



Credit Lines

First Quarter, 2007

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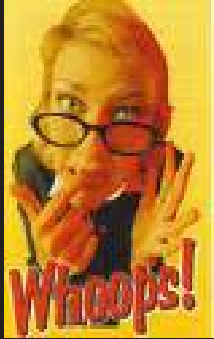
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IMPORTANT MESSAGE REGARDING YOUR CHECKING ACCOUNT UNDER THE OVERDRAFT PRIVILEGE PROGRAM

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 **\$27.50** per item.

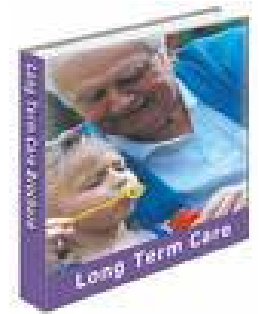
There will be no exceptions. Also, please remember that there is a **two (2) business day hold on all ATM Deposits.**

Visit our website
at
www.ihecu.com!

Why You Should Consider Long Term Care Insurance in Your Retirement Planning

Regardless of your age, if you haven't already done so, NOW is an excellent time to consider adding long term care insurance to your retirement plan. Far too often individuals wait until they have developed chronic health issues and cannot health qualify for coverage. Because long term care expenses pose a significant risk to the assets you've worked a lifetime to accumulate, long term care insurance should be considered a "key" part of a complete financial plan regardless of age.

Most forms of health insurance focus on medical expenses, not the custodial care and non-medical expenses associated with long term care. Generally, Medicare only covers nursing home care for a very limited time period and Medicaid doesn't kick in until one has "spent down" a significant portion of their assets. Therefore, if either you or your spouse needs long term care, you may have to pay for that care out of your accumulated assets...unless you have long term care insurance.



The consequences to your family can be catastrophic? How you would pay for a long term care event? What impact would that have on your family? Would you be able to maintain your lifestyle? Who would provide the care? Would you become a burden to loved ones? Would you have access to quality care and the choice of settings be it at home, in an assisted care facility or in a nursing home?

NOW is an excellent time to review your long term care needs or to update an existing plan. Contact John Campbell, the MEMBERS Financial Services Representative at (937) 390-1800 x 133 for a no-cost, no-obligation appointment.

Representatives are registered through, and securities are sold through, CUNA Brokerage Services, Inc. (CBSI, member NASD/SIPC, 2000 Heritage Way, Waverly, Iowa 50677, toll-free (866) 512-6109. Insurance sold through licensed CUNA Mutual Life Insurance Company Representatives, and in New York, licensed insurance representatives of other companies. Non-deposit investment products are not federally insured, involve investment risk, may lose value and are not obligations of or guaranteed by the credit union.

Bankruptcy's Not Cheap

A national credit counseling expert says consumers pay more—a lot more—for credit after filing bankruptcy. Steve Rhode, president and founder of Myvesta.org, says families with clean credit pay an average of \$1,100 each month for mortgage and auto loans. Because of higher interest rates, a post-bankruptcy family pays almost \$1,900 for the same items.

A mortgage of \$132,930, with a fixed interest rate of 6.75% for 30 years, translates to a monthly payment of \$862. For post-bankruptcy filers, the interest rate jumps to 13%, and a monthly payment of \$1,470.

An auto loan of \$17,000, with an interest rate of 9% for a five-year term, translates to a monthly payment of \$353. After bankruptcy, the interest rate jumps to 15%, and a monthly payment of \$404.



The average credit card interest rate jumps from 17% to 24% for people who've filed bankruptcy. With a credit card debt of \$2,800 at 17%, you'd need about 32 years to pay off the debt by making only minimum payments. At 24%, you never would pay off the credit card debt; interest costs would keep payments going for eternity.

If you're concerned about your debt load, ask someone at International Harvester Employee Credit Union for referral to a nonprofit credit counselor. You may be able to find cheaper and less painful solutions.

Credit Lines

Volume 3, Issue 1

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John Campbell

Pam Campbell

Identity Theft Thieves Now Targeting Kids!

Identity thieves are now setting their insidious sights on younger victims. The number of people age 18 or younger filing identity theft claims more than doubled from 2002 to 2005 with 11,600 claims last year, according to the Federal Trade Commission (FTC). Thieves find kids to be perfect targets because their credit history is clean and easily qualifies for credit, and parents rarely check kids' credit reports. Identity theft of young victims can be undetected for years until they apply for credit cards, student loans, and mortgage loans as young adults. Members can receive free copies of their and their children's credit reports from all three credit bureaus at the link below. Members should also take the precautionary steps of monitoring their children's Internet activity since more identity thefts take place on the Internet and keeping all Social Security cards safely at home.



