



Winter 09

SEASONS



Safety and soundness for 75 years

In 2010, your credit union will celebrate 75 years of service. We are proud to look back at our achievements and our position of safety and soundness as a financial institution. We also are very proud of the relationships we have maintained with so many of you. That is the true meaning of *People Helping People*, the philosophy that has guided our credit union since 1935.

Today, the news is still full of stories about well-known companies, including large financial institutions, with economic problems. You can rest assured that we continue to be safe and sound financially. SACU stands out among others in the financial industry because we have continued doing business much as we have done through our history. Your cooperative is operated by and for members who watch out for each others' long-term financial success.

It's easy to see that our financial cooperative has been a family affair through many generations. Time and again, parents took their youngsters into the credit union while they conducted their financial business. A few years later the children were back as young adults, taking out a car loan or buying their first home. We hear stories frequently from long-time members who got their first car loan from SACU, marking the beginning of their relationship with our cooperative. You and your family may have joined when we were Local #28 Credit Union, Federal Employees Credit Union, Government Employees Credit Union (GECU) or, today, San Antonio Federal Credit Union (SACU). The names changed to include the composition of our expanding membership as we grew to serve you even better, but all our names referred to the same safe, sound and secure entity you know and trust today.

During the coming months, we invite you to come by our branches and celebrate our milestone of 75 years. You'll see many of the same faces helping you that you have seen for decades. In our parking lot there are a great number of reserved "Park Avenue" honorees. Each of these employees has been with SACU for 15 years or longer. SACU recently has had employees retire, respectively, with 50 years and 40 years of service. This speaks well for the quality of our workplace, and happy employees create a better environment to serve you. Our success is your success; this is *your* credit union. We thank you for your loyalty, and we look forward to serving you for many years to come.

Exciting happenings in 2010

We are planning SACU's 75th anniversary celebration, which will take place in 2010. Watch our Web site for news and event information over the next few months. We look forward to celebrating with you. SACU also will debut a new look for its newsletter in March, in conjunction with our anniversary, so stay tuned.



Board of Directors

- Franklin W. Burk
Chairman
- Richard Rodriguez
Vice Chairman
- Debs McCrary
Secretary
- John W. Hayes
Treasurer

Members:

- Samuel Idrogo
- Michael A. Sellers
- Sue E. Turner
- David S. Velasquez
- Pat L. Wilson

Supervisory Committee

- Carol L. Karotkin
Chair

Members:

- Ramon Abarca
- Blaise C. Bender
- Peter C. Morales
- Larry L. Roberson

Director Emeritus

- Carlton J. Mertens



In Season
 Encrypted e-mail
 Skip-a-Payment
 Sprint discount plan

Financial Highlights

As of September 30, 2009

Total Assets:..... \$ 2,846,311,015

Total Deposited
in Accounts:\$ 1,944,965,550

Total Loans:\$ 2,648,389,621



Keep in Touch with Your SACU Finances

Information is at your fingertips when YOU need it! Convenient, automated services available by telephone, mail or Web site.

SACU CashAnytime® Debit Card

(Anytime access to your money)
Access through ATMs and
MasterCard® merchants

PhoneLink®

(Financial Services by Phone)
1-800-678-SACU (7228)

Loan Connection®

(Loans by Phone)
1-800-667-SACU (7228)

SACU Job Line

(Employment Opportunities with SACU)
1-800-234-SACU (7228) Ext. 1756
Visit sacu.com

Bank by Mail

Attn: Member Service Center
/Mail Teller
San Antonio Federal Credit Union
P. O. Box 1356
San Antonio, TX 78295-1356

SACU Cards – Report Lost/Stolen

Debit Card: Business hours
1-800-688-7228;
After hours 1-800-472-3272

Credit Card: 24 hours/7 days a week
1-866-839-3485

Available Online Services
sacu.com

Transmission of sensitive information to SACU by e-mail is more secure

SACU now has encrypted e-mail to make it safer for us to use e-mail to exchange your sensitive information. Through Cisco, our provider, we electronically scramble the message and use a key to “unlock” the information so only you can read it. A benefit to this is that when you reply to an encrypted SACU e-mail, your reply will be protected automatically through the encryption process. Having this secure method of transmitting information will make it easier for us to do business together in the future without worrying about our documents being viewed by unauthorized parties. There is no cost to you for using this service. As a reminder, SACU Online *Anytime*® is a secure way for Internet banking subscribers to communicate with SACU.

