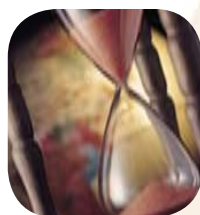


# Advantage

*Sharing Financial Success...Inspiring Dreams!*

Quarterly  
Newsletter  
for Members  
of Magnolia  
Federal Credit  
Union

3rd Quarter 2009



## Mark Your Calendar

**Magnolia  
Federal Credit  
Union's 75th  
Anniversary  
2010 Annual  
Membership  
Meeting**

**Tuesday, January 26**  
Hinds Community  
College, Rankin Campus

## The New 'Good' FICO Score Jumped from 720 to 760

**B**EFORE THE CREDIT CRISIS AND SUBPRIME MELTDOWN HIT, YOU PROBABLY COULD GET THE BEST interest rates on a mortgage or loan with a credit score of 720 or more. But times have changed.

The "new reality" of today's economy says a 760 credit score is the new 720.

Your credit score is one of the most important numbers in your financial life. A credit score is a three-digit number that shows credit card companies, auto lenders, mortgage lenders, and even some landlords and prospective employers a picture of your creditworthiness. The higher the credit score the better.

*Your credit score is  
one of the most impor-  
tant numbers in your  
financial life*

Now there's a new "high," and for some consumers, it may be tough to make the grade.

A FICO credit score—used by many lenders—ranges from 300 to 850. If you have a favorable debt-to-income ratio and a score between 650 and 850, it's likely you'll qualify for a home loan with no problem. But the best rates are now reserved for those near the top tier of that range.

To improve your credit score, use common sense and start with three simple changes:

■ **Pay on time.** About one-third of your score is based on whether you make



on-time payments to creditors. Late payments will come back to haunt you and can cost you tens of thousands of dollars in higher interest payments over the life of a mortgage.

■ **Pay down balances.** Know your total line of credit, which is the top limit or ceiling amount you can charge without paying over-the-limit charges. Try not to charge more than 25% of that total line of credit. By keeping your utilization rate below 25%, you'll ensure that lenders likely will see you as a good credit risk.

■ **Don't cut up old cards.** About 15% of your credit score is based on length of your credit history. Cancelling those cards cuts short your history of responsible credit usage, and it also increases your utilization rate when your total credit line drops.

Order your credit score from [myfico.com](http://myfico.com) or from [annualcreditreport.com](http://annualcreditreport.com).

For questions about credit scores or loan requirements, contact a loan representative at Magnolia today!

By Steve Pollman

IT HAS BEEN A REMARKABLY BUSY, BUT SUCCESSFUL, QUARTER HERE AT MAGNOLIA FEDERAL Credit Union. Through June 2009 we had grown to nearly \$86 million in Total Assets.

## 2009 Shaping Up Nicely

In June we funded over \$3 million in new loans to members, which breached a new high mark in lending activity. Our new account activity was equally robust bringing our total membership to 13,128. This represents an increase of over 500 new members since year end. We are busy, but our member satisfaction surveys continue to indicate that we are meeting your needs.

The staff and management here at Magnolia FCU are excited about the future, because big things are coming soon, which we believe you will appreciate. We are expanding...not just in membership, but also in the services and variety of products that we will have to offer our current and future members.

We've heard you ask for better communication between our institution and your family. We've heard you ask for products that help your money work harder and smarter for you.

We've heard you ask for products that are more relative to your lifestyle and interests. We've heard you ask for products that enable you to make a difference to those organizations and individuals about whom you care most deeply. I'm glad to report that, not only have we listened, but in the near

future we will be delivering products and service offerings that address each and every one of these issues.

We recently installed a self service coin counter in our main office. For a small processing fee, which the credit

*We are expanding...not just in membership, but also in the services and variety of products that we will have to offer our current and future members.*

union will donate to a local community cause, you now can bring in bulk coin, instead of having to hassle with rolling it yourself.

In September, you'll see a new and improved web site, complete with easy to understand product information and expanded member service capabilities. These capabilities will include the ability to actually open and fund new accounts online—without ever having to visit the credit union.

In October, we'll begin introducing a series of innovative checking and savings account options that will enable you to save more, do more, and get more for



your money—all while you go about the normal process of handling your day to day personal finances.

Stay "tuned" for more information about things to come, because we're going to be "giving" more back to you and our great community in which we all live and work. You'll soon see, as never before, that *Magnolia FCU is the perfect place*, with a terrific variety of products to meet the needs of your entire family—from grandparents, to parents, to children—to *do your primary banking*.

