

**The following individuals have been nominated by the Committee.**

Each nomination to the Farmers Insurance Group Federal Credit Union's Board of Directors should include: nominee's name, number of years with Farmers or other Select Employer Group that is eligible for FIGFCU membership, job title and duties, current responsibilities, and information related to how this experience would serve the FIGFCU Board and the Credit Union's members. Nominations should be limited to a maximum of 200 words.

**Qualifications for the four incumbent nominees are listed below.**

**Laszlo G. Heredy:** Mr. Heredy joined Farmers in March 1974 as portfolio manager, Equity and Fixed Income Investments, a position he held until 1980, when he was promoted to Director - Fixed Income Investments. Effective September 1987, Mr. Heredy was promoted to Assistant Vice President – Investments, and in March 1988, he became Vice President – Fixed Income and Investments and Real Estate. In March 2000, he was appointed Vice President and Chief Investment Officer. And, on July 1, 2004, Mr. Heredy was appointed Head of Regional Investment Management, North America for Zurich Global Investment Advisors (ZGIA) and was responsible for the management of Farmers' as well as Zurich North America's and Centre's investment portfolios. Effective January 2007, Mr. Heredy assumed the position of Senior Vice President and Chief Investment Officer of Farmers Group, Inc.

**Scott Lindquist:** Mr. Lindquist is Chief Financial Officer, a position he has held since 2008, when he joined Farmers. Before then, he served as Senior Vice President and Chief Accountant with Genworth Financial, Inc. Previously he was a partner with PricewaterhouseCoopers. Lindquist is a life member of the American Institute of Certified Public Accountants. He holds a Bachelor of Science degree from Pennsylvania State University, State College, PA, and an M.B.A. from University of Connecticut, Storrs, Conn.

**Roy Smith:** Mr. Smith joined Farmers in July 1985, as a Personal Lines Underwriter in the Mission Regional Office. He moved to the marketing department in 1986 as a Sales Management Trainee, and has held additional positions, including Sales Administration Manager, Life Sales Representative, and Division Agency Manager.

In October 1990, Mr. Smith transferred to the Portland Regional Office as Regional Education Marketing Manager, and in 1992, he became Marketing Administration Manager. His last position in Portland was as Division Marketing Manager in 1994. In February 1997, Mr. Smith assumed the position of Regional Marketing Manager in the Colorado Springs Regional Office. He was promoted to State Executive Director – Colorado in July 1998, and assigned as State Executive Director - Ohio on Oct. 16, 2000. Effective June 1, 2002, Mr. Smith was promoted to Vice President – Sales, Home Office. On July 1, 2004, he assumed the position of Executive Director for Southern California. In May 2006, he was promoted to the position of Zone Vice President for the Western State Operations. Most currently, in April of 2007, he was promoted to Senior Vice President for the Western Zone Field Operations Department.

**E. James Snikeris:** Mr. Snikeris joined Farmers in 1978 as a trainee in the Aurora, Illinois Region. In 1980, he became Policywriting Supervisor, and in 1981, Policy Service Manager. In 1984, Mr. Snikeris became Service Operations State Manager in the Home Office in Loss Angeles, California. He transferred to the Merced, California Regional Office in 1985, as Administrative Services Manager. In 1987, Mr. Snikeris moved to the Pleasanton California Regional Office to serve as Regional Commercial Manager. He was named Sales Manager of the Region in October 1989. In January 1992, he was assigned to the Home Office as Director of Field Operations. Mr. Snikeris was appointed Assistant Vice President – Regional Operations in the Los Angeles, California Regional Office in April 1992. In December 1993, he transferred to the Home Office as the Assistant Vice President – Special Assignments to work on the Auto Development Project. He was appointed Vice President – Marketing on January 1, 1995. In May 1996, Mr. Snikeris was appointed Vice President – Business and Technology Integration. On September 1, 1998, he was appointed President – Prematic Service Corporation. On January 1, 2000, Jim was appointed as Executive Director of the Austin Service Center. Effective August 14, 2006, Jim was appointed as Vice President ServicePoint.



