

Get Financially Organized in 2016

Facing the debt that slowly mounted during the Holidays could be tough and guilt-inducing. Hiding under the covers might sound nice, but it won't help. The best way to tackle any problem is by analyzing, planning and executing. So, kick-off 2016 with a solid financial plan.

Here's a 5 point plan to get you started:

- 1. Get organized:** Grab a notebook, open a spreadsheet or find an online budgeting tool and sit down with all your bills and expenses. Use whatever you're most comfortable with and list all of your bills, the payment amount and due dates. This will give you focus and purpose.
- 2. Analyze your financial situation:** Now that you have a clear understanding of your

finances, you can formulate a budget you can stick to. Identify the credit cards with high-interest rates, and pay more than the minimum payment. In the long run, this will keep more money in your pocket instead of having it go towards interest.

3. Balance Transfer Credit

Cards: All of these cards come with some rules and conditions that you need to be aware of, but if you play by the rules, these cards can save you real money. For example, if you pay \$150 a month on a credit card with a 19% APR and a \$5,000 balance, you could transfer that debt to a credit card with a 12 month 0% introductory rate. If your balance is paid off in that 12 month period, you could save over \$2,000.*

- 4. Cut down on spending:** Yes, this step is hard. You will need to separate your needs from your wants. While reviewing your bills, receipts and statements, find items you can minimize or eliminate. For instance, re-negotiate your cable contract, make coffee at home, cook dinner or cancel your gym membership and walk around your neighborhood for exercise instead.



5. Try bringing in some extra

cash: You can find a part time job, organize a yard sale, or freelance on the weekends or evenings to help increase your monthly budget. This might not solve all of your financial problems, but it will certainly help you make ends meet.

Your Credit Union offers debt consolidation solutions that will help you meet your financial goals. Visit your nearest branch or give us a call to learn more about these options. One of our financial experts will help you start saving money and meeting your New Year's goals today!

*<http://money.usnews.com/money/blogs/my-money/articles/2015-12-21/4-balance-transfer-credit-cards-to-consider-for-2016>

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CEO's View

We have great plans for 2016!

But, before we get into that, I'm proud to say that in 2015, FIGFCU again earned a member service satisfaction

rating of 91%. Effectively serving is at the foundation of everything we do and without great member service, our great rates on loans and share accounts won't suffice.

We work hard to respond effectively to your needs. Sometimes we fail, as we can see from the other 9%, but the desire to serve is at the heart of our Credit Union philosophy; we seek to give value back to you daily, and to minimize what we need to retain from our bottom line profit. And our \$2 million FIGFCU Gives Back program for 2015 did just that. Banks don't, and won't, do that.

Now, on to the New Year! In 2016 we are revitalizing our promise to you, our brand, if you will. At FIGFCU, we allow our service to members to speak louder than words. We offer a suite of products and services second to none, that will help improve your financial condition. All this is available day in and day out, as a principal benefit for the Farmers family.

In conjunction with the revitalization of our brand, a meaningful new logo will be unveiled soon. The logo will speak to our viability and solidity as your primary financial institution.

Also, in early 2016, our core data processing system will be upgraded. This new and intuitive system will make your Home and Mobile Banking smoother as well as allow us to serve you quicker and more efficiently. There will be new screens, tools and services available in the upgraded Home and Mobile Banking systems.

Thousands of hours have been spent on bringing this important, major operations project to a successful conclusion, but you will have to self-edify! Make sure to read everything we send you regarding this system upgrade. This will make things go much more smoothly for you.

What are your goals for 2016? They should be challenging, not easy. Working hard to achieve goals should be the norm and we are here to help you reach every single one of them. Quite simply, there is no other government insured financial institution that exists for the sole purpose of serving the Farmers family of employees, agents, retirees, and all their family members.

We come to work every day to serve you, to answer your questions, and to help you resolve the challenges that enter your financial life.

Mark Herter
Mark Herter
CEO

Usher in 2016 with A New Home!



