

Spotlight

WINTER | 2012



Your best interest always comes first.SM



Get Involved With Your Credit Union



Board of Directors Applications Now Accepted

The Nominating Committee is now accepting applications for Board of Director positions. The credit union is a member-owned cooperative, governed by a nine member volunteer Board of Directors. The Board is comprised of active members of the credit union and is selected by the membership through a democratic election process. In accordance with UW Credit Union's bylaws, the Nominating Committee recommends candidates to be included on the election ballot. Three directors will be elected by the membership in April 2012. Results will be announced at our annual meeting in May.

Responsibilities

- ▶ Serve a three-year term
- ▶ Establish the guiding policy of the credit union
- ▶ Monitor the performance of the credit union & member satisfaction
- ▶ Make decisions in the best interest of the membership
- ▶ Attend monthly meetings held in Madison, WI
- ▶ Participate on committees that meet periodically

Learn More, or Request an Application

Learn more about UW Credit Union governance by visiting uwcu.org/about. You can request an application packet by calling Susan Arthur at 608.232.5000 or 800.533.6773, ext. 2272, or sending an email to sarthur@uwcu.org. Completed applications must be received no later than January 31, 2012. Interested individuals should be at least 21 years of age and have been a member of UW Credit Union for at least one year.

Top Five Reasons to Get a Visa® Platinum with Cash Rewards Credit Card

Earn 1% Cash Back on All Purchases

Low Rates that Beat the National Average – Our rates beat the national average by more than 3.50%.*

There's No Limit to the Amount of Cash You Can Earn – Get 1% cash back on all purchases. Always earn 1%—there's no minimums or caps on the amount you can earn.

Easy Redemption – We take care of the work for you. Every October statement, we'll apply your Cash Rewards total to your credit card balance.

Great Features – Our Cash Rewards card comes with all the great benefits of our other cards including no annual or balance transfer fees,¹ no-fee Advance Transfers,¹ Web Branch account management, Money Management Tools and more.

Coming Mid-January, Instant Issue Credit Cards – Apply for and leave with your credit card the same day. Simply stop by any branch, fill out an application and we can print your card so you can take it with you that day.

RATES AS LOW AS

11.10% APR¹
Visa® Cash Rewards Credit Card

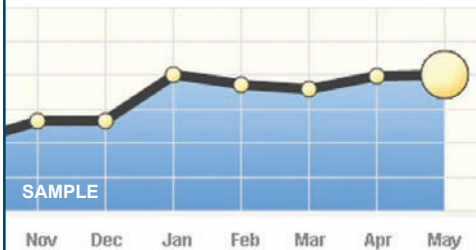
If you don't already have a UW Credit Union credit card, apply online, stop by a branch, or call us at 800.533.6773. If you'd like to upgrade or convert your current UW Credit Union credit card to a Cash Rewards card, stop by any of our locations or call us today.

*National average as of December 2011 is 14.61%. For informational purposes only.
¹APR is Annual Percentage Rate. The ANNUAL PERCENTAGE RATE (APR) is a variable rate and is based on the Wall Street Journal Prime Rate (Index), plus a margin. The margin for VISA Student, VISA Platinum, VISA Platinum Rewards and Visa Platinum with Cash Rewards cards is based on certain creditworthiness criteria. The APR is subject to change monthly on the first day of the billing cycle to reflect any change in the index. We will use the index value from the first day of the billing cycle month to implement the rate change. Any increase in the APR will result in additional payments of the same amount until what you owe has been repaid. \$2 Cash Advance Fee. No fee for Advanced Transfers in Web Branch. Foreign Transaction Fee: 1.00% of each multiple currency transaction in U.S. Dollars; 0.80% of each single currency transaction in U.S. Dollars. Late Payment Fee and Returned Payment Fee are \$25 or the amount of the required minimum payment, whichever is less. Advance Transfer Option: We will begin charging interest on Advance Transfers from the transaction date. Interest rate is based on your current APR for purchases. No transaction fee. View the complete Application & Solicitation Disclosure at uwcu.org.

Get Your Credit Score for Free & So Much More

My Credit Score

Have you taken advantage of seeing your credit score for free in Web Branch with My Credit Score? Not only can you see your credit score, but registering and logging in to My Credit Score gives you access to even more free tools that can save you money and help you improve your score.



Custom Offers – Discover savings opportunities for your credit cards, mortgage, auto loans and more. Offers update each time you log in and are unique to your financial needs.

Credit Simulator – See how financial decisions, like applying for a loan or credit card, may impact your score.

Credit Report Card – View a simple, straightforward snapshot of your credit report.

And More

To view your score, sign on to Web Branch, and you'll see the "Personal Credit Score" section within your Account Summary page. You'll also be able to log in to My Credit Score from the Account Summary page to use its additional features.

