

NOMINATIONS OF NOMINEES

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 125 words.

Qualifications for the three incumbent nominees are listed below.

Kenneth Carroll joined Farmers in 1970 as a Field Auditor in the Aurora Regional Office. After serving in numerous auditing positions within Farmers and Farmers New World Life, he accepted an assignment as Vice President – Internal Auditing in 1993. In 2003, Kenneth was appointed the Functional Audit Director for Non-Life Personal Lines for the entire Zurich Financial Services organization and the Regional Audit director for North American Consumer including Latin America. Now retired, Kenneth's strong internal audit experience has continued to be a valuable resource for the Credit Union in managing compliance and regulatory issues.

Marilyn Huntamer has been with Farmers Insurance for 25 years, taking over her father's Farmers Agency in 1982. Ms. Huntamer has achieved Topper's Club for 20 years, President's Council three times, and Life Championship twice. She presently has Elite Agent status with Farmers. Marilyn's experience as a top agent has provided the Credit Union with invaluable information specifically related to how FIGFCU can continue to help agents achieve business and financial success.

Michael Ashe has been a resident of Las Vegas since 1965 and a Farmers Agent since 1973. He is a CQA Agent, Gold Card Agent, and has been a member of Toppers Club for 26 years and the President's Council for 11 years. He has been a member of the Commercial Round Table, Commercial Masters, Life Round Table and Life Masters. He has been awarded the Blue Vase numerous times. In 1998, Mike was named Agent of the Year. Along with all his accomplishments as an agent, Mike has served on the Credit Union Board since March of 2002 and continues to support the Credit Union through the eyes of an agent.

MoneyMatters

Quarterly publication of
Farmers Insurance Group Federal Credit Union
800.877.2345
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.
Jan Larsen, Retired, Secretary/Treasurer.
Michael Ashe, Agent.
Frank Ceglar, 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.

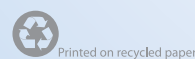
Supervisory Committee: **Andy Purl**, Chairman, Director, Risk/Audit Services.
Fred Galindo, Accounting Supervisor/Payroll.
Lewis Williams, Director of IS Budgets and Administration.
John Steins, Director-Commissions.

Executive Editor: **Mark Herter**, President/CEO.

Contributing Editors:
Beth Rodgers, VP Marketing and Training.
Sheila Tetangco, Marketing Supervisor.

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.



Printed on recycled paper

Loan Rates

AUTO Fixed Rates

% Financed	Term	NEW (APR ¹ as low as)	USED (APR ¹ as low as)
80%	36 mo.	2.99%	3.24%
	48 mo.	3.24%	3.49%
	60 mo.	3.49%	3.74%
100%	36 mo.	3.49%	3.74%
	48 mo.	3.74%	3.99%
	60 mo.	3.99%	4.24%

HOME EQUITY² Terms up to 240 months

% Financed	Fixed Rate (APR ¹ as low as)
Up to 75% ³ (owner occupied)	7.49%
Up to 70% (non-owner occupied)	8.24%

HOME EQUITY LINE OF CREDIT²

% Financed	Variable Rate (APR ¹ as low as)
Up to 75% ³ (owner occupied)	5.47%
Up to 70% (non-owner occupied)	6.22%

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

¹APR = Annual Percentage Rate. Rates listed are current as of 12/13/10 and are subject to change without notice. Rates listed are FIGFCU's preferred rates based on applicant's creditworthiness.

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 70% in AZ, MI, and NV. 80% in CA. All other states 75% Maximum Loan-to-Value.

New Year Inventory
CLEARANCE
Used Auto Sales Event

Enterprise will give FIGFCU members Blue Book Trade-In Value on your vehicle, plus **\$1,000²** when you purchase a used vehicle from Enterprise Car Sales.

FIGFCU used auto loan rates as low as 3.24% APR³

Visit cautodeals.com for a preview of available used vehicles.

Contact FIGFCU to be pre-approved for an auto loan today.

¹Trade-In values obtained from © 2010 Kelley Blue Book Co.'s website KBB.com. Blue Book Trade-In Value is based on accurate condition rating and mileage of vehicle. Accurately appraising the condition of the vehicle is an important aspect of determining its Blue Book Trade-In Value. If a Blue Book Trade-In value is not available for your vehicle Enterprise will provide a fair and competitive value for customer's vehicle. Additional trade-in value of \$1000 is only available on used passenger vehicles or light duty trucks. Additional trade-in value of \$1000 is not available on vehicles without a Blue Book Trade-In Value or when Enterprise vehicle is not purchased. Customer is responsible to any extent vehicle pay-off exceeds Enterprise offer. Customer must provide required proof of ownership/registration and all other necessary paperwork to transfer title. Restrictions apply. For details, see an Enterprise Car Sales Manager. Offer void where prohibited. Offer valid from 12/26/10 – 1/31/11.

²APR = Annual Percentage Rate. Special promotional rates as of December 1, 2010, and are subject to change at any time. Rates listed are FIGFCU's preferred rates based on the applicant's creditworthiness, 80% financing, for 36 months. No other rate discounts will apply. Special promotional rates are for auto loans only. RVs, Sea Doo's, Motorcycles, ATCs and other vehicles do not qualify. No refinancing of existing FIGFCU loans allowed. All loans are subject to credit approval and member eligibility. Other rates and terms are available.

MoneyMatters

JANUARY 2011



New and Improved Online Banking

Accessing your account securely day or night is important – which is why we have updated our Online Banking services, in addition to adding services to help you access your account from anywhere, 24/7!

Upgraded PC-TIED includes new features like:

- ◆ View current versus available balance, and pending transactions
- ◆ Sort and group your transactions
- ◆ Search function based on criteria or using keywords

Improved Bill Pay lets you:

- ◆ Have the funds deducted from your account on the due date you set, not before
- ◆ Pay anyone in the United States who you would normally pay by check or automatic debit

NEW Online Deposit

- ◆ Conveniently scan checks for deposit from your desktop scanner

We are excited about the upgrades to both systems, and are happy to offer our members new services that make banking with FIGFCU easier and more convenient.

Visit www.figfcu.com or call **800.877.2345**, for full details or to sign up for these services.

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President's View



I hope you've had a chance to check out our enhanced PC-TIED, our online banking suite which we rolled out early last month. We've upgraded the basic inquiries available in reviewing account transaction history – now

you can see both your ledger balance and the available balance on share accounts. This will help you manage your funds better, possibly minimizing overdraft service charges and fees. We've converted our Electronic Bill Pay (EBP) service, so now your funds are not debited from your account until the actual date the bill is due. EBP users can also sign up for "bill presentment" (eBills) from select vendors/creditors, receive an electronic version of your bill, and then pay it online. We also have introduced Online Deposit, which allows you the convenience of depositing a check from any desktop scanner. Simply send us a scanned image of your check, wait until you get your "deposit accepted" message, stamp or otherwise mark the check "Void", and file the paper check away in a secure place for records retention purposes. Soon, we will be rolling out PC-TIED access on mobile devices. All of these new services are delivered to you at no charge.

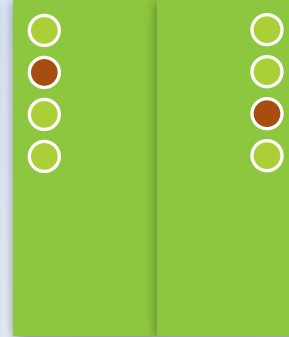
Are you doing business with a bank? We understand that we won't get all of our members' financial business (although we would love to have it!). So, ask yourself a few questions. Do you really have a greater sense of affinity with a bank than you do with the Credit Union? Do you really want to give your business to a bank, a firm whose primary objective is to maximize its own profitability, and not to enhance your financial well-being? Or would you rather deal with us, the member-owned Credit Union that seeks to maximize your gain, not our own bottom line? (We actually have members incredulous that our new Visa Select credit card,

at 8.99%, is in some cases as much as 15% lower than the credit card offerings they can get at some banks! Be sure to check out our great balance transfer offer in this issue.) And if you've ever been concerned that we share your financial business with Farmers management, stop it! That would be against Federal law and an excellent recipe for losing our members' business that we've spent over 70 years earning. The only way any outside entity, including Farmers itself, can find out about your business with us is via a court-issued subpoena, just like any bank with whom you are doing business.

If you will be in the market at any time in 2011 for a new or used vehicle, you owe it to yourself to contact our Lending Department. Making loans to our creditworthy members is the principal reason we are in business. We have great loan pricing (rates and terms), and great service to match. Try not to let the economic and financial woes of others adversely affect your own optimism about your own future. Borrow prudently, save when you can, and know that your Credit Union is here to help you.

We've just closed out a very successful 2010. We succeeded in re-building our net worth ratio to one of the strongest in the entire banking industry, at almost 11%. Further, we have ample set aside for future loan losses, the major bane of the financial industry now for over two years. As I always say at this time of the year, thank you for your business and your support of YOUR Farmers Insurance Group Federal Credit Union. Make it a great 2011!


Mark Herter
President/CEO



Get a Fresh Start

Transfer balances from other credit cards to FIGFCU – 2.99%!

- ◆ 2.99% APR* for six months – special balance transfer rate
- ◆ No balance transfer fees – consolidate multiple bills into one low payment
- ◆ No annual fee – save money
- ◆ Travel Accident Insurance – for your peace of mind
- ◆ Picture Card – customize your Visa® card with your favorite photo

Drop the high rates and fees – get a new FIGFCU Credit Card today!

* APR = Annual Percentage Rate. Balance Transfer 2.99% APR is for 6 months. Special balance transfer offer valid 1/01/2011 – 3/31/2011. There are no fees charged to transfer balances. Rates, fees and terms are subject to change at any time. All new applications are subject to terms, conditions and credit approval. You must be at least 21 years of age. Offer only valid for balance transfers from credit card balances from other financial institutions. To maintain the promotional rate the account must be in good standing, and may increase to the purchase rate upon default or other delinquency related reason.

Start a Holiday Club Today Did you find yourself a little short this Holiday Season? Don't let it happen again – start a Holiday Club!

- ◆ Earn higher dividends than with a Membership Savings
- ◆ Save easily with Payroll / Folio deductions
- ◆ Shop early – funds are disbursed in early November each year, just in time for holiday shopping
- ◆ No minimum to open

Contact us to start saving today!

Savings Bonds: Effective January 1, 2011, the U.S. Department of Treasury is phasing out the issuance of paper Savings Bonds through traditional payroll savings plans. Your Credit Union will no longer be able to issue Savings Bonds the way we are currently, by going into the Treasury website and ordering the bonds on behalf of our members. Instead, you will now have to go directly to the Treasury website, at www.TreasuryDirect.gov, to purchase Savings Bonds.

Any payroll deductions currently set up can continue as usual. Once you reach the required amount for the Savings Bond you wish to purchase, you must transfer the funds from your Savings Bond Account to your Savings or Checking Account. You can transfer the funds easily, via PC-TIED Online Banking.

Once you transfer the money into your Savings or Checking Account, please visit www.TreasuryDirect.gov, to set up your Bond Account and purchase the bonds you would like. There is a tutorial on the website that can help you with setting up your bond account.

Please contact the Credit Union at **800.877.2345**, with any questions you may have.



Mark your calendar to attend the Credit Union's Annual Meeting!

Wednesday, April 27, 2011 12:30 pm – 1:00 pm

4601 Wilshire Boulevard, Suite 110 • Los Angeles, CA 90010

Please join us for refreshments!

Notice of Annual Meeting Please mark your calendar

April 27, 2011 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 27, 2011, 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 local Regional Offices representing the following areas: accounting, auditing, investments, marketing, and regions.

In accordance with the nominating policy under the Bylaws, the members of the Nominating Committee for the 2011 Credit Union Election have nominated three (3) candidates on the ballot roster for three (3) open positions on the Board of Directors. Unless there are additional candidates nominated by petition, the three (3) candidates nominated by the nominating committee will serve on the Board of Directors. The three (3) nominees will each serve for a three (3) year term.

If there are additional nominations by petition, there will be an election by mail ballot. In that case, the three (3) candidates receiving the highest number of votes in the election will each serve for three (3) years.

The three (3) 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, 2011. 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, 2011.

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, 2011.