**MoneyMatters**

Quarterly publication of  
Farmers Insurance Group Federal Credit Union  
**800.877.2345**  
[www.figfcu.com](http://www.figfcu.com)

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**BOARD OF DIRECTORS:** Laszlo Heredy, Chairman of the Board, Managing Director - Senior Vice President - Chief Investment Officer, Farmers Group, Inc.  
Michael Ashe, Agent.  
Frank Cogljar, Executive Vice President, General Counsel  
Kenneth Carroll, Retired.  
Ed McMahan, District Manager.  
Marilyn Huntamer, Agent.  
Roy Smith, Senior Vice President Field Operations, Pacific Zone.  
Jim Snikeris, Executive Director  
Scott Lindquist, Chief Financial Officer.

**Supervisory Committee:** Andy Purl, Chairman, Director, Risk/Audit Services.  
Karen Jenkins, AVP Distribution-Compliance.  
Lewis Williams, Director of IS Budgets and Administration.  
Tony Tomich, AVP-Investments/ERISA Plans.

**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.

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



**AUTO Fixed Rates**

% Financed	Term	NEW (APR <sup>1</sup> as low as)	USED (APR <sup>1</sup> as low as)
<b>80%</b>	36 mo.	1.49%	1.74%
	48 mo.	1.99%	2.24%
	60 mo.	2.49%	2.74%
<b>100%</b>	36 mo.	2.24%	2.49%
	48 mo.	2.74%	2.99%
	60 mo.	3.24%	3.49%

**MORTGAGE LOANS**

Please call **800.877.2345** ext. 6056 or 6051, for the most current mortgage rates.

<sup>1</sup>APR = Annual Percentage Rate. Rates listed are current as of 12/13/11 and are subject to change without notice. Rates listed are FIGFCU's preferred rates based on applicant's creditworthiness and Direct Deposit. <sup>2</sup>Borrow up to 60% of Contract Value if you are a DM or your average monthly sales count is 150+. Otherwise, borrow up to 50%. <sup>3</sup>Borrow up to 35% of Contract Value, up to \$50,000. <sup>4</sup>Rate listed includes repayment from checking and Folio Direct Deposit of .25%.

**AGENCY SECURED<sup>2</sup> Terms up to 84 mo.**

Type	Rate (APR <sup>1</sup> as low as)
Fixed	4.99%
Variable	3.99%

**AGENCY SECURED LINE OF CREDIT<sup>2</sup>**

Type	Rate (APR <sup>1</sup> as low as)
Variable	4.74% <sup>4</sup>

Resolve to **Save Money!**



Here's a New Year's Resolution You Can Keep:

Visit your Sprint Private Store to get special offers just for members of Farmers Insurance Group Federal Credit Union.

- ◆ Save 25% on your monthly bill<sup>1</sup>
- ◆ Get a \$50 credit when you shop at your Sprint Private Store<sup>2</sup>
- ◆ Special offers on phones and accessories



Shop now at [www.figfcu.com/SprintAgent](http://www.figfcu.com/SprintAgent)

<sup>1</sup>On select regularly priced Sprint monthly service plans. Requires a new two-year agreement. <sup>2</sup>Just apply "SAVE50" at checkout. Web-only offer. New-line activation and new two-year Agreement required. Restrictions apply.

**Coming Soon...**

**Visa Blue Credit Card,** a shared secured credit card



**Round It Up,** a program that will help grow your savings automatically. After enrollment, we'll round up all your FIGFCU debit card purchases to the nearest dollar amount, and transfer the difference from your checking account to the savings account you choose.

**Holidays**

**FIGFCU will be closed in observance of:**

**New Year's Day**  
Monday, 1/2/2012

**Memorial Day**  
Monday, 5/28/2012



Loan **Rates**

JANUARY 2012

**Special** Checking Issue

Introducing  
**Benefits Plus Checking**

When our members speak, we listen. We asked what benefit was most important to you in a checking account. Two of the top answers were ID Theft Insurance and Debit Card Rewards.

Introducing our new **Benefits Plus Checking** account.

- ◆ Free Visa Debit Card with Debit Card Rewards
- ◆ Competitive dividends paid
- ◆ Free first box of checks<sup>1</sup>
- ◆ Unlimited check writing
- ◆ Free Online Banking, Bill Pay, Mobile Banking and Online Deposit
- ◆ Free access at over 28,000 ATMs and 4,200 shared branches

Plus, **Benefits Plus Checking** automatically comes with **IdentitySecure<sup>®</sup>**

- ◆ Identity and fraud protection, including triple bureau daily credit monitoring<sup>2</sup>

Take advantage of this great new checking account that you helped create – open the account online at [www.figfcu.com](http://www.figfcu.com) or visit a branch today!