**Magnolia Federal Credit Union... beyond banking, helping member-owners succeed.**



### 2009 Holiday Closures

**Labor Day**

■ Monday, September 7

**Columbus Day**

■ Monday, October 12

**Veterans Day**

■ Wednesday, November 11

**Thanksgiving**

■ Thursday, November 26

**Christmas Eve**

■ Thursday, December 24, closing at 1 p.m.

**Christmas**

■ Friday, December 25

### Management Staff

**Steve Pollman**, President/CEO | **Gigi Williams**, Vice President, Finance | **Joe Rice**, Vice President, Lending | **Lanet McCrary**, Vice President, Marketing & Business Development | **Katie Nelson**, Vice President, Operations | **Carol Warren**, Vice President, Administration | **Alena Williams**, Head Teller | **Enith Alicea**, Member Services Director

**Employment Anniversaries**

The following employees celebrated employment anniversaries during 2nd quarter 2009:

**April**

- Enith Alicea, 5 years
- Debbie Kennedy, 3 years
- Terry Simmons, 3 years

**May**

- Annette Wade, 7 years
- Dolores Hughes, 5 years
- Lisa Robertson, 5 years

**June**

- Amanda Colvin, 2 years

# Getting Student Loans During the Credit Crunch

In these post-mortgage-meltdown days, when a new financial crisis seems to loom daily, it still is possible for young people to get the loans they need for college. When it comes to federal loans, recent legislation has helped keep funds available.

To apply for federal aid, you'll need to complete the Free Application for Federal Student Aid (FAFSA) at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). After you submit the FAFSA, your college will tell you what school aid and federal financial aid is available to you.

Your first step should be to contact your college's financial aid office. They'll help ensure you get as much free money—grants and scholarships—as possible before you borrow. And they'll ensure you get as much in federal loans as possible. You can, and should, also search for grants and scholarships from other sources.

Federal loans are the cheapest, and in some cases the government subsidizes the loans by paying the interest while you're in school. You also can defer payment of federal loans while you're in school, and even

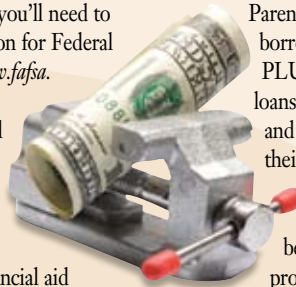
after graduation under some circumstances, such as a job loss. You can use extended payment plans, too, if necessary.

Lower-income students can get Perkins loans, and any student can get Stafford loans, regardless of their credit records.

Parents of undergraduates can borrow through the federal PLUS loan program. PLUS loans require a credit check, and lenders have tightened their credit criteria. They're still easier to get than private loans, though, because the law includes provisions for parents who have fallen delinquent because of medical bills or certain other circumstances. And if a parent is denied a PLUS loan, the student can get additional Stafford money.

Be sure to list Magnolia Federal Credit Union as your lender (Lender Code #821715) on all your student loan applications.

Contact Magnolia for all your back-to-school needs. We'll help turn your education dreams into reality!



## Send Them Back to School in Style!

Used Auto Loans as low as **4.75% APR\***

Back to School loans as low as **8.00% APR\*\***

Apply online, give us a call or stop by!

**Student Education Loans**  
Simply apply at your college financial aid office and give them Lender Code #821715.

All loans are subject to credit approval. Rates expressed as Annual Percentage Rates. The APR you receive may be greater. Other restrictions and limitations may apply.

\* The Annual Percentage Rate (APR) you receive will be within the range of 4.75% and 14.0% and is based on your credit-worthiness. The "low as" rate includes 0.25% Net Check Direct Deposit loan rate discount. Please ask for the rate that you qualify for. Rate subject to change without notice.

\*\* The Annual Percentage Rate (APR) you receive will be within the range of 8.00% and 17.75% and is based on your credit-worthiness. The "low as" rate includes 0.25% Net Check Direct Deposit loan rate discount. Please ask for the rate that you qualify for. Promotional rate effective 07/01/09 through 08/31/09.



## Free Workshop: Take Charge: Wise Use of Credit Cards

**Thursday, August 20 5:30 p.m.**

*Main Office Board Room  
240 Briarwood Drive*

Space is limited so register today by calling 601.977.8300 or email [education@magfedcu.org](mailto:education@magfedcu.org). Visit [www.magfedcu.org](http://www.magfedcu.org) for more information.

## 2009 Scholarship Winners Announced

**M**agnolia Federal Credit Union is proud to announce the two recipients of a \$1,000 2009 David E. "Dave" Bergstrom educational scholarship—**Margaret Cummins** and **Ethan Samsel**.