The first time you receive an encrypted e-mail from SACU, you will also receive an e-mail with details about setting up a free account, including a link to the *SACU Encrypted E-mail Quick Start Guide*. To download the guide from SACU’s Web site, go to the *member education* tab, *interactive education*, then *Encrypted E-mail*.



New Shared Branch

Coastland FCU

12174 Greenspoint Dr • Houston, TX 77060
Phone: 281-877-9227 • Fax: 504-834-2780

Timely benefits with Online Banking

Did you know that you can communicate with SACU by secure e-mail when you sign up for SACU Online *Anytime*®, our Internet banking service? Besides sending secure messages, you can access your accounts virtually 24 hours a day, 7 days a week. Set up alerts to notify you when your account balance meets specific criteria, such as when you have a low balance or when a specific check clears your account. You can also register up to five e-mail addresses and send alerts to any device – such as a pager, telephone, etc. – that has a valid e-mail address.

Benefits don’t stop there. You also can set up your bills to be paid automatically through our bill payment service, also **free** to SACU members. Save a tree by signing up for eStatements, letting you turn off paper statements and receive them as soon as they are available online. Sign up at sacu.com today and start enjoying savings of time, money AND energy!



We Do Business in Accordance With
the Federal Fair Housing Law and the
Equal Credit Opportunity Act.

NCUA

Member Service: 1-800-688

SACU Skip-a-Payment Program

SACU is excited to present to selected members the power of flexibility for extra cash with the SACU Skip-a-Payment Program. Through the program, you will have the opportunity to skip one or two (non-consecutive) payments on your qualified installment loans. Even better – you can utilize the service **free of charge** if you make the request through SACU Online *Anytime*[®]. To see if you are eligible and to take advantage of this special offer, log in to online banking, click on *Options*, then *Skip-a -Payment*.

SACU Bridge for U Scholarship Program opens

The SACU *Bridge for U* Scholarship is back! This scholarship is designed specifically for our members who have completed two years of community college and have been accepted at a four-year college or university. Application postmark deadline is February 1, 2010.

Qualified full-time students who are also members in good standing at SACU for a minimum of one year are eligible. Each scholarship will be for a total of \$3,000, with \$1,500 payable at the beginning of the fall 2010 and spring 2011 semesters.

Online applications and details about qualifications are available by clicking on the NEW icon on the sacu.com home page, or by clicking on the *member education* tab, then *interactive education*. Scholarship winners will be announced at the 2010 SACU Annual Meeting, scheduled for Thursday, May 21, 2009.

Stay abreast of financial aid changes

There is a lot of news about changes in financial aid for undergraduate education. Our education loan trusted advisors want to help you sort out the options. And, when federal financial aid just isn't enough, SACU has a private education loan – CU Student Choice – to fill the gap. With zero origination fees, lower interest rates, easy online application and flexible repayment terms, it may fit your needs. Plus payment of principal AND interest is deferred while you are in school.

Visit <http://SACU.StudentChoice.org>, stop by any branch, or call 1-800-234-7228 Ext. 1987 to learn more.



Holiday Closings

All SACU facilities will be closed in observance of the following holidays:

Christmas Eve – 1 p.m. close
Thursday, December 24, 2009

Christmas Day
Friday, December 25, 2009

New Years Day
Friday, January 1, 2010

Martin Luther King, Jr. Day
Monday, January 18, 2010

Presidents' Day
Monday, February 15, 2010

SACU wishes you safe and happy holidays!

Houston Branch Locations

Fallbrook Branch
8921 N. Sam Houston Pkwy. West
(281)517-8850
M-T-Th 9-5, W 10-5, F 9-6, Sat 9-1
Drive-up Tellers: M-F 8-6, Sat 9-1

Shared Branch Locations

Providing account accessibility at home or when you're on the road

CU Service Centers

Sugarland Service Center
(281)242-3200

Northwest Service Center
(281)580-1557

Southeast Service Center
(713)946-5828

Shared Branches

(CU may have multiple locations)

Associated CU of Texas
(409)945-4474

Chevron FCU - (713)754-3700

Chocolate Bayou Comm. FCU
(281)331-2253

Coastal Community FCU
(409)765-6067

Continental FCU - (281)553-1660

First Community CU - (281)856-5300

First Educators CU - (713)850-1600

First Service CU - (832)688-1000

Greater Texas FCU - (713)923-5336

Houston FCU - (281)243-0500

JSC FCU - (281)488-7070

Justice FCU (restricted access)
(713)623-8250

Members Choice CU - (281)398-9900

MemberSource CU - (713)627-4000

People's Trust FCU - (713)428-3200

PrimeWay FCU - (713)799-6200

Right Choice FCU - (800)234-8076

Just click on the SACU Web site under *Contact Us* and then *Shared Branching*, or call 1-888-287-9475 for a location in the area code where you are traveling.

A Word from your Chairman

Franklin W. Burk



Many of our members and our communities continue to face challenges that have concerned us during 2009. When times are difficult, SACU wants to be there to help you keep your lives on an even keel. We encourage you to stay in communication with us. SACU is pleased to remind you that we remain stable, secure, and safe. Thank you for your loyalty and for trusting us to be your financial partner.

While preparing to celebrate our 75th birthday in March 2010, we remember the road we have traveled, from a group of 12 founders and \$60 in assets to more than 250,000 members and \$2.8 billion in assets. Much has changed, but one thing remains the same: we are committed to continue providing the same family-oriented services that have been the cornerstone of our success since 1935.

Our commitment to protecting your financial future and preserving your right to choose credit union membership remains strong and clear. Many of your Volunteers and senior staff members met with Congressional leaders during the year concerning issues of prime importance to credit unions and their members. Several of these issues could have a potential impact on the cost of and access to services that credit unions provide. For briefs about these issues, please visit the *member education* tab, under *interactive education* on sacu.com.

We invite you to visit our Headquarters Building/Main Branch at IH 10 West near Vance Jackson. We have completed our renovations to the ground floor, which include a new Founders Room and Board Room. We appreciate your patience as we spent most of 2009 renovating the former lobby area to create beautiful new spaces, which will be more usable and efficient for future growth.

Included in our responses to the economy is SACU's increased support to the community during 2009. Central to this was the generosity of our employee group. SACU employees, we are proud to announce, reached 100% giving to United Way for the FOURTH year in a row! We are proud to lead the San Antonio credit union community in contributions to United Way. A mainstay within our communities, United Way provides a broad base of support for those in need. When you visit our branches on designated Thursdays and Fridays during the year, SACU employees may be dressed in their favorite team jerseys or personal casual shirts. This is one way that SACU says "Thank You" to them for their generosity to United Way.

As we close this year and reflect on our blessings, we again think about the sacrifices our military men and women are making in defending our freedoms. We look forward to their safe return and we offer a very special prayer for our troops and their families. SACU Board of Directors and Supervisory Committee members join me in wishing them – and all of you – a safe and happy holiday season and a prosperous New Year in 2010.

Sincerely,

A handwritten signature in black ink that reads "Franklin W. Burk". The signature is written in a cursive, flowing style.

Reminder about taking mandatory IRA distributions



If you are age 70 1/2 and own a traditional Individual Retirement Account (IRA), you **MUST** begin taking Required Minimum Distributions (RMD) by April 1 in the year **after** you turn 70 1/2. If you do not, the IRS could assess a 50% penalty on the difference between the distribution amount that you should have taken and what you actually took.

For example, if you were required to take \$3,000 in a given year based on your RMD calculation but you only took \$1,000, you will pay a \$1,000 penalty (50% of the undistributed \$2,000). **You must withdraw future required IRA distributions by December 31 each year.**

If you have more than one traditional IRA, you must determine a separate RMD for each IRA. However you can total these minimum amounts and take the distribution from any one or more of the traditional IRAs.

SACU trusted advisors will be happy to assist you with your SACU IRA. Whether you own an SACU IRA or an IRA at another financial institution, be sure to check with the appropriate institution to see whether the required distribution has been made.

Please call the Member Service Center for more information, 1-800-688-7228.

CarSoup.com: List your car free of charge!

SACU now offers access to CarSoup.com, a benefit for SACU members. CarSoup.com is an online automotive site that provides consumers with the ability to buy, research and sell vehicles. SACU members can sell their vehicles for free – that’s right, **FREE** – by simply logging on to CarSoup.com and clicking on the *Sell* button. Use “SACU” as the coupon code to get the basic listing, a \$25 value, which includes one photo and a detailed description. The car will be listed on the Web site until it sells.



Save time and money on tax preparation

We're pleased to offer our members discounts on two leading tax preparation services:

1. Try TurboTax Online Federal Free Edition or Save 10% on TurboTax Online Deluxe:

As a valued member, you can now discover just how easy tax prep can be for FREE with TurboTax Online Federal Free Edition. Or choose TurboTax Online Deluxe to maximize your deductions and save 10%. Either way, TurboTax is the easiest way to get your maximum refund. Guaranteed.

Member Savings: 10% Discount on TurboTax Federal Deluxe

2. Relax and Let a Local Jackson Hewitt Tax Professional Handle Your Taxes:

Preparing your own taxes can be a complicated and confusing process. At Jackson Hewitt Tax Service, you'll find trained tax preparers who understand your income tax situation. The preparers will address your concerns and answer all of your tax questions with professional, friendly service. Print your \$30.00 discount coupon by visiting sacu.com or simply mention Coupon Code H2TFT when your tax preparation is complete.

Member Savings: \$30.00 Discount on Jackson Hewitt Tax Prep Services



Whether you prefer to self-prepare online or work with a tax professional, we have a solution for you. To get started today, visit our website at sacu.com or call 1-800-234-1040 to locate a Jackson Hewitt office near you.



Live wirelessly ever after with a Sprint discount plan

SACU members now qualify for great savings from Sprint Nextel, whether you are a new or current Sprint Nextel customer.

- **10% off most regularly priced Sprint Nextel service plans**
- **Waived activation fee on all new lines**
- **Waived upgrade fee**
- **National rates with no roaming and long distance charges**

New and existing customers can call **877.SAVE.4.CU** (877-728-3428) and tell them you're a "**Credit Union Member.**" Ask to be attached to the NACUC_ZZM Corporate ID or visit: www.SprintSave4CU.com.

Launch your savings with the new Sprint discount plan today! You can also visit your nearest Sprint store for more information.

IRA Conversions to Roth Available in 2010

Starting in 2010, ROTH IRA conversions from traditional IRAs will be available to all taxpayers regardless of income. Under the new law, taxpayers who convert in 2010 can also elect to pay the federal income tax due in two equal installments over the following two years.

Roth IRAs may be appealing to retirees because they offer tax-free withdrawals, and minimum distributions are not required during the account owner's lifetime. However, it may not be beneficial to convert to a Roth IRA unless other funds are available to pay the taxes. If you need to use some of the assets in the IRA to pay the taxes, this could trigger an early withdrawal penalty on those assets and create an even greater tax burden.

For specific tax advice, please consult a qualified tax professional.