

MoneyMatters

.APRIL 2009



Home Equity Loans Still Available

Your Credit Union is still lending, and we're doing so responsibly. Unlike many banks that were lending to homeowners who couldn't afford their first and second mortgages, we continue to make sensible loans that will both help our members and maintain our strong financial position.

While many Americans have experienced declining home values in recent months, others still have equity in their homes. And if you're one of them, a Home Equity Loan could be a smart way to get funds.

A Home Equity Loan, also called a closed-end second, is a lump sum of money you receive all at once. And you'll have regular payments applied over a specific period of time to both principal and interest. This type of loan is ideal for one-time purchases.

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Home Equity Loan
2.99% APR* for 6
Months
Visit us online or call
today for more details.



Recently, many credit unions and banks have been adversely affected by changes in our economy, mostly due to declining home values and unemployment. Certainly, banks have been in the

news a lot more than Credit Unions but both industries suffer from the same business climate. The primary difference between banks and credit unions is that credit unions put their members' interests first, not those of stockholders, which means we operate in a way to serve you to the best of our ability.

The Heartland Data Systems plastic card security breach impacted card issuers nationwide. Blocking, stopping, and re-issuing cards en masse is always problematic and costly, and worse yet, we know the whole process can be infuriating to many of our members who may have had a delay in getting a new card in their hands. We do apologize for that. We made every effort to take into account our members' needs for credit and debit card use and accessibility; in these days of massive fraud being perpetrated against credit unions and banks, we may take more drastic measures than we have in the past to ensure the security of your information.

Safety and soundness are the themes in our upcoming 2008 Annual Report. And it's very appropriate given what is going on in the economy at large, and even the credit union industry. The two largest "corporate" credit unions in the nation were recently placed under conservatorship by our federal regulator, the National Credit Union

Administration. Corporate credit unions are ones chartered to serve other credit unions, those such as ours who serve individuals and small businesses. The government, along with about 99% of the respective staffs of the two corporates, will continue to operate them daily, doing everything possible to stabilize them and return them to normalcy as soon as possible. Essentially, they failed due to credit losses on their mortgage-backed securities investment portfolios, which has occurred because of underlying home price devaluations in key markets over the last 12 to 18 months.

How does the failure of these two large corporate credit unions affect FIGFCU? In large measure, not much. Your funds on deposit with us are still very safe and secure. We expect our total reserves to drop, through no fault of our own, from about \$81 million to about \$69 million as we assist in this corporate bailout. However, it is important to note that even this decline in our reserves will not impair our ability to serve your financial needs going forward. In fact, even at \$69 million our reserves remain higher than that deemed to be a "well-capitalized credit union" by our federal regulator.

Keep working hard, stick to the basics and try to stay positive. Work with us and communicate with us if you are having any trouble meeting your payment obligations each month. We are your Credit Union; we exist as a business to serve you.

Mark Herter
President/CEO



Need a new computer? Don't pay full price

Credit Union members can save up to 12% on a new Dell computer system. You can even create a customized system for your specific needs.

Financing with FIGFCU will make your Dell computer system even more affordable with monthly payments as low as \$38* for every \$1,000 you borrow.

Visit us online to shop for your Dell computer and to apply for a loan.

*Payment based on a rate of 9.5% APR for 30 months. All loans and rates are subject to credit approval. Other rates and terms are available.

Home Equity Loans Still Available

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If your expenses are longer term, such as ongoing educational costs, you should consider a Home Equity Line of Credit (HELOC). Similar to a credit card, a HELOC allows you to make withdrawals as needed and you only make payments on the amount you've used.

To learn more, visit us online, call, or stop by your local branch.

www.figfcu.com
800.877.2345

*APR = Annual Percentage Rate. All loans and rates are subject to credit approval. Discount rate applies to new fixed rate home equity loans only at 75% LTV or less. New money only. Owner-occupied residences only. After 180 days, the rate will convert to the current FIGFCU Home Equity Loan rate based on the qualification criteria of the original application. This offer cannot be combined with any other offers. FIGFCU Home Equity Loans are only available in AZ, AR, CA, CO, ID, IL, IN, KS, MI, MN, MO, NV, NM, OH, OK, OR, TN, UT, WA, and WI. Offer expires April 30, 2009. Other restrictions apply.

FIGFCU members get special pricing from GM & Chrysler

GM and Chrysler are offering special discounts to credit union members who purchase a vehicle as part of the "Invest in America" program.

Members who purchase from GM can take advantage of supplier pricing in addition to any other discounts or special bonuses offered by the dealer. Chrysler is offering members its employee pricing plus \$1,000 in cash allowances on selected vehicles.

Through the Invest in America program, members could save thousands of dollars depending on which vehicle they choose. Plus Credit Union members save even more with auto loan rates as low as 4% APR*.

Visit **www.figfcu.com** to learn more. Or visit any participating Chrysler or GM dealer and tell them you're a member of Farmers Insurance Group Federal Credit Union to get your discount!

*APR = Annual Percentage Rate. All loans and rates are subject to credit approval. Rate shown is FIGFCU's preferred rates based on credit worthiness, 80% financing, 36 month term, and .25% Direct Deposit discount. Other rates and terms are available.