1. FIGFCU logo style checks only.  
2. IdentitySecure Benefit automatically provided to primary account holder. Joint members can register for IdentitySecure benefits for \$4.95 a month. Benefits Plus Checking is free if minimum balance of \$500 and direct deposit is maintained, otherwise, \$7 a month.  
IdentitySecure<sup>®</sup> is a service provided by Trilegiant Corporation.

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## President's View



The credit union industry, as a subset of the "banking industry", continues to exceed banks in member/customer service satisfaction. Numerous pollsters re-confirm this year in and year out, and recently, the American Customer

Satisfaction Index report revealed; that Credit Unions earned the highest overall rating in the survey's history, beating all of the other 47 industries evaluated in the study. Of course you know that our Credit Union sets the bar very high for member service expectations. While we'd like our member service satisfaction to be even higher, in 2011, our members rated us as "excellent" or "good" over 87% of the time, which is considered excellent in not only banking, but all of retail. We're proud of that, and we thank you for your active membership.

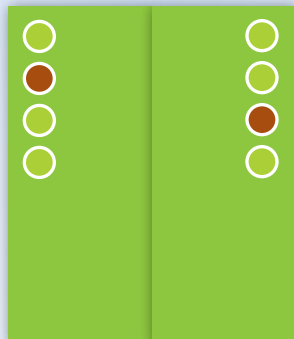
So, we do well in the critical area of serving you. How do we perform in other aspects? Let's take our financial stability. With a gross reserves to assets ratio of about 14.5%, and a net worth to assets ratio of about 11.5%, we rank among the elite credit unions for safety and soundness. (Credit unions as a general rule are on more solid financial ground overall than are the larger banks, and by a good margin.) What about pricing on our loans and shares accounts? Among our peers and larger financial institutions, we are consistently in the top tier for maximizing the return of value to you on both sides of the balance sheet, that is, loan rates and savings account yields. In this issue, you can read more about our great new debit card rewards program, tied to your active checking account. At a time when many banks are talking about raising service charges (AKA fees) on their debit cards, we are launching a new return of value program for our member/owners.

Many consumers have been showing displeasure with their banks, and for that we have the best solution: Do more business with your Credit Union, especially with your checking account and any borrowing needs you may have! Those are some of our top values, among a full menu of great value overall. In our free, capitalistic economy, when individual customers "vote with their feet" (or with their own personal budget!), that sends the loudest message of all. And, while we compete with the big banks directly, let's all remember that a strong banking industry (and that certainly includes credit unions) is one of the key elements to maintaining our myriad national strengths.

And last, what about our convenience and diversity of products and services offerings? Starting with our free 24/7/365 online banking, and extending to our participation with the Shared Branch network, free CO-OP ATMs for members, free debit cards with rewards, remote online deposit capture, and efficient interfacing with Farmers for convenient payroll or folio deductions, our overall value proposition is simply one of the very best. In particular, if you haven't yet registered to use our Online Deposit service which allows you to scan and deposit paper checks from your home or office, you should do so! The savings in time, trouble, and even gasoline from going into a physical branch just can't be beaten. When you do active business with YOUR Credit Union, you help build additional synergy for all our members, and because the Credit Union is a key employee and agent benefit, for Farmers as a corporate entity as well.

Have a safe and prosperous 2012!

  
Mark Herter  
President/CEO



## What's new with our checking accounts?

### Debit Card Rewards

Your everyday purchases can earn you a free reward!

Simply use your FIGFCU debit card for all point of sale purchases – at the grocery store, dry cleaners, at restaurants and for all your shopping needs – and points will accumulate. Then, redeem your points or save them for something bigger – it's up to you.



Visit [figfcu.com/FIGFCURewards](http://figfcu.com/FIGFCURewards) for complete details.

Points valid for two years. Visit [www.figfcu.com/figfcurewards](http://www.figfcu.com/figfcurewards) for complete program details.



**IDENTITYSECURE**  
IDENTITY THEFT PROTECTION

IdentitySecure® is a group of benefits designed to assist you with the prevention, detection, and resolution of fraud and identity theft.

IdentitySecure® automatically comes with our Benefits Plus checking account.

