



December 1, 2008

Dear Member,

Through these ever-changing economic times, it's hard to go anywhere without hearing about the financial crisis. All this media attention has left many people confused. We understand that confusion can lead to panic, and the last thing we want is for you worry about the security of your money.

I am writing today to explain: the positive changes to our insurance and how we can help you manage your money most effectively – ensuring none of your hard earned cash is unprotected.

Assurance

In these uncertain times, I want to assure you that your money is safe at The Union Credit Union.

The National Credit Union Administration (NCUA) insures The Union Credit Union at no cost to you. There are no papers to sign or hoops to jump through; every member of The Union Credit Union is covered. Not one penny of NCUA-insured savings has ever been lost by a member of a federally insured credit union.

It's important to remember that insurance only applies if a financial institution fails and can no longer honor the deposits of its customers or members. If an institution does fail, the United States government insures deposits (through the NCUA for credit unions and the FDIC for banks) and pays depositors their money, up to their maximum insured amount, usually within three days.

Changes

On October 3, 2008, the Emergency Economic Stabilization Act of 2008 was passed, immediately increasing share insurance protection from \$100,000 to \$250,000 on all types of accounts until at least December 31, 2009. We are hopeful that this change will be in effect longer, if not permanently.

The NCUA provides separate insurance coverage for deposits held in different ownership categories such as individual accounts, joint tenancy accounts, Individual Retirement Accounts (IRAs) and trust accounts.

Basic NCUA Deposit Insurance Coverage Limits*	
Individual Accounts (owned by one person)	\$250,000 per owner
Joint Tenancy Accounts (two or more persons)	\$250,000 per co-owner
Trust Accounts (Revocable or Payable on Death)	\$250,000 per owner per beneficiary subject to specific limitations and requirements
IRAs and certain other retirement accounts	\$250,000 per owner

* Insurance coverage limits refer to the total of all deposits that an accountholder (or accountholders) has at each NCUA-insured credit union. The listing shows only the most common ownership categories that apply to individual and family deposits, and assumes that all NCUA requirements are met.



Increasing your coverage

You can increase your coverage by setting up different types of accounts because the \$250,000 coverage is per qualifying account. For example, a joint account with two names on it is insured up to \$500,000 and an account with three names on it is insured up to \$750,000. Member's deposits are insured for an additional \$250,000 when a close family member is listed as a beneficiary on accounts. So a married couple that has accounts owned jointly, and with their two children listed as beneficiaries on their accounts could be insured up to \$1,000,000.

For your union hall, funds can be divided among different categories to increase coverage. For example, vacation accounts are different from dues and can be insured separately. It is our mission to ensure that every penny of your union's money is insured with us. Please, call one of our representatives at (509) 328-5213 to make sure that your funds are allocated in the best possible way for your union.

Remember, share insurance from the NCUA will only be necessary if the credit union fails. Currently, we are in great shape and exceeding all minimum requirements set forth by the NCUA for a healthy credit union.

Working for you, our members, has made us strong. We are not going anywhere. Thank you for choosing to bank with your wall-to-wall union financial institution – The Union Credit Union.

Warmest regards,

A handwritten signature in black ink, appearing to read "DK", with a long horizontal flourish extending to the right.

Demaris Krummel
CEO