HOLIDAY CLOSINGS

MEMORIAL DAY
MONDAY, MAY 25, 2009

INDEPENDENCE DAY
FRIDAY, JULY 3, 2009

Loan Rates

AUTO Fixed Rates

% Financed	Term	NEW (APR as low as ¹)	USED (APR as low as ¹)
80%	36 mo.	4.62%	4.87%
	60 mo.	4.87%	5.12%
90%	36 mo.	4.87%	5.12%
	60 mo.	5.12%	5.37%
100%	36 mo.	5.12%	5.37%
	60 mo.	5.37%	5.62%

HOME EQUITY² Terms up to 240 months

% Financed	Fixed Rate (APR as low as ¹)
75% or less (owner occupied)	2.99% ³ for 6 months
70% or less (non-owner occupied)	7.74%

HOME EQUITY LINE OF CREDIT²

% Financed	Variable Rate (APR as low as ¹)
75% or less (owner occupied)	5.84%
70% or less (non-owner occupied)	6.59%

MORTGAGE LOANS Please call **800.877.2345** ext. 5002 for the most current mortgage rates.

¹APR = Annual Percentage Rate. Rates listed are current as of 3/24/09 and are subject to change without notice. Rates listed are FIGFCU's preferred rates based on applicant's creditworthiness and Direct Deposit discount of .25%, if applicable.

²Home Equity Loans and Lines of Credit are available in AZ, AR, CA, CO, ID, IL, IN, KS, MI, MN, MO, NV, NM, OH, OK, OR, TN, UT, WA, and WI.

³See page 3 for complete details.

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Quarterly publication of
Farmers Insurance Group Federal Credit Union

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www.figfcu.com

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Marissa Lott, Marketing Supervisor.
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NCUA Your non-IRA savings are federally insured to \$250,000, IRAs to \$250,000, by the NCUA, National Credit Union Share Insurance Fund, an arm of the NCUA, National Credit Union Administration, a U.S. government agency.

ASI Additional coverage of \$100,000 on share certificates and \$250,000 on IRA accounts provided through American Share Insurance, a private Credit Union insurer, at no additional direct cost to our members.

We do business in accordance with the Federal Fair Housing Law and The Equal Credit Opportunity Act.

Support MARCH OF DIMES



Open a new account or service by May 31 and the Credit Union will donate up to \$50 to March of Dimes.

Visit us online to learn more.

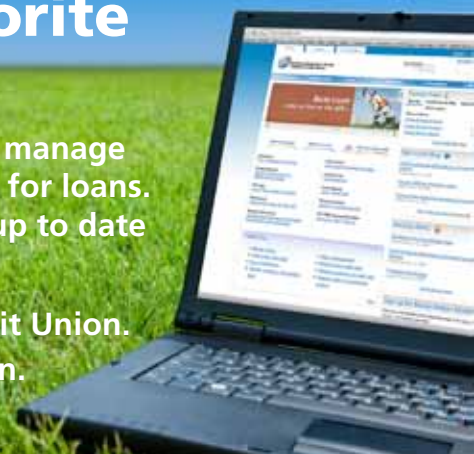


FIGFCU will donate \$50 for every new account or loan opened and \$25 for every service initiated until May 31, 2009, up to \$15,000.

Make figfcu.com a favorite

Our new website has everything you need to manage your accounts, open new accounts, and apply for loans. Plus, blog posts and security alerts keep you up to date on the latest financial news.

Stay in touch with your money and your Credit Union. Bookmark **figfcu.com** today and visit us often.





**Call
anyone
at the
Credit Union
with one
phone number**

800.877.2345

Select from one of the menu options or dial the extension/say the name of the person or branch you're trying to reach. Be sure to say the employee's first and last name. Don't know it? Go to www.figfcu.com and click on Contact for a listing.

www.figfcu.com

800.877.2345



**Farmers Insurance Group
Federal Credit Union**

Detach the wallet card below and keep it with you for quick reference.

Call 800.877.2345

Branch Extension:

(Find your nearest branch's extension at www.figfcu.com.)



**Farmers Insurance Group
Federal Credit Union**

Call 800.877.2345

MENU OPTIONS

Option **2 - FONLINE**, Automated Account Access

Don't have a PIN to access FONLINE? Select option 5 first to get one.

Option **3 - Loan Information**

Get information, apply for a loan or check your loan status.

Option **4 - Online Banking Information**

Get questions answered about PC-TIED online banking, Bill Pay, and more.

Option **5 - Member Services**

Representatives are available to assist you 24/7.

You can press **0** during business hours to reach the operator. To learn more, visit us online or call us.

www.figfcu.com
800.877.2345



Farmers Insurance Group
Federal Credit Union

Detach the wallet card below and keep it with you for quick reference.

Call 800.877.2345

Dial the extension or say the name of any employee or branch. Or select:

Option 2 - FONLINE, Automated Account Access

Option 3 - Loan Information

Option 4 - Online Banking Information

Option 5 - Member Services