To find out more about the comprehensive protection provided, visit [www.figfcu.com/IdentitySecure](http://www.figfcu.com/IdentitySecure)

IdentitySecure® is a service provided by Trilegiant Corporation.

## Sign up for Folio Direct Deposit and get:

# 500 DEBIT CARD REWARDS POINTS

Plus, when you sign up for Folio Direct Deposit you are eligible for:

- ◆ A 1% loan rebate on any closed-end loan
- ◆ A 0.50% rate discount on auto loans

Sign up today at [www.figfcu.com/foliodirectdeposit](http://www.figfcu.com/foliodirectdeposit).

Visit [www.figfcu.com/foliodirectdeposit](http://www.figfcu.com/foliodirectdeposit) for complete details and disclosures regarding Folio Direct Deposit incentives. Offer expires 1/31/2012.

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Your rights under the Fair Credit Reporting Act (FCRA). Under the FCRA, you have the right to request a free credit report once every twelve months from each of the nationwide consumer reporting agencies. You can request your report from each reporting agency at the same time, or at separate times, in three ways. Go to <http://www.annualcreditreport.com> and either complete the order form online, or print out and complete the Annual Credit Report Request form and mail it to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281. Or call toll-free 1-877-322-8228 and request a report.

## Notice of Annual Meeting

Please mark your calendar

Wednesday, April 25, 2012 at 12:30 pm  
Farmers Insurance Group Federal Credit Union  
4601 Wilshire Boulevard, Suite 110, Los Angeles, CA

All members are invited to Farmers Insurance Group Federal Credit Union's (the "Credit Union's") Annual Meeting, which will be held on April 25, 2012, at 12:30 p.m. The Annual Meeting will be held at the Credit Union's headquarters, located at 4601 Wilshire Boulevard, Suite 110, in Los Angeles, California.

Members will have a chance to meet the staff and officials who make our Credit Union work. The Credit Union will provide reports on our current financial status, our plans for the future, and announce the results of our election.

### Notice of Nominees

The Credit Union's Board of Directors has appointed a nominating committee to nominate at least one (1) nominee for each vacancy in accordance with the Bylaws. Under the Credit Union's Bylaws nominating policy, the nine (9) members of the Board of Directors should consist of the following:

1. Three (3) Board members representing the Agency Force (preferably one (1) District Manager and two (2) agents);
2. One (1) Board member representing the retirement community; and
3. Five (5) Board members from the Home Office Complex or ServicePoint/HelpPoint Sites, representing the following areas: accounting, auditing, investments, marketing, and service operations.

In accordance with the nominating policy under the Bylaws, the members of the Nominating Committee for the 2012 Credit Union Election have nominated four (4) candidates on the ballot roster for four (4) open positions on the Board of Directors. Unless there are additional candidates nominated by petition, the four (4) candidates nominated by the nominating committee will serve on the Board of Directors. Three (3) of the nominees will each serve for three (3) year terms, while Mr. Lindquist was appointed to complete the remainder of Jan Larsen's term.

If there are additional nominations by petition, there will be an election by mail ballot. In that case, the candidates receiving the highest number of votes in the election will each serve their appropriate terms.

The four (4) candidates selected by the Nominating Committee are set forth on the attached statement of qualifications and biographical data.

### Petition for Nomination

Any member who wishes to petition for nomination to serve on the Board of Directors may do so by submitting a petition for nomination with the original signatures of at least 430 Credit Union members no later than 3:30 p.m. on March 2, 2012. Each nominee by petition must submit a signed certificate stating that the nominee is agreeable to nomination and will serve if elected. The nominee should include a statement of qualifications and biographical data with his or her certificate. Anyone wishing to use the petition process should contact Gladys Garcia at the Credit Union at 323.209.6006. A posting of all nominees will be made at each Credit Union office on March 9, 2012.

Please note that there will be no nominations from the floor at the Annual Meeting because nominations are only permitted by petition or by the Nominating Committee.

### Voting Procedure

As noted above, the Nominating Committee has nominated one (1) candidate for each position to be filled on the Board of Directors. If the Credit Union receives one (1) or more additional, valid petitions for nomination, there will be more nominees than positions to be filled. In that case there will be an election.

An election, if necessary, will be determined by plurality vote and will be conducted by mail ballot, which will be mailed on or about March 23, 2012.