<http://www.annualcreditreport.com>

<http://www.consumer.gov/idtheft/>

Annual Audit

Your Credit Union, as well as other financial institutions, is required to obtain an annual audit. The Credit Union has retained an independent audit firm, Condit & Associates, Certified Public Accounts.

As part of performing an audit, you may receive a letter from this firm requesting you to verify your account balances with IHECU. The information will not be used, sold, or otherwise distributed in any manner that would violate International Harvester



Employee Credit Union's Privacy Policy. Please be assured that the confidentiality and security of your information will be maintained.

We urge your cooperation with our auditors as they are working for us to protect you.

Please always feel free to contact the credit union with any questions or concerns.

Would you give your credit card number to someone who called you?

Of course not!



An email isn't any different. Your credit union will never ask for your personal information via email.

So if you get an email requesting that you "confirm an account number" or give other personal details, **what should you do?**

Delete it!

Call the credit union immediately if you have questions or concerns. Remember, we will never email you asking for account numbers, etc... we already know it!

Never Miss a Deposit

If you receive a government check, there's an easier way to get your money than waiting for snail mail. Launched by the Treasury Department, "Go Direct" offers the option of direct deposit for benefit payments. Direct Deposit can give you immediate access to your funds from almost any place there is an ATM (Automated Teller Machine) and financial institution networks and shared credit union branches.

Direct Deposit puts your money right into your account at the same time each month, giving you more control. It eliminates the risk of stolen checks and forgeries and helps protect you from identity theft.



And, in a natural disaster such as Hurricane Katrina, with "Go Direct" there'd be no break in the delivery of benefit checks. For more information or to sign up, visit godirect.org or call 1-800-333-1795

Now You Can Calculate the True Cost of Payday Loans

When you're in a jam for cash, a payday loan might seem like an easy solution. But what are you willing to pay for what seems like convenience?

Now you don't have to guess—or kid yourself. The Consumer Federation of America (CFA) has a calculator that crunches the numbers, and also crunches any illusions you might have about the deal you're getting from a payday lender.

Just visit paydayloaninfo.org and plug in some what-ifs. What if, say, you borrowed \$300 for two weeks, at a per-hundred-dollar fee of \$15, and made eight loans or renewals in one year's time—all typical numbers. Here's the reality check: You would pay \$360 in finance charges—plus the original \$300—at an APR (annual percentage rate) of 390%.

Sometimes called cash advance loans, check advance loans, postdated check loans, or deferred deposit check loans, these short-term loans are small cash loans secured by a borrower's personal check, payable in full on the borrower's next payday. Interest rates in excess of 300% are not uncommon.

The Web site has information about how payday loans work, the legal status of payday lending for each state, research reports, and how to file a complaint with state regulators. The site also offers suggestions about coping with cash-flow problems and finding less expensive money, including getting smaller loans from credit unions.

The Federal Trade Commission suggests these alternatives to payday loans:

- Shop around and compare offers. Consider a small loan from International Harvester Employee Credit Union or small loan company, a pay advance from your employer, or a loan from family or friends. Although a cash advance on a credit card has a higher interest rate than other sources, it's probably less than a payday loan.
- Ask creditors for more time to pay your bills. Ask if you'll be assessed a late charge, additional finance charges, or a higher interest rate.
- Make a realistic budget and stick to it. Avoid unnecessary purchases and build savings to avoid borrowing for emergencies.
- Ask about overdraft protection on your checking account.
- Work out a debt repayment plan with creditors. Contact the local consumer credit counseling service for help with negotiations (800-388-2227). Check with International Harvester Employee Credit Union, your employer, or local housing authority for no- or low-cost credit counseling programs. Consider debt consolidation.
- If you decide you must take out a payday loan, only borrow as much as you can afford to pay in full with your next paycheck and still have enough resources to make it to the next payday



Beware - Social Security Scam!

The Commissioner of Social Security has issued a warning about a new email scam that has surfaced recently.

The Agency has received several reports of an email message being circulated with the subject "Cost-of-Living for 2007 update" and purporting to be from the Social Security Administration. The message provides information about the 3.3 percent benefit increase for 2007 and contains the following "NOTE: We now need you to update your personal information. If this is not completed by November 11, 2006, we will be forced to suspend your account indefinitely." The reader is then directed to a website designed to look like Social Security's Internet website.

