

LOAN RATES

	Terms	A.P.R.*
New, Pre-Driven and Refinanced Vehicles	24 to 72 mos.	Call for Rates
• Luxury vehicles over \$25,000 can be financed up to 84 months.		
• Boats, Motor Homes, Campers and Trailers over \$25,000 can be financed up to 120 months.		
Unsecured		
Line-of-Credit	Revolving	Call for Rates
Closed-End Signature	Fixed	Call for Rates
Home Loans		
First Mortgage	Fixed/Variable	Call for Rates
Home Equity Products		
Home Equity	Fixed/Variable	Call for Rates
Closed-End 2nd Mortgage	Fixed	Call for Rates
Open-End Equity Credit Line	Variable	Call for Rates
Fully Pledged		
Share Loans	Varies	Call for Rates

*APR - Annual Percentage Rate


SAVINGS RATES

	On Deposit	A.P.Y.*
Insured Money Market	\$25,000 or more	0.30%
	\$2,500 - \$24,999.99	0.20%
IRA Savings	\$50 or more	0.50%
Regular Savings	\$50 or more	0.20%
Christmas and Special	\$50 or more	0.20%
Certificates		
Regular and IRA (Traditional and Roth)		
60+ months	\$1,000 Minimum	1.10%
48 months	\$1,000 Minimum	1.05%
36 months	\$1,000 Minimum	0.75%
24 months	\$1,000 Minimum	0.50%
12 months	\$1,000 Minimum	0.40%
6 months	\$1,000 Minimum	0.20%

*APY - Annual Percentage Yield

- Dividends on Savings Accounts are paid on the average daily balance and compounded and credited quarterly.
- There is a penalty imposed if certificate funds other than dividends are withdrawn before maturity. APY is based on the assumption that dividends will remain on deposit until maturity.

Rates effective as of 7/1/16 and can change without notice. Loan Rates could vary due to Risk Based Lending guidelines. Applications can be taken at any Allegius office, online at www.allegius.org and by calling 219-787-8049 or 800-537-8386 and pressing 3 for loan services.

Federally insured by NCUA 

HOLIDAY CLOSINGS

Labor Day	Monday, September 5
Columbus Day	Monday, October 10

PENSION PLANS & DERISKING

Corporations are transferring pension liabilities to third parties. Where does this leave retirees?

Provided by Brad Werner

A new phrase has made its way into the contemporary financial jargon: derisking. Anyone with assets in an old-school pension plan should know what that phrase signifies.

The derisking trend began in 2012. In that year, Ford Motor Co. made a controversial offer to its retirees and ex-employees: it asked them if they wanted to take their pensions as lump sums rather than monthly payments. Basically, Ford realized it could someday owe these former workers more than its pension plan could pay out. The move was clearly motivated by the bottom line, and other corporations quickly imitated it.¹

If you work for a major employer that sponsors a pension plan, you may soon face this choice if you haven't already. By handing over longstanding pension liabilities to a third party (i.e., a major insurance company), the pension plan sponsor unloads a risky financial obligation.

In theory, retired employees tended this kind of offer gain added flexibility when it comes to their pension: a lot of money now, or monthly payments from the insurer for years to come. Does the lump sum constitute a sweet deal for the retiree? Not necessarily.

If you are offered a lump sum pension payment, should you accept it? Making this kind of pension decision is akin to deciding when to claim Social Security – you've got to look at many variables beforehand. Whatever choice you make will likely be irrevocable.²

What's the case for rejecting a lump sum offer? You can express it in three words: *lifetime income stream*. Do you really want to forego decades of scheduled pension payments to take (potentially) less money now? You could possibly create an income stream off of the lump sum, of course – but why go through the rigmarole of that if you're already getting monthly checks to begin with?

As American longevity is increasing, you may spend 20, 30, or even 40 years retired. If you are risk-averse and healthy, turning down decades of consistent income may have little appeal. Moreover, if you are female you have a decent chance of living into your nineties – and an income stream intended to last as long as you do sounds pretty nice, doesn't it? If you are single or your spouse has very little in the way of assets, this too reinforces the argument for keeping the payment stream in place.

Also, maybe you just like the way things are going. If you don't want the responsibility that goes with reinvesting a huge sum of money, you aren't alone.

