



Credit Lines

Third Quarter, 2007

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NEW ATM IS COMING!



Your Board of Directors are pleased to announce the approval of a new ATM at the main office located at 5000 Urbana Road. The other machine was approximately 13 years old and got a tremendous amount of use.

We apologize for any inconvenience!

Visit our website at www.ihecu.com!



Late Payments May Cost You More Than You Might Think!

Consumers who are late with as little as one car payment can see their credit scores drop by 100 points, according to a recently published study by Experian, one of the three big credit reporting bureaus.

The national average credit score for consumers with no late auto payments is 703, while the average score for consumers with at least one late payment is 605. The average credit score drops further to 580 when an auto payment is late by 90 days or more, the company said.

Texas had the lowest average credit score for those with at least one late auto payment at 592 and also had the highest monthly auto payment of \$570. Conversely, consumers in New Hampshire had the highest average credit score for those with no late auto payments at 728 and an average monthly auto payment of \$442.



The study also found that 12% of consumers have at least one late auto payment on their records.

Like other lenders, IHECU charges a lower rate (**6.75% APR**) for an individual with a **720 score** and above. For a member with a **score of 549 or less, the rate jumps to 18% APR**. On a \$20,000 loan for 6 years, payments would be \$338.67 for a 6.75% rate and a whopping \$456.44 for an 18% APR. **That's a difference of \$8,479.44 over the life of the loan!**

"An automobile can be one of the larger purchases consumers make over their lifetime and their credit score is one of the factors lenders use to determine the interest rate and loan terms," said Ty Taylor, president of Experian Consumer Direct. "Paying bills on time and spending within your means are cornerstones of effective credit management, which can have a positive impact on a consumer's credit score."

Be A Credit Union Volunteer!

If you would like to volunteer your time to serve on International Harvester Employee Credit Union's Board of Directors, please submit your written intention, with resume and qualifications, by mail to:

*Nominating Committee, Chairman
International Harvester Employee
Credit Union, Inc.
5000 Urbana Road
Springfield, Ohio 45502-0539*

To qualify, you must be a member of the credit union in good standing, able to dedicate time to Credit Union business, including educational and training sessions, and willing to serve on a volunteer basis. Your request must be postmarked by Thursday, December 27, 2007.

Credit Lines

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John Campbell

Pam Campbell

Save Your Identity With E-Statements

Reduce your chances of being a victim of mail fraud—receive your International Harvester Employee Credit Union statement electronically.

Even though identity thieves are finding new ways to steal information over the Internet, the original theft—for example, taking out a credit card in your name—tends to be a low-tech crime. According to the Federal Trade Commission, about half the country's victims know how their information was swiped, and in many cases the breach was paper—bills, credit card solicitations, and financial statements—pilfered from garbage cans and mailboxes.

Banking and paying bills online not only cuts off thieves' access to the papers they need to commit ID theft, but also helps detect the crime sooner. This is because consumers who bank online check their accounts much more frequently—nearly four times a month compared with once a month for those who receive statements by mail.



Having a Hard Time Making Your Car Payment?

Refinance your auto loan with us.

- Did you finance a car in the past year or two?
- Did you take advantage of a 0% financing offer but now can't afford the hefty monthly payment?
- Are you paying a high rate through another lender?
- Do you want the convenience of having your auto loan at the credit union?

If you answered "yes" to any of these questions, we can help. Even by pushing the interest rate on your auto loan down a percentage point or two, the money you save really adds up.

Stop in or call today to find out how refinancing at the credit union can benefit you.



Benefits of Auto Refinancing

Initial amount financed	\$25,000
5-yr. rate you got at a bank (April 2005)	8.00%
Monthly payment	\$506.91
Amount refinanced after one year	\$20,764
Average 4-yr. credit union rate (April 2006)	6.07%
Monthly payment	\$488.31

Savings with credit union refinance:

Monthly savings	\$18.60
Annual savings	\$223.20
Savings over life of loan	\$892.81

Source: CUNA's economics and statistics department

Help with Your First Mortgage

Now is a great time to buy a house. Your credit union can help with your mortgage. To start house hunting, meet with a credit union loan officer.