Once directed to the phony website, the individual is asked to register for a password and to confirm their identity by providing personal information such as the individual's Social Security number, bank account information and credit card information.

Inspector General O'Carroll recommends people always take precautions when giving out personal information. "You should never provide your Social Security number or other personal information over the Internet or by telephone unless you are extremely confident of the source to whom you are providing the information," O'Carroll said.



IHECU Locations & Hours

Main Office

5000 Urbana Road
Springfield, OH 45502
(937) 390-1800
Monday - Friday 9 a.m. - 5 p.m.

Branch Office

145 West High Street
Springfield, OH 45502
Monday - Thursday 9 a.m. - 5 p.m.
Friday 9 a.m. - 5:30 p.m.

Toll Free

1-800-576-IHCU (4428)

Anytime Info-Line

1-800-261-2188

World Wide Web

www.ihecu.com

ATM

Locations

5000 Urbana Road
Springfield, OH 45502

145 West High Street
Springfield, OH 45502

International Truck & Engine Plant

(non-public access)
5125 Urbana Road
Springfield, OH 45502

Marathon

3880 East National Road
Springfield, OH 45505

Clark County Fairgrounds

4401 South Charleston Pike
Springfield, OH 45502

Community Hospital

2615 East High Street
Springfield, OH 45505



Deposit Rates

*As of March 13, 2007

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

	Annual Dividend Rate	Annual Percentage Yield (APY)
Balances \$100.00 - \$9,999.99	.60%	.60%APY
Balances \$10,000 - \$49,999.99	.69%	.69%APY
Balances \$50,000 and higher	.80%	.80%APY

Preferred Checking Account:

Balances \$500.00 - \$2,499.99	.40%	.40%APY
Balances \$2,500 - \$9,999.99	.55%	.55%APY
Balances \$10,000 and higher	.69%	.70%APY

Premium Checking Account:

Balances \$2,500.00 - \$4,999.99	.60%	.60%APY
Balances \$5,000 - \$9,999.99	.69%	.70%APY
Balances \$10,000 - \$49,999.99	1.69%	1.70%APY
Balances \$50,000 and higher	1.98%	2.00%APY

Money Market Account:

Balances \$1,000.00 - \$9,999.99	1.47%	1.50%APY
Balances \$10,000 - \$49,999.99	2.57%	2.60%APY
Balances \$50,000 - \$74,999.99	3.05%	3.10%APY
Balances \$75,000 and higher	3.15%	3.20%APY

Loan Rates

*As of March 13, 2007. Rates As Low As...

Members with qualifying deposits may receive up to a 0.25% APR discount on consumer loans. Contact the credit union for details.

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

24 months	6.75%APR
36 months	6.75%APR
48 months	6.75%APR
60 months	6.75%APR
72 months	7.50%APR

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

24 months	7.00%APR
36 months	7.00%APR
48 months	7.00%APR
60 months	7.00%APR
72 months	7.75%APR

First Mortgages (Fixed Rate & Adjustable):

Call (937)390-1800 extension 135 or Extension 134 for rates and terms.

Second Mortgages (Fixed Rate):

7.25% APR up to 60 months (5 years)
7.25% APR up to 120 months (10 years)
7.50% APR up to 360 months (15 years)

Home Equity Lines of Credit (Adjustable Rate):

7.75% APR up to 180 months (Up to 80% Loan-to-Value)
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Unsecured Loans:

\$500 - \$1,499	10.50%APR
\$1,500 & over	10.50% APR

Visa Classic Credit Card:

12.9%APR

Visa Platinum Credit Card:

9.9%APR

Share Secured Loans:

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

Share Certificate Loans:

2.00%APR above certificate rate

*Rates are subject to change. The actual rate and payment amount will reflect a member's 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 is an Equal Opportunity Lender, and a member of the National Credit Union Administration.

39567-Newsletter 3/07

Holiday Closings

International Harvester Employee Credit Union will be closed on the following dates:

Memorial Day
Monday, May 28th



Look for the Swirl!

SHARED BRANCHING

Credit Unions have come together and created Shared Branch locations across the country. So the next time you are out-of-town, look for the swirl logo and



transact your business at one of the 2000+ Shared Branches throughout the United States.

For the Shared Branch location near you, visit www.cuservicecenters.com or www.ihecu.com.

Remember...

STAR @ATM Machines, Anytime Info-Line, Virtual Branch @ Home Banking and PayIT @ are available 24/7 for your convenience. Use them for simple transactions during the holidays!