What's the argument for taking a lump sum? Sometimes a salaried retiree is in poor health or facing a money problem. If this is your situation, then it may make sense to claim more of your pension dollars now.

On the other hand, you may elect to take the lump sum out of opportunity. You may base your choice on *timing* rather than time.



BRAD WERNER & COMPANY
Retirement and Wealth Planning
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Chesterton, IN 46304

If you want to build more retirement savings, taking the lump sum might be instrumental. Pension payments are rarely inflation-adjusted; maybe you would like to invest your pension money so it can potentially grow and compound for more years before being withdrawn. Maybe your spouse gets significant pension income, or you are so affluent that the pension income you get is nice but not necessary; if so, perhaps you want to redirect that lump sum toward some other financial objective. Maybe you don't want regular income payments this year or next because that money would put you into a higher tax bracket.³

The key is to avoid taking possession of the lump sum yourself. If you do that, your former employer has to withhold 20% of the lump sum (per IRS regulations) and you risk a taxable event. Instead, you may want to arrange a direct rollover, or trustee-to-trustee transfer, of the assets to avoid withholding and a huge tax bill. Through this move, the funds can be transferred to an IRA for reinvestment. In most cases, you need to leave your job (i.e., retire) before you can roll money out of a pension plan.⁴

Consult a financial professional about your options. If you do feel you should take the lump sum, talk to someone before you make your move. If the move makes sense, that professional may offer to help you invest the money in a way that makes sense for your near-term and long-term objectives, your risk tolerance, your estate, and your income taxes. If you feel monthly payments from the usual joint-and-survivor pension might be the better choice, ask if some model scenarios might be presented for you.

Brad Werner may be reached at (219) 929-1234, brad@bradwerner.com or www.bradwerner.com.

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- Citations:
- 1 - tinyurl.com/nucxds [11/23/14]
 - 2 - forbes.com/sites/mikehelveston/2014/04/10/the-big-pension-decision-should-you-choose-a-lump-sum-or-monthly-annuity-payments/ [4/10/14]
 - 3 - consumerreports.org/cro/2014/03/best-pension-payout-option/index.htm [3/14]
 - 4 - nerdwallet.com/blog/investing/2014/rollover-ira/ [9/7/14]

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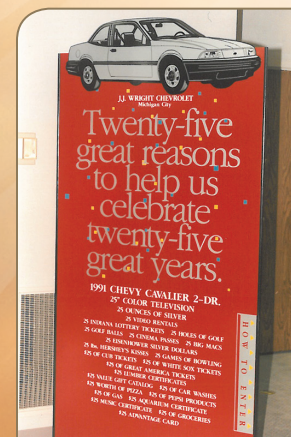
INFORMATION FOR ALLEGIUS MEMBERS

JULY - SEPTEMBER 2016 NEWS

50 YEARS OF THANK YOU'S

Allegius Credit Union wishes to thank everyone who helped us celebrate 50 years of assisting members in achieving their financial goals. From our offices, to the website, to our Facebook page, we tried to make it festive and fun with prizes, giveaways, and handouts. Members and even non-members participated in the eight week promotion to help bring awareness to the region and across the country that Allegius is 50 years strong.

The winners of the prize drawings will be announced shortly. They will be announced via our website and Facebook page, along with the October newsletter.



Celebrating the 25th Anniversary, 1991



Board of Directors, January 1978



Hertz Car Sale at the Burns Harbor Office, May 1990



Burns Harbor Office construction, June 1977

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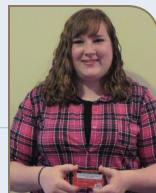


50th Anniversary Weekly and Daily Winners

Thank you to all the members who signed up for home banking and e-statements during the 50th Anniversary Celebration.

The members who won the **weekly** \$50 VISA Gift Card drawings were:

ARTHUR TUESBURG of Wheeler was the winner for our first week drawing. Arthur was unable to stop in to get his card, but in his place, fiancé **BRITTANY KEARNS** came to the rescue. **▶**



▶ KENNY POLITO of Burns Harbor stopped in to pick up his \$50 VISA Gift Card for signing up for online banking and e-statements. His nephew, Kaleb, and niece, Danica, came with him to ensure Kenny knew who to spend the \$50 on.