For a limited time, get \$400 towards closing costs when you finance with FIGFCU*

Offer ends March 31, 2016

FIGFCU NMLS# 408877, CMF NMLS# 266418. Equal Housing Lender. *The special promotional offer is available to all qualified Farmers Insurance Group Federal Credit Union (FIGFCU) members who apply for a mortgage loan and submit their applications to Community Mortgage Funding, LLC ("CMF") 01/01/2016 to 03/31/2016 and fund their loan with CMF by 04/30/2016. All loans are subject to credit approval. The funded loan must be for a qualified FIGFCU member applying for a new money home loan or refinance. The \$400 rebate will be applied as a credit towards closing costs at the time of loan settlement. Call 800.877.2345 for details. FIGFCU is federally-insured by the National Credit Union Administration, and conducts business in accordance with Federal Fair Lending Laws. Community Mortgage Funding (CMF) is our credit union-owned mortgage company. Community Mortgage Funding, LLC, NMLS#266418, is licensed by the following states: Department of Business Oversight, California Finance License #6039200; TX SML Mortgage Banker Registration # ML-5059, Colorado Mortgage Company Registration #266418; Oregon Mortgage Lending #ML-5059; Ohio Mortgage Act CUSO Exemption #SMCU5900040; Kansas Mortgage Company #MC.0025141; Washington Mortgage Broker #CL-266418; Michigan 1st Mortgage Broker/Lender Registration #FR0019130; Oklahoma License #ML010014; Arizona Mortgage Banker License BK-0924262 BKBR-0118639. Community Mortgage Funding, LLC is licensed under the laws of the State of Texas and by state law is subject to regulatory oversight by the Texas Department of Savings and Mortgage Lending. Any consumer wishing to file a complaint against community mortgage funding should complete, sign, and send a complaint form to the Texas Department of Savings and Mortgage Lending, 2601 North Lamar, Suite 201, Austin, Texas 78705. Complaint forms and instructions may be downloaded and printed from the department's web site located at www.sml.texas.gov, or obtained from the department upon request by mail at the address above, by telephone at its toll-free consumer hotline at 877.276.5550, by FAX at (512) 475-1360, or by e-mail at smlinfo@sml.state.tx.us. The department maintains the mortgage broker recovery fund to make payments of certain types of judgments against a mortgage broker or loan officer. Not all claims are compensable and a court must order the payment of a claim from the recovery fund before the department may pay a claim. For more information about the recovery fund, please consult Subchapter F of the Mortgage Broker License Act on the department's web site referenced above.

Buying A Home in 2016? What You Need To Know

The housing bubble of the 2000's has brought many changes on how one goes about obtaining a mortgage loan. Lenders are now required to follow "Ability-to-Repay" rules, which provide assurances that a borrower can afford the loan.

There will also be new forms and more readily available online tools to help guide you through the home-buying process. Plus, getting a loan in a rural area will be much easier.

Now, with the Federal Reserve deciding to raise interest rates for the first time in nine years, many people might decide that early 2016 is the time for a new home. Not only could rates continue to climb, but younger generations could finally decide to pull the trigger on their first home.

Since Millennials and Gen-Xers have only ever seen historically low rates, they could decide that now is the time to buy, before rates rise. So, in addition to higher interest rates, the younger generation entering the housing market could increase demand.

You might be asking yourself, how can I use all this information to my advantage? Well, consider the following:

Simpler Forms Allow For Comparison Shopping

You'll receive a Loan Estimate Form within 3 days of the mortgage application. This form will include all estimated costs, all the ways a loan payment could change and will help you compare how quickly you'd pay down the loan's principal balance over a five-year period. All your loan's closing documentation will be in your hands 3 days before closing, giving you time to review.

Sources: <http://www.thestreet.com/story/13400495/1/how-homebuying-will-be-changed-by-rising-interest-rates.html>
<http://www.fool.com/investing/general/2015/12/12/buying-a-house-in-2016-know-these-rules.aspx>
<http://www.housingwire.com/articles/35326-coming-soon-down-payment-insurance-for-borrowers>

Save Time With A Pre-Approval

Getting pre-approved means a lender has looked at all of your financial information and decided how much you can afford and how much they will lend you. This will save you a lot of time and energy. You won't waste time looking at houses you can't afford. It'll also allow you to shop for the best mortgage deal and lowest interest rates. But, make sure you do a little research. Learn about junk and processing fees or points and make sure there aren't any hidden costs in the loan.

Protect Your Down Payment

The down payment on a home is probably the largest investment you'll make, and now you can protect it. +Plus is a new option giving homebuyers the flexibility they need to more confidently and securely buy a home. Borrowers will pay a premium in exchange for having their down payment insured against a downturn in the housing market should they decide to sell their home.



Contact your local FIGFCU branch for a personal review of your finances. We're happy to review the new regulations with you and help along your home-buying journey!

Notice of Annual Meeting

Please mark your calendar
Wednesday, April 27, 2016 at 12:30PM PT
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 Wednesday, April 27, 2016, at 12:30PM PT. 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 eleven (11) members of the Board of Directors should consist of the following:

The Board of Directors shall be comprised of individuals with a solid business cross-section from various fields of expertise. Further, and in particular, the Board shall represent the Farmers agency force, all retirees, and Farmers corporate employees.

In accordance with the nominating policy under the Bylaws, the members of the Nominating Committee for the 2016 Credit Union Election have nominated six (6) candidates for six (6) open positions on the Board of Directors. Unless there are additional candidates nominated by petition, four (4) of the candidates nominated by the nominating committee will serve on the Board of Directors for three (3) year terms, one will serve an unexpired ex-Director's term for two (2) years, and one will serve a one (1) year term. This will maintain the staggered 3-year term Board election Bylaw for all Directors, going forward on a 3-4-4 (total of 11 Directors) election basis, every year. This 2016 election year adjusts the timing cycle, given the expansion of the Board from nine (9) to eleven (11).

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 six (6) 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 3:30PM PT on Friday, March 18, 2016. 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 branch by Wednesday, March 23, 2016.

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 would be mailed/ emailed on or about Wednesday, April 6, 2016.

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 three incumbent and three appointed nominees are listed below.



Incumbent Board Chairman, Scott Lindquist, is the Executive Vice President and Chief Financial Officer for Farmers Group, Inc, a position he has held since 2008 when he joined Farmers. Prior to that, he served as SVP 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. Scott earned his BS from Pennsylvania State University and his MBA from the University of Connecticut. Scott's outside of work interests are family, travel, golf, skiing, and reading. **Appointed to the board: November 2011. Nominated to Chairman of the Board: September 2013. Scott is being nominated for a 3-year term.**



Incumbent Frank Ceglar, retired, started his career with Farmers Group, Inc. in 1977. He was General Counsel for Farmers for three years from May 2009 to May 2012. Before that, he was SVP (and VP) Associate General Counsel from April of 1998 to May of 2009. Frank earned his BS and JD from the University of Akron. Frank's overall experience and expertise on the law has made him particularly valuable to the Credit Union. **Appointed to the board: May 2005. Frank is being nominated for a 3-year term.**



Incumbent Ed McMahan became a career agent in 1975 and was appointed District Manager (DM) in the Phoenix area in 1978. Ed became a member of the Credit Union Board of Directors in 1997. His distinguished, successful performance as one of Farmers' top DMs positions him well to be a substantial, consistent source of strength for FIGFCU. His knowledge and experience of agency field operations facilitates his contributions as products and services are discussed and planned for Farmers agents and DMs. Ed's reelection would be for a 3-year term. **Appointed to the board: June 1997. Ed is being nominated for a 3-year term.**



Paul Crosetti, Farmers Head of Sales and Agency Management. Paul started his career with Farmers as a Claims Adjuster in 1987 in Hayward, CA and spent his first 10 years in Claims, advancing to various positions of responsibility, including Branch Claims Manager. He transitioned to Marketing as a Division Marketing Manager for six years. He was promoted to Home Office Sales in 2005, then State Executive Director in Missouri/Kansas in 2008. He was subsequently promoted to Head of Sales Incentives and Compensation in November 2013. On September 1, 2015, Paul was promoted to his current position. Paul earned his BA and MBA from UC Santa Clara. He was named a Credit Union Director in October 2015 to fulfill Andy Reser's unexpired term. **Paul is being nominated to complete the unexpired 2-year term of Andy Reser.**



Karyn L. Williams, Ph.D., Chief Investment Officer, Farmers. Karyn joined Farmers in February 2013 as Head of Insurance Investments. Prior to joining Farmers, Karyn worked at Wilshire Associates for over 12 years, most recently as a senior investment consultant for large pension, foundation, endowment and other institutional investors. Before Wilshire, Karyn taught graduate finance and co-directed the Financial Engineering program at the Peter F. Drucker Graduate School of Management at Claremont Graduate University. She is a graduate of Arizona State University where she earned a B.S. in Economics and a Ph.D. in Finance. Karyn was appointed to the Board in 2015 with the Board's expansion from nine to 11. **Karyn is being nominated for a 3-year term.**



Lewis Williams is Head of IT Finance for Farmers, a position he has held since 2007. Before then he served in various Finance leadership roles within Farmers Corporate Finance. Lewis earned his BS from Long Beach State, CA, and his MBA from the University of Phoenix. Before being appointed to the Board recently in 2015 with the Board's expansion to 11 from nine, Lewis served as the Chair of the Credit Union's Supervisory Committee. Lewis's personal interests include biking, basketball, golf, and reading. **Lewis is being nominated for a 1-year term in order to move the entire Board election to a 3-4-4 annual nomination cycle, all for 3-year terms.**

Loan Rates

AUTO Fixed Rates

% Financed	Term	Fixed (APR ¹ as low as)
80%	48 mo.	1.24%
	60 mo.	1.74%
100%	48 mo.	1.74%
	60 mo.	2.24%

¹APR – Annual Percentage Rate. Rates listed are current as of 12/29/15 and are subject to change without notice. Rates shown are our preferred rates based on credit worthiness and a 0.50% Direct Deposit/Folio Direct Deposit discount, if applicable and a 0.25% discount when you purchase through the FIGFCU Car Buying Service. ²Home Equity Loans and Lines of Credit are available in all States except Alabama, Alaska, Florida, Hawaii, Louisiana and Texas. ³Maximum Loan-to-Value of 100%.

HOME EQUITY LINE OF CREDIT²

% Financed	Variable Rate (APR ¹ as low as)
Up to 100% ³ (owner occupied)	3.99%

HOME EQUITY² Terms up to 240 months

% Financed	FIXED Rate (APR ¹ as low as)
Up to 100% ³ (owner occupied)	4.99%

EQUITY LOANS Please call **800.877.2345** ext. 6052 or 6051, for the most current equity loan rates.

Annual Meeting

Farmers Insurance Group Federal Credit Union

4601 Wilshire Blvd.,
Ste. 110
Los Angeles, CA
90010

Wednesday
April 27, 2016
12:30PM PT



iPhone Forever from Sprint. Our best deal ever.



Apple iPhone 6 (S)

\$15/mo.
Reg. \$22/mo.

Includes iPhone 6s and a new iPhone every year. Forever.
That's right, only \$15/mo. when you bring us your smartphone.

Offer req. 22-mo. lease for qualified customers with new-line activation or eligible upgrade on iPhone 6s (16 GB). \$15 trade-in rate applies until next upgrade.

**SPRINT
DISCOUNT
PROGRAM**

18%

Discount for members
of **Farmers Federal Credit Union**
Applies to select regularly priced Sprint monthly data service.

#MoveForward | Call: 1-800-SPRINT |
Visit: www.sprint.com/save

Use this code for the Sprint Discount Program.
Corporate ID: NAFAR_FCU_ZZZ

Limited time offers. While supplies last. **Activ. Fee:** \$36/line. Credit approval req. **Lease:** Credit approval req. Monthly lease payments exclude taxes (varies by area). Terms for all other customers will vary including amount due at signing and taxes/fees. No equipment security deposit required. Req. qualifying device and service plan. Upon completion of lease term, customer can continue to pay monthly lease amount, purchase, return, or trade-in the device. Must remain on qualifying service plan and in good standing for duration of lease. Customer is responsible for insurance and repairs. **Early termination of lease/service:** Remaining lease payments will be due immediately, and requires device return or payment of purchase option device price in lease. **iPhone Forever:** Applies to upgrade eligibility on lease. Upgrade does not include same-generation model iPhone. Does not guarantee monthly payment amount, phone selection, or service plan rates. Contingent upon product availability. Not transferable. **\$15 Promo:** Req. trade-in of smartphone in good working condition that is not on current lease or Sprint Easy Pay. Promo price does not apply to any future upgrades. **SPR Discount:** Avail. for eligible company employees or org. members (ongoing verification). Discount subject to change according to the company's/org.'s agreement with Sprint and is avail. upon request for select monthly data svc charges. Discount only applies to data svc for Sprint Family Share Pack, Sprint \$60 Unlimited Plan and Unlimited, My Way plans. Not avail. with no credit check offers or Mobile Hotspot add-on. **Other Terms:** Offers and coverage not available every where or for all phones/networks. Available at participating stores. May not be combined with other offers. Restrictions apply. See store or sprint.com for details. © 2015 Sprint. All rights reserved. Sprint and the Sprint logo are trademarks of Sprint. iPhone is a trademark of Apple Inc. Other marks are the property of their respective owners. N155484

MoneyMatters

Quarterly publication of
Farmers Insurance Group
Federal Credit Union

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Frank Ceglar, Retired

Danny Davison, District Manager

Marilyn Huntamer, Agent

Ed McMahan, District Manager

Andy Reser, Head of Field Operations for
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Karyn Williams, Chief Investment Officer

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Finance, Analytics and Operations, Farmers

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Compliance

NCUA Your non-IRA savings are federally insured to
\$250,000. IRAs to \$250,000 by the NCUSSIF,
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.

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