Creative Ways to Save Money

Start the New Year With These Savings Tips

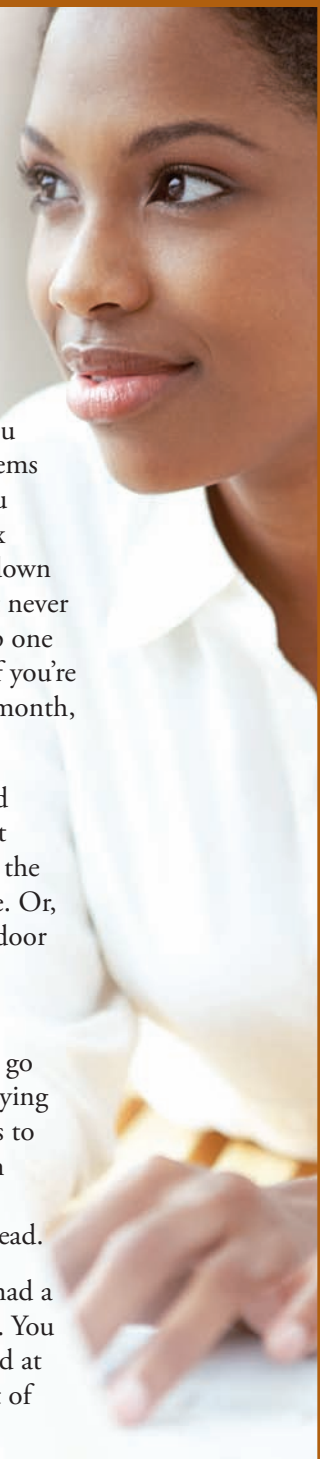
1. Organize a Swap Party – Invite about 4-12 people to trade items with each other—anything from toys, books, clothing, accessories, household goods, or a combination of them. Items should be gently used and in good condition. Attendees should leave with the same amount of items donated, so draw numbers to see who picks items first, and limit trips to 3-4 items at a time. Besides being economical, swaps are eco-friendly and a good way to clean out your closet.

2. Don't Let Things You Collect Get Out of Hand – If you have personal collections, determine if you purchase the items because you love them or out of habit. Then, sell items you don't want through sites like eBay and craigslist or get a tax deduction for donated items. An easy way to start paring down collections is to get rid of duplicates or items you store but never display. If you're holding on to items from childhood, keep one or two, take a photo of the rest, and sell or donate them. If you're unsure you're ready to get rid of items, box them up for a month, and if you don't miss them, then you have your answer.

3. Entertain Your Children Affordably – It is easy to spend money on the latest toys and gadgets for your children, but most likely, they would rather spend time with you. Enjoy the outdoors by going for walks, bike rides and playing Frisbee. Or, find creative things to do together like scavenger hunts, indoor obstacle courses and talent shows. You can also purchase inexpensive rolls of art paper and craft items.

4. Control Emotional Spending & Impulse Buys – If you go into a store and buy items you didn't intend to, you are buying because of instant gratification. A good way to avoid this is to leave the store and wait 24 hours. If you still want the item the next day, then consider buying it. For larger purchases, you can practice the same technique, but wait 30 days instead.

Identify what triggers you to spend emotionally. If you've had a bad day and tend to shop, try calling a friend or exercising. You can also change your method of shopping. If you overspend at stores, try shopping online or vice versa. Limit the amount of retail sales emails you receive and flyers you look at.

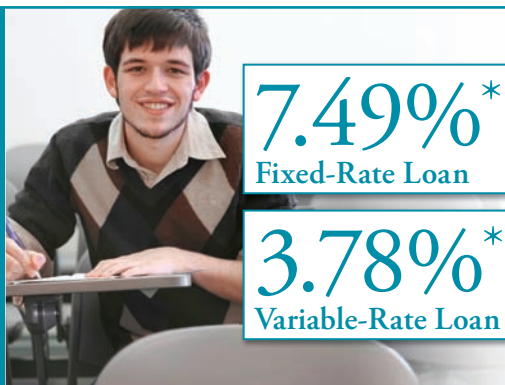


Private Student Loans

Fixed-Rate Option Available

When your student has maximized federal student loans and needs additional funds for school, turn to one of our Private Student Loan choices. Borrow up to \$12,500 annually.

Learn more and apply at uwcu.org.