**Margaret Cummins**, a 2009 graduate of Clinton High School, joined MagFedCU earlier this year. Ms. Cummings will be attending the University of Mississippi in the fall and plans on studying accounting and macroeconomics. She also plans on attending graduate school after college and hopes to help find a solution to our national debt or working with private businesses, banks, or government agencies such as the FBI or U.S. Department of Justice.

**Ethan Samsel**, home schooled from kindergarten through 12th grade, joined MagFedCU earlier this year. Mr. Samsel will be attending

Belhaven College in the fall majoring in political science and business administration. He plans to work on political campaigns of individuals dedicated to insuring Mississippians' individual rights and to someday serve in public office himself.

We would like to thank all of our 2009 David E. "Dave" Bergstrom Scholarship applicants for their efforts, as well as the Mississippi Credit Union Association for serving as our scholarship review committee.



*Pictured left to right: Charles McNair, Board Member; Ethan Samsel; Margaret Cummins; and Steve Pollman, President/CEO.*



### Credit Union Statistics: As of June 30, 2009

- Members – 13,128
- Loans – \$44,843,339
- Shares – \$67,716,172
- Assets – \$85,879,279

### FREE Traveler's Checks!

While supplies last, our entire inventory of traveler's checks is FREE to members!

Don't delay, stop by any Magnolia branch and get your FREE Traveler's Checks, today!

## Coin Counting Machine Now Available at Briarwood

**S**top rolling your coins! Bring them to your credit union instead! For your convenience, a self-service coin counting machine is now available at Magnolia's main office on Briarwood Drive in Jackson.

As an introductory special, no processing fee will be charged now through September 31, 2009!

Beginning October 1, 2009 a processing charge of 2.9% of the coin deposit total will be charged to members (7.9% for non-members)—this

is a bargain compared to the 8.9% charged at most major grocery and retail stores!

In addition, one hundred percent (100%) of the processing charge will be donated by Magnolia FCU to local community causes the credit union currently supports, such as Credit Unions for Kids (Children's Miracle Network) and March of Dimes. So, bring your coins in today and help your credit union give back to our community!

## VISA Travel Card Now Available!

The Prepaid Visa TravelMoney Card is a convenient and secure way to take your money with you when you travel. It's also reloadable up to 3 times and is not "attached" to your other MagFedCU accounts or cards.

In addition, it:

- Can be used at any of the 25 million merchants worldwide that accept Visa debit cards including restaurants and shops;
- Can be used to obtain local currency at over 1 million Visa ATMs around the world—helping you avoid standing in line to exchange foreign currency;



- Is reloadable online from anywhere\*.
- \* See terms and conditions provided with your card for types of funds accepted and for ways your card can be reloaded.*

### ■ Savings Rates

(Effective 08/01/09)

Money Market Shares	
\$500,000+	1.50% APY
\$20,000+	1.40% APY
\$7,500+	1.30% APY
\$2,500+	1.20% APY
IRA Shares	0.75% APY
Regular Share Savings*	0.50% APY
Christmas Club	0.50% APY
Vacation Club	0.50% APY
Share Draft Checking**	0.50% APY

### ■ Certificate Rates

(Effective 08/01/09)

3 Month (\$1,000 min.)	1.50% APY
6 Month (\$1,000 min.)	2.00% APY
12 Month (\$1,000 min.)	2.25% APY
18 Month (\$1,000 min.)	2.30% APY
24 Month (\$1,000 min.)	2.50% APY
30 Month (\$1,000 min.)	2.65% APY
36 Month (\$1,000 min.)	2.70% APY
42 Month (\$1,000 min.)	2.75% APY
48 Month (\$1,000 min.)	2.85% APY
60 Month (\$1,000 min.)	3.00% APY

\* average daily balance over \$100.00  
\*\* average daily balance over \$500.00

Rates expressed as Annual Percentage Yield. For further information about applicable fees and terms, contact the credit union at 601-977-8300 or 1-800-997-7919.

### ■ Loan Rates (Effective 08/01/09)

Automobiles, Motor Homes, & RV's	4.75% to 15.25% APR
Signature, Appliances, Miscellaneous, *Overdraft Protection, & *Line of Credit	8.00% to 18.00% APR
Share Secured	3% above Share Savings Rate
Certificate Secure	3% above Certificate Rate
Home Equity	Call Credit Union for current rates
1st Mortgage	Call Credit Union for current rates
Rental Property	Call Credit Union for current rates
2nd Mortgage	5.00% to 10.50% APR
Visa® Platinum Preferred	Call Credit Union
Visa® Classic	14.00% APR

*\*Refer to credit agreement for additional information. All rates, terms, fees and processing charges are subject to change without notice. All loans are subject to credit approval. Some restrictions may apply.*



240 Briarwood Drive | Jackson, MS 39206

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Standard  
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### In this issue:

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