

# PA HealthCare Credit Union

Third Quarter 2006

www.PAHealthCareCU.com

## SVH Office

412-749-7099  
FAX 412-749-7680  
7:00 A.M. – 4:00 P.M.

## TMC Office

724-773-8300  
FAX 724-773-8303  
7:30 A.M. – 4:00 P.M.

## Mailing Address

720 Blackburn Road  
Sewickley, PA 15143

**PA HealthCare Credit Union wishes to extend its appreciation to the following for dedicated service:**

Janice Stepanian – 1 year

### Welcome Aboard

Christine Gilbert  
Member Service Representative

## NOTICES:

PA HealthCare will be imposing a \$5 fee for returned mail items. The Money Market excess withdrawal fee has also changed from 1% of the transaction to \$20/item.

## Closings

**Columbus Day**  
October 9th

**Regulatory Compliance Training**  
October 25th

**Veterans Day**  
November 11th

**Thanksgiving**  
November 23rd

**Christmas**  
December 25th

**New Years Day**  
January 2nd



## Christmas Club Distribution

If you did not notify us to have your Christmas Club either mailed as a check or transferred to your Credit Union Checking Account, the balance was transferred to your Regular Share Savings Account the week of October 2nd.

## Increased Insurance Coverage for Credit Union Members

The National Credit Union Administration has increased the insurance coverage on retirement accounts (Roth IRAs, Traditional IRAs, and KEOGH) from \$100,000 to \$250,000. Effective April 1st, this change makes it easier for people to keep more money at one financial institution while maintaining full coverage.

This retirement account insurance coverage is separate from insurance coverage on other accounts. For example, you may have \$35,000 in a share account under your name, \$55,000 in a share account with your spouse, and \$100,000 in an account for a business that you own. Even though the total exceeds \$100,000 you are totally covered since each type of account is in a different ownership category. In addition, your retirement accounts are protected up to the \$250,000 limit and are separately insured from your other accounts.

NCUA would cover your share accounts dollar for dollar up to the insurance limit if your credit union were to fail. Your money is fully insured also if you or your family has less than \$100,000 or less in your accounts at the same insured credit union. Mutual funds, stocks, bonds, life insurance policies, and annuities are NOT covered.

In the future, these insurance coverage limits could rise, but it will not occur before 2011 if at all. For more information, visit the NCUA website at <http://www.ncua.gov/ShareInsurance/Index.htm>.

## Home Equity Refinance

With the rise of short term interest rates over the past couple of years, many of us have refinanced with a low, adjustable rate mortgage (ARM) or an interest-only mortgage. With long-term rates still at relatively low levels, now may be a good time to convert that adjustable rate mortgage into a fixed-rate mortgage. Call the Credit Union to see how we can help.

## Free Checking with Expanded VISA Check Card

Our Free Checking Account just got better. We'll pay for your first set of checks! Enjoy no minimum balance and our newly expanded VISA Check Card. Our VISA Check Card allows your choice between Credit or Debit transactions. Choose the Debit option and obtain cash back at retailers (if available). Our surcharge free network includes CU\$ ATMs, any PNC Bank ATM, and ATMs located within Sheetz. Our VISA Check Card provides for unlimited transfers and withdrawals from your Savings Account via ATM. Now that's a Free Checking Account you've got to have! Also enjoy Free Home Banking and Free Online Bill Pay. You'll be asking, "When can I start?" The answer is...NOW.

## Gift Cards for the Holidays

No need to get your holiday wrapping paper in a bind. Pick up your VISA Gift Card at the Credit Union. You may choose the amount anywhere from \$10 - \$500, and each gift card is only \$2.99.

## Holiday Loan Special

**12 months**      **18 months**  
**7.99% APR\***      **8.99% APR\***

\*APR = Annual Percentage Rate. Rates listed are "as low as" rates, and your actual rate may be higher. This is a limited time offer; rates are subject to change without notice.

## Dividend Rates

*Rates for regular and IRA Designated Accounts*

<i>Third Quarter 2006</i>	APR	APY
Share Draft Checking (\$1,000 and over) .....	0.50%	0.50%
Share Savings (\$100 and over).....	1.31%	1.30%
All Clubs (\$5 and over) .....	1.00%	1.00%
<b>Money Market</b>		
\$500 - \$9,999.99 .....	2.85%	2.89%
\$10,000 - \$24,999.99 .....	2.95%	2.98%
\$25,000 and above .....	3.05%	3.09%
 <i>Proposed Fourth Quarter 2006</i>	<b>APR</b>	<b>APY</b>
Share Draft Checking.....	0.50%	0.50%
Share Savings .....	1.30%-1.50%	1.31%-1.51%
All Clubs .....	1.00%-1.25%	1.00%-1.26%
<b>Money Market</b>		
\$500 - \$9,999.99 .....	2.85%-3.00%	2.89%-3.03%
\$10,000 - \$24,999.99 .....	2.95%-3.10%	2.98%-3.29%
\$25,000 and above.....	3.05%-3.20%	3.09%-3.24%

APR = Annual Percentage Rate APY = Annual Percentage Yield

Share Certificates (CDs) also available.  
 Visit [www.PAHealthCareCU.com](http://www.PAHealthCareCU.com) for rates.

## IRA Law Secures Savings Options for CU Members

Higher contribution levels for Individual Retirement Accounts (IRAs) became a permanent law on August 17, 2006 under the Pension Protection Act of 2006.

The pension reforms allow for "catch up" contributions, allowing savers over the age of 50 to make larger contributions to their IRAs. The change also makes permanent the Retirement Savings Tax Credit (Saver's Credit), which allows lower-income savers to offset up to \$2,000 of IRA contributions, the maximum credit being \$1,000.

By 2008 contribution ceilings will increase to \$5,000 for those 50 and younger and to \$6,000 for older savers. The pension changes also contain other IRA-related provisions that will:

- Index for inflation the income limits for traditional and Roth IRAs;
- Allow penalty-free withdrawals for members of the National Guard and Reserves that are called to active duty for a period in excess of 179 days;
- Permit members of the National Guard and Reserves called to active duty, who make qualified withdrawals from their IRAs or pension plans, to roll over the funds tax-free to an IRA or pension plan, within two years of the distribution;
- Require the Internal Revenue Service (IRS) to establish procedures for depositing tax refunds directly into IRAs;
- Permit tax-free distributions from IRAs for charitable purposes, if paid directly to a charity by an IRA owner over age 70½. (Effective 2 years through 2007.);
- Allow any death beneficiary under a qualified retirement plan to roll money directly into an IRA in a decedent's name;
- Allow direct rollovers from qualified retirement plans to Roth IRAs; and
- Permit additional IRA catch-up contributions for employees of companies in certain bankruptcy cases.

Stop by the Credit Union to discuss your IRA options.

## Don't be in a Bind Next Year

There's no better time to plan for next year's holiday season than today with a Christmas Club Account. Take the surprise out of the where the money is going to come from by setting up a direct deposit transfer or payroll deduction.