By meeting with a loan officer first, you'll know how much house you can afford and what price range to shop in. We'll explain the features of different mortgages (fixed or adjustable-rate, for



example) and help you decide which is better for you. We also can prequalify you for a mortgage, so you can feel more confident about getting the home of your dreams.

Contact Tim at (390)1800 Ext. 135 or Michelle at Ext. 134 to discuss financing options or to get answers to your questions..



We Do Business in Accordance With the Federal Fair Housing Laws.

'Exotic' Means 'Riskier' When Talking Mortgages

The word exotic may seem better suited to describing a faraway locale for a "Survivor" episode than a mortgage. But if lenders were to call these "riskier mortgages" instead, they might not attract as many consumers. In truth, riskier is precisely what exotic mortgages are.

Their appeal to borrowers is that they offer lower monthly mortgage payments, even if only for a while. Payments go up later, perhaps doubling or more. Still, with today's high home prices in some markets, some borrowers see an exotic mortgage as their only route to home ownership—or as a way to buy more house than they otherwise could afford.

Other consumers refinance out of their traditional mortgage, lured by the low monthly payments. They, too, will get hit by spiraling payments. And they can't escape from the mortgage without paying thousands of dollars in penalty fees.

Whether first-time home buyers or refinancing homeowners, these consumers end up in the same dire situation. They no longer can afford their mortgage payments. And they face losing their homes and ruining their credit standings.

Exotic mortgages include two major types:

* Interest-only mortgage (IO)—Your monthly mortgage payment includes interest only, no principal, for a set period, usually three to 10 years. But the principal doesn't just vanish. Eventually you have to pay it, and your payments jump. An IO typically has an adjustable interest rate, so your payments can jump higher still.

* Payment-option adjustable-rate mortgage (ARM)—This is an ARM that allows you to choose from among several payment options month to month. You could, for instance, pay interest only. Or you could pay even less than the interest amount. The interest you don't pay gets added to the total amount you owe. You could end up owing more than you borrowed in the first place, a condition known as "negative amortization." Payment-option ARMs typically start out with extremely low interest rates, and then rates can rise.

The common trait in these two loan types is payment shock. Payments can rise by 30% to 100%, perhaps even more.

These loans are difficult to dissect and understand. It's "buyer beware," experts say. Your best safeguard is to work with a lender who will answer all your questions and fully disclose information about mortgage options.

Turn to a loan officer at International Harvester Employee Credit Union. You can count on us to look out for your best interests. Contact us today at (937)390-1800 Ext. 135 or Ext. 134.



International Credit Union Day Is October 18th!

Please stop by for food, refreshments, and a chance to win valuable prizes!



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-IHECU (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 September 10, 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	1.24%	1.25%APY
Balances \$10,000 - \$24,999.99	1.48%	1.50%APY
Balances \$25,000 - \$49,999.99	3.05%	3.10%APY
Balances \$50,000 and higher	3.68%	3.75%APY

Loan Rates

*As of September 10, 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	5.99% APR
36 months	5.99% APR
48 months	5.99% APR
60 months	5.99% APR
72 months	6.75% APR

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

24 months	6.24% APR
36 months	6.24% APR
48 months	6.24% APR
60 months	6.24% APR
72 months	7.00% APR

First Mortgages (Fixed Rate & Adjustable):

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

Second Mortgages (Fixed Rate):

6.25% APR up to 60 months (5 years)
6.25% APR up to 120 months (10 years)
6.50% APR up to 360 months (15 years)

Home Equity Lines of Credit (Adjustable Rate):

6.75% APR up to 180 months (Up to 80% Loan-to-Value)

Unsecured Loans:

\$500 - \$1,499	10.75% APR
\$1,500 & over	10.75% 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.

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Holiday Closings

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

Columbus Day, Monday, October 8th
 Veteran's Day, Monday, November 12th
 Thanksgiving Day and Day following, November 22nd, 23rd
 Christmas Eve Day and Christmas Day, December 24th and 25th

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!