances \$50,000.00 and higher	1.98%	2.00%APY

For more information about rates and fees, contact the credit union at (937) 390-1800 or 1-800-576-4428. We may offer different rates in the future.

% LOAN RATES

As of December 14, 2004

Rates as low as...

New Autos, Trucks, Vans, Boats, RVs and Motorcycles

24 months	5.25% APR
36 months	5.25% APR
48 months	5.25% APR
60 months	5.50% APR
72 months	6.00% APR

Used Autos, Trucks, Vans, Boats, RVs and Motorcycles

24 months	5.50% APR
36 months	5.50% APR
48 months	5.50% APR
60 months	5.75% APR
72 months	6.25% APR

Unsecured Loans

\$500 - \$1,499	11.50% APR
\$1,500 & over	8.50% APR

First Mortgages (Adjustable Rate, Owner Occupied)

3.25% APR	up to 360 months (1 year adjustable)
4.25% APR	up to 360 months (3 year adjustable)

First Mortgages (Fixed Rate, Owner Occupied)

5.50% APR	up to 180 months (15 years)
5.75% APR	up to 240 months (20 years)
6.15% APR	up to 360 months (30 years)

First Mortgages (Adjustable Rate, Investment Property, Lots, Vacant Land)

5.25% APR	up to 360 months (1 year adjustable)
6.25% APR	up to 360 months (3 year adjustable)

Second Mortgages (Fixed Rate)

4.00% APR	up to 60 months (15 years)
5.50% APR	up to 120 months (20 years)
6.00% APR	up to 180 months (30 years)

Home Equity Lines of Credit (Adjustable Rate)

3.50% APR	up to 180 months (Up to 80% Loan-to-Value)
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VISA Classic Credit Card

10.9% APR

VISA Platinum Credit Card

7.9% APR

Share Secured Loans

3.00% APR	up to 36 months (\$1,000 and over)
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Share Certificate Loans

2.00% APR above certificate rate

***Rates subject to change. The actual rate and payment amount will reflect a members' individual circumstance and credit score and may be higher than the rates above.**

Restrictions may apply. Contact the credit union for details.



**INTERNATIONAL HARVESTER
EMPLOYEE CREDIT UNION, INC.**

5000 Urbana Road & 145 West High Street
Springfield, OH 45502
(937) 390-1800

Toll-Free 1-800-576-IHCU
All States (4428)
Anytime Info-Line 1-800-261-2188
World Wide Web Address:
www.ihecu.com

Main Office Hours
Mon. thru Fri. 9 a.m. - 5 p.m.
Branch Hours
Mon. - Thurs. 9 a.m. - 5 p.m. &
Friday 9 a.m. - 5:30 p.m.

BOARD OF DIRECTORS

Thomas Whitacre . . . Chairman of the Board
Jack Kitchen Vice Chairman
Jim Kitchen President/Treasurer
Sue Whalen Secretary
Jeff Harshaw Director
Kim Victoria Director
Scott Hunter Director
Tommy Freeman Director

OFFICE MANAGEMENT

Jim Kitchen President/CEO/Manager
Myron Wells Exec.VP/CFO/Asst.Manager
Elaine Doane VP Finance
Sean Doane VP Information Systems
Gary Dollinger VP Loans and Operations
Veronica Van Bourgondien VP of
Human Resources
Amanda Callicoat Director of Marketing/
Business Development
Bill White Branch Manager

OFFICE STAFF

Sue Bannert	Debra Johnson
Julie Blankenship	Mary McDaniel
Judie Brewer	Darlene McGee
Tim Brown	Cynthia Moeller
Crystal Bundick	Vicki Moss
Patti Callahan	Sharalee Newland
Julie Day	Kay Phelps
Brooke Evilsizer	Mary Rife
John Fogarty	Sheryl Rinker
Lori Foster	Margo Shackelford
Teresa Georges	Pam Smith
Michelle Goodfellow	Cindy Spridgeon
Kate Hall	Joyce Walden
Cheri Hanson	Michelle West
Jessica Hilderbrand	Charmelle Wright
Pam Hilton	Martina Yeatts
Rita Hughes	



John Campbell Pam Campbell

CREDIT COMMITTEE

Jeff Harshaw Jim Kitchen
Kim Victoria Tommy Freeman



**I nternational Harvester
Employee Credit Union will be
closed on the following dates:**

**Monday, January 17th - Martin Luther King Jr.
Day**

Monday, February 21st - Presidents' Day

Friday, March 25th - Good Friday

Remember...

**STAR® ATM Machines,
Anytime Info-Line,
Virtual Branch® Home
Banking and PayIT® are
available 24 hours-a-
day, seven-days-a-week
for your convenience.
Use them for your
simple transactions
during the holidays.**