7.49%*
Fixed-Rate Loan

3.78%*
Variable-Rate Loan

*Variable Rate: 6.69% annual percentage rate (APR). The APR assumes that you will be in school for 4 years and have a 6-month grace period before repayment begins. Borrowing \$10,000 at 3.78% accrues \$1,701.00 in interest during 4 years in school and the 6-month grace period, resulting in 6.69% APR. Rate is variable and can change quarterly. For further information on rates and costs for the Variable Rate Private Student Loan, see the Application Truth in Lending Disclosure. Fixed Rate: 13.57% annual percentage rate (APR). The APR assumes that you will be in school for 4 years and have a 6-month grace period before repayment begins. Borrowing \$10,000 at 7.49% accrues \$3,370.50 in interest during 4 years in school and the 6-month grace period, resulting in 13.57% APR. For further information on rates and costs for the Fixed Rate Private Student Loan, see the Application Truth in Lending Disclosure. You will be required to review the Application Truth in Lending Disclosure prior to submitting an application. For both Private Student Loans, the APR can differ from the interest rate as it considers fees paid to obtain the loan, your interest rate, if payments are deferred and reflects the cost of the loan as a yearly rate. You are not required to make payments on your loan while in school, although you may make principal and interest payments any time. Making payments while attending school will lower your APR. The minimum loan amount is \$1,000. Your interest rate will be determined by your credit score or your cosigner's, whichever is greater.

How Long to Keep Investments Paperwork

With the arrival of year-end statements and tax season, use these tips to help keep your paperwork organized.

Cancelled Checks & Receipts for Retirement Plan Contributions—Keep for seven years. The IRS has a three-year timeline to perform an audit for good-faith errors. Three years also applies if you find a mistake and file an amended return to obtain a refund. However, the IRS has a six-year timeline to question your return if it thinks you underreported your gross income by 25% or more.

IRA Contribution Records—Permanently. For nondeductible contributions, keep the records to show at withdrawal time that you already paid taxes on this money.

Retirement/Savings Plan Statements—Keep one year to permanently. When you receive the annual summary for your 401(k), see if the quarterly statements match, and if so, shred them. Annual summaries should be kept until retirement or account closure.

Brokerage Statements—Keep until you sell the securities. You need the purchase or sales slips from brokerage or mutual funds to show capital gains or losses at tax time.

Our financial advisors can help with any questions you have. For more information and to learn more, call 800.533.6773, ext. 2107. You can also safely dispose of your unwanted personal documents at our annual Shred-it Events in Madison and Milwaukee. Look for more information in our next newsletter.

Investments are offered through Securities America, Inc., Member FINRA/SIPC, and Financial Planning and Advisory Services offered through Securities America Advisors, Inc., an SEC Registered Investment Advisory Firm. Clint Walkner, Jeremy Marshall, Nate Condon, Representative(s). Not NCUA insured. No Credit Union Guarantee. May Lose Value. UW Credit Union and the Securities America companies are separate entities.

Home Equity Line of Credit

Lock Your Balance Into a Fixed-Rate Loan* with Our Low Rate



3.99% APR¹
Five-Yr. Fixed | Home Equity Loan²

*You may exercise up to a total of 5 options during the draw period of your loan. Each option must be exercised for an advance/balance of at least \$5,000. The first option fee is waived. A \$25 fee applies for each time you exercise the option thereafter.

¹APR is annual percentage rate. Rates are subject to change.
²5 yr. fixed—60 mo. payments of \$18.41 per \$1,000 borrowed.

Home Staging Advice

If you're thinking of putting your home on the market, use these tips to appeal to buyers.

- 1. Spruce Up Your Curb Appeal** – This is the first impression of your home. Lawns should be mowed, leaves raked or snow shoveled. Get a potted plant or hanging basket for the entrance, and keep porches, decks and patios swept and cleaned.
- 2. Declutter** – Ask yourself what you can and can't live without, reviewing every item. One thing buyers look at is the amount of storage space they'll have, so clean out your closets thoroughly. It's a good time to donate and sell items, or rent a storage locker.
- 3. Evaluate Your Furniture** – One way that rooms look cluttered or small is by having too much furniture or too large of furniture. A guideline that you can follow is to have three pieces of furniture and three accessories per room. You can also have a friend do a walk-through with you to tell you where they see problems in your rooms and where their eye tends to go to first.
- 4. Finish Home Improvement Projects** – Incomplete projects send a red light to buyers—is there a larger project at hand—or will they have a lot to do when they move in? Do a walk-through to correct any problems like leaky faucets, burned out light bulbs, damaged dry wall and paint touch-ups, and finish any do-it-yourself projects you have lingering. Also, make sure everything is clean.
- 5. Depersonalize Your Space** – When you put your home on the market, try not to think of it as yours anymore with the goal of making it as neutral as possible. You want buyers to be looking at your space, not the items in it. Remove family photos, trophies and personal mementos. Make sure your house isn't too taste specific, namely, masculine or feminine, so it can appeal to the majority of buyers.