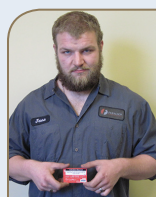
SEAN BERNAL of Hobart was the lucky winner of our third week drawing. Sean said he wanted to save trees. Congratulations to a man who thinks of the environment! **▶**



▶ JASON VEACH from Chesterton recently signed up for e-statements and was very happy he found out he won the \$50 VISA Gift Card. His account was opened back in 1985 when he was two years old.



Another Chesterton resident, **SEAN CANNON**, had his account opened when he was a young boy and now he wants to receive his monthly statements sooner and not worry about the mail. **▶**



▶ JESSIE PULLINS of Michigan City was the latest weekly winner for signing up for e-statements! When he stopped into the Michigan City office to pick up his card, he mentioned how much more convenient it will be to get his statements electronically.

Two winners without pictures are **RACHEL E. of LaPorte** and **LINDA Y. of Hobart**.

Congratulations to all the winners!

For those who visited our Facebook page and entered the **daily** drawings for a McDonald's Free Food item, we appreciate your support:

- **CHRISTINE F. of Hobart:** All Day Breakfast Meal
- **LINDA C. of San Antonio, TX:** Happy Meal
- **KURT G. of Valparaiso:** Breakfast, Lunch or Dinner Sandwich
- **TAMEKA E. of Michigan City:** Healthy Choice Item
- **LORI H. of Valparaiso:** Small McCafé Beverage
- **ANGEL L. of Chesterton:** Dessert Item
- **TERESA L. of Knox:** Small McCafé Beverage
- **MAGGIE D. of Valparaiso:** Healthy Choice Item
- **PATRICIA F. of Valparaiso:** Healthy Choice Item
- **HOLLY G. of Porter:** Breakfast, Lunch or Dinner Sandwich
- **CHRISTINA H. of Lake Station:** Small McCafé Beverage
- **KIP K. from Lake Station:** Dessert Item
- **EDWIN G. from Portage:** Dessert Item
- **DONNA K. from Hobart:** All Day Breakfast Item
- **DEBBIE M. of Portage:** Healthy Choice Item
- **TIFFENY W. of Michigan City:** Breakfast, Lunch or Dinner Sandwich
- **STEPHEN E. of Westville:** Lunch/Dinner Extra Value Meal
- **DELORIA B. of Michigan City:** All Day Breakfast Item
- **JOHN B. of Valparaiso:** Dessert Item
- **MICHAEL S. of Hobart:** All Day Breakfast Item
- **MISTY S. of Portage:** Dessert Item
- **THOMAS J. of Hobart:** Happy Meal
- **SHERRY T. of Chesterton:** Dessert Item

A few McDonald's food item winners have yet to claim their prize.

Food items were sponsored by **Restaurant Management Corporation out of Portage, Indiana**. Allegius would like to thank them for their support!

IMPORTANT – ONLINE BILL PAY UPGRADE

Allegius will be launching a new, enhanced, online bill pay service. Our new system will include features that will make this valuable tool even better, including:

- Full integration within online banking
- Full mobile functionality for your phone or tablet
- Ability to configure email alerts
- Real-time access to checking balance
- Reminders if balance isn't sufficient to pay bills
- A more intuitive, user-friendly experience

In order to roll out the enhanced version, we'll need to temporarily turn off our current It's Me 247 Bill Pay for a short period prior to our upgrade:

From Monday, July 25 to Wednesday, July 27 there will be no access to Bill Pay.

On **JULY 28** we encourage you to log in and check out the new system.

ACTIVE BILL PAY USERS - in the meantime, here is what you need to do:

- Visit Allegius' website at www.allegius.org and/or Facebook to review more documents and information on the upcoming details
- Watch the videos to further enhance your knowledge of the new Bill Pay
- Follow the instructions to save your bill pay information for the new service
- Call for any questions or concerns regarding the upgrade at: **(219) 787-8049** or **(800) 537-8386**

FOR YOUR PROTECTION – HIGHER SECURITY RECOMMENDATION

To protect your Allegius account and your personal data, make a strong password your first line of defense. Most people know that strong passwords are a good idea, but don't realize hackers are becