

# CONNECTOR

Cornerstone Credit Union | [www.cornerstonecu.org](http://www.cornerstonecu.org) | First Quarter 2013

Inside: ▶ 2 Knock Down Debt ▶ 3 CU-Mobile is Here ▶ 3 Giving Back ▶ 4 Young Investors Time is Your Greatest Asset

## ▶ A message from the President Working — and succeeding — together



**CORNERSTONE**  
CREDIT UNION  
ROCK SOLID SINCE 1939

Dear Member:

I like to take this time each year to reflect back on our accomplishments and how we've continued to evolve as your trusted credit union.

We had several developments in 2012 to enhance your membership experience. This includes implementing a new Online Banking platform, establishing a new Investment Services partnership, upgrading E-Statements, and most recently, offering our new Automated Clearing House (ACH) Transfer Origination service within Online Banking. This new service provides another enhanced product, CU Bill Pay.

In the first quarter of 2013 we will launch Mobile Banking — a service members have frequently asked for. Members can view transactions on web-enabled devices plus so much more!

In addition to these developments, we still offer the same great benefits you've come to enjoy, but without having to jump through the hoops as you do at some other financial institutions. Being able to offer fantastic products and services, without excessive fees and requirements, is a success in itself. It's important to have a financial partner you can turn to that has your best interest in mind. Thank you for choosing us!

Cooperatively,

Gail Clore  
President



### Holiday closings

January 1 — New Year's Day

January 21 — Martin Luther King, Jr. Day

February 18 — Presidents' Day

### Savings rates

Effective as of December 31, 2012

Share Savings, Life Savings  
0.20% APY\*

Holiday Club  
0.20% APY\*

\*APY=Annual Percentage Yield

### How to reach us

Web: [www.cornerstonecu.org](http://www.cornerstonecu.org)

CU-Mobile Access Code: 59289

Main Phone: 815.235.5855

Toll Free: 800.711.3277

EARS (audio response):  
800.711.3277

Main Office:  
550 W. Meadows Dr.  
Freeport, IL 61032

## ► Knock down your debt

Is your debt like the child's bop toy that keeps bouncing back? Make a breakthrough by consolidating your bills into one low monthly payment with a loan from Cornerstone Credit Union. Borrow up to \$15,000 with a rate as low as 6.99% APR\* for 42 months. If you have \$9,000 on a credit card with a 16.99% rate, it would take you 39 years of making the minimum

payment of \$180 to pay it off, and you would pay more than \$20,000 in interest in the process. With a 6.99% consolidation loan from your Credit Union, that debt is gone in less than four years — and the total interest is \$1,171.83. Knock down that credit card debt for good. Contact the Credit Union today.

*\*APR=Annual Percentage Rate. Rates and terms subject to change and based on creditworthiness. Automatic payment required. Payment example: on a \$8,000 loan with a 42-month term at 6.99% APR, monthly payment would be \$215.28. Existing CCU loans are not eligible for this offer.*

## ► IRA withholding notice

Payments from your IRA are subject to federal income tax withholding, unless you elect no withholding.

You may change your withholding election at any time prior to your receipt of a payment. To change your withholding election, complete the appropriate form provided by your Credit Union.

Withholding from IRA payments, when combined with other withholding, MAY relieve you from payment of estimated income taxes. However, your withholding election does not affect the amount of income tax you pay. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are insufficient.

### Interested in serving on the Board?

Your Credit Union is seeking individuals who are interested in serving as a volunteer on our Board of Directors and/or Board Committees. Applications are accepted year-round. For more information and a short-application, visit [www.cornerstonecu.org](http://www.cornerstonecu.org). Return your application to CCU, c/o Nominating Committee, at 550 W. Meadows Dr., Freeport, IL 61032.

## ► Notice of restricted transactions

In accordance with the requirements of the Unlawful Internet Gambling Enforcement Act of 2006 and other Federal regulations, this notification is to inform you restricted transactions are prohibited from being processed through your Credit Union account(s). Restricted transactions are transactions in which a person accepts credit, funds, instruments, or other proceeds from another person in connection with unlawful Internet gambling.

## ► Mark your calendar: Annual Meeting is set for March 16

It's your right as a member-owner! Exercise it! Plan now to attend Cornerstone Credit Union's 73rd Annual Meeting on Saturday, March 16th where your Board of Directors will be elected. Join us at 2 pm at the Freeport Service Center for refreshments, mementos and special drawings. Watch [www.cornerstonecu.org](http://www.cornerstonecu.org) for additional information.

## CONNECTOR

Published quarterly for members of  
Cornerstone Credit Union.

Federally  
Insured  
by NCUA



## › CU-Mobile is HERE!

If you are a CU-Branch member, keep the credit union with you, wherever you are with CU-Mobile. With your smart phone and many other devices, you can now safely and securely:

- Check your account balances
- View transaction history
- View pending transactions
- Transfer funds
- Make loan payments
- Receive “eAlerts” on account activity

CU-Mobile offers the highest level of security with multiple layers of authentication, so use it with complete confidence. When you're on the go and need to know, CU-Mobile puts the credit union just a few taps away.



Check [www.cornerstonecu.org](http://www.cornerstonecu.org) often for additional information.

## › Deadlines approach for Founders' Scholarship

Applications are now being accepted for the 2013 Founders' Scholarship Program. To qualify, graduating high school seniors must personally have an active account with Cornerstone Credit Union, opened no later than **Jan. 28, 2013** and must submit an application no later than **Feb. 28, 2013**.

Since the first scholarship award in 1999, \$77,000 in scholarships funds have been presented to deserving students. Founders' Scholarships are designed to encourage and

promote degree completion as well as reinforce the relationship between higher rewards and increased responsibility.

Awards are based on academic achievement, writing assessments, recommendations, and transcripts, as well as the student's potential, character, leadership, and financial need. On a 4.0 scale, a GPA of 3.0 or higher and a minimum SAT score of 800 and/or a minimum ACT score of 19 are recommended. Applications and more information are available online at [www.cornerstonecu.org](http://www.cornerstonecu.org).

## › Giving back

Cornerstone Credit Union's belief in community service was demonstrated throughout 2012 and capped off during the holiday season when CCU staff purchased items and delivered Thanksgiving Day dinner fixings to several members and their families who are experiencing difficult times.

Staff also gathered non-perishable food for the Salvation Army, and in Freeport, participated in the Angel Tree. Staff and members alike pulled names hanging from our tree and bought gifts to bring holiday joy to numerous local youngsters. Thank you for helping to make this holiday brighter for those in need.

Many CCU staff and board members give their personal time and money as volunteers and in leadership positions with community organizations, believing one of the greatest gifts is “giving of ourselves.”



Each CCU Service Center delivered Thanksgiving Dinner Baskets to several families in need in their locations. Preparing the Freeport Service Center baskets are: Denise Lamm (Call Center Rep), Connie Olson (CCU Board Member and Community Relations Committee Chair), and Amy Skow (CCU Call Center Manager).

## For younger investors time is your greatest asset

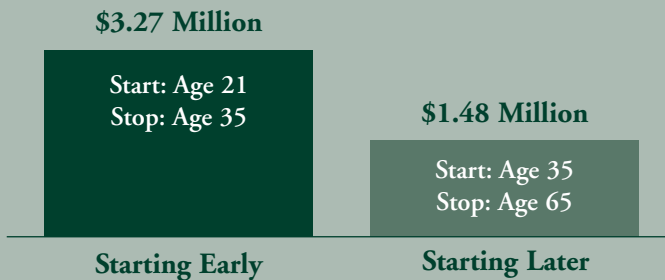
Content developed by CUNA Brokerage Services, provided by Bob Patin, a financial advisor, with MEMBERS® Financial Services at Cornerstone Credit Union.

One of the greatest assets that young investors have working for them is time. Here are three keys to leveraging this valuable asset.

### Start Early

Let's say you started investing \$12,000 a year in your employer's 401(k) when you were 21-years-old. At age 35 you stop your contributions and let the 401(k) grow until you were age 65. With an 8% annual return, your 401(k) would be worth \$3.27 million.

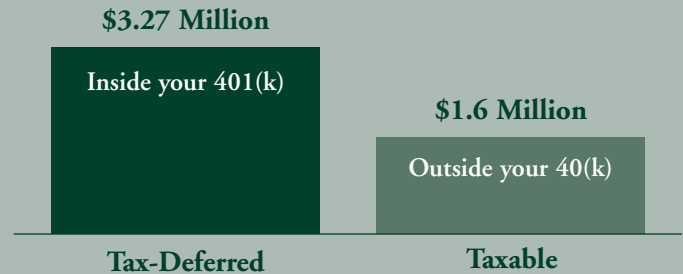
Now what would happen if you waited until you were 35-years-old before you started your 401(k) contributions? If you contributed that same \$12,000 a year and earned the same 8%, you would have only \$1.48 million in your 401(k) at age 65. That's a more than 50% penalty for starting late.



### Defer Taxes

In the example above, if you had started early, but invested outside your 401(k) (and watched taxes take a bite out of earnings each year), your nest egg would have grown to only \$1.6 million. That's almost \$1.7 million less than the \$3.27 million that accumulated inside your 401(k).

Hence the importance of deferring taxes by investing in tax-deferred accounts like a 401(k).



### Invest for Growth

Put time to work for you — invest for growth. Utilize the power of stocks and the advantage of time, allowing your money the opportunity to grow as quickly as is reasonable.

### Talk to a Professional

Just as investing early is key to your financial success, so is talking to a professional. Take some time out of your busy schedule to meet with an advisor who can help you set realistic goals and show you how to invest to achieve them.

Bob Patin is a Financial Advisor with Members Financial Services located at Cornerstone Credit Union. If you have any questions, or would like to provide feedback, regarding the information presented in this article, you may contact Bob Patin at 800.711.3277, ext. 3200 or 815.266.3200.

*\*Using annual total returns of the Standard and Poor's 500 Index.*



*Representative is not a tax advisor or legal expert. For information regarding specific tax situations, please contact a tax professional. For legal advice, consult an attorney.*

*Representatives are registered, securities are sold, and investment advisory services offered through CUNA Brokerage Services, Inc. (CBSI), member FINRA/SIPC, a registered broker/dealer and investment advisor, 2000 Heritage Way, Waverly, Iowa 50677, toll-free (866) 512-6109. **Nondeposit investment and insurance products are not federally insured, involve investment risk, may lose value and are not obligations of or guaranteed by the financial institution.** CBSI is under contract with the financial institution, through the financial services program, to make securities available to members.*

FR050813-A721-270