When you're ready for your next home loan, turn to us. We have a variety of home loans to suit your needs including fixed and adjustable-rate, FHA, VA and more. Check our historically low rates online, then apply at uwcu.org or call us at 800.533.6773.



IRAs—Naming the Right Beneficiary

IRAs have grown to represent 25% of all retirement plan assets, so correctly naming a beneficiary for these tax-deferred assets is of growing importance.

No Beneficiary Named—The Most Common Error. This may be due to oversight or to an incorrect assumption that one's Will controls the disposition of IRA assets. However, an IRA is a non-probate asset and will only be distributed to the beneficiaries specifically listed on the IRA beneficiary designation form.

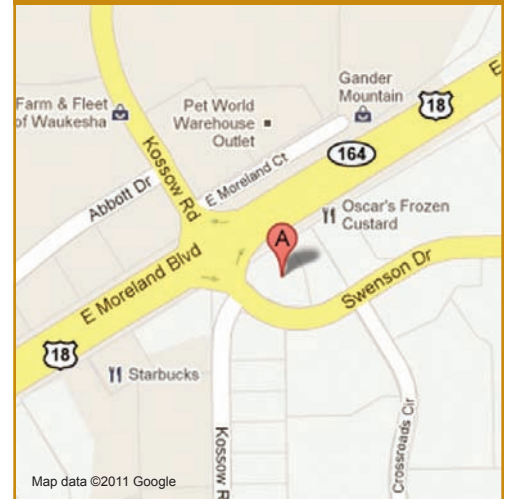
If you do not name a beneficiary, the IRA may pay to your estate by default. This severely limits the opportunity for a spouse or children to "stretch" the IRA and defer recognition of income. If your IRA becomes part of your probate estate, it also becomes subject to creditor's claims and probate fees.

Who to Name? In naming an IRA beneficiary, you should consider how best to provide for the ones you love, minimize adverse tax consequences and maximize charitable giving. If IRA assets are a significant part of your estate, consider meeting with a knowledgeable advisor before completing beneficiary designation forms.

Through UW Credit Union's partnership with First Business Trust & Investments, you can receive expert IRA and estate planning assistance. Call 800.533.6773, ext. 2107, to schedule a no-cost, no-obligation consultation.

Waukesha Branch

Coming Spring 2012



We're Growing to Serve You Better

Look for the opening of our Waukesha branch, located at 21215 E. Moreland Blvd. More information will be included in the spring edition of Spotlight.

Are Store Debit Cards Worth It?

Weigh the Pros & Cons Before Signing Up

Many retail stores are offering debit card services and offer discounts to use them. Before you apply, be sure to check into the details regarding overdrafts, fraud protection and hidden fees.

Prepaid Debit Cards

How They Work: Your spending is limited to the amount loaded on the card. There is no credit check or employment verification.

Pro: These cards are accepted everywhere and usually offer discounts on gas at the retailer's gas stations. You can pay bills online and use direct deposit, and there's no chance of overdrafting. Most offer fraud protection, but be sure to read the Cardholder Agreement for limitations.

Con: Most prepaid cards charge fees for purchases entering your PIN, balance inquiries and online payments. Some charge for declined transactions, activation fees, monthly maintenance fees and for reloading your card. ATM withdrawals also carry a fee.

Discount Debit Cards

How They Work: You provide your checking account number and financial institution's routing number, and the cards are issued and maintained by the store themselves. Money is debited directly from your checking account.

Pro: You save a certain percentage off your purchases when you use the card and a larger percentage off your purchase when you sign up.

Con: There's no way to avoid overdrafts. You'll be charged a return payment fee by the store, and any fees from your financial, if applicable. Your card is protected by use of a PIN if it's lost or stolen; however, depending on how soon you let the store's financial institution know, you can be liable from anywhere between \$50-\$500.

We've Moved

Our 3500 University Avenue branch, as well as our Investment Services area, have moved to 3750 University Avenue in Madison (formerly Borders). Our corporate office and mortgage services are still located at 3500 University Avenue. Stop by our new branch today.

Souper Bowl XVI

We are proud to sponsor Souper Bowl XVI to raise money for the UW-Madison Campus Chapter of Habitat for Humanity. It takes place on Saturday, February 4 from 2:00 – 8:00 p.m. at West High School in Madison. Join us for a day of entertainment, great food, local celebrities and door prizes.

Martin Luther King, Jr. Day Closings

All UW Credit Union locations will be closed Monday, January 16, in observance of this holiday.

Beat the Winter Blues Ball

We are proud to sponsor the 7th annual Beat the Winter Blues Ball, an evening celebrating UW Hospital physician residents and fellows. This year's event takes place on February 25 at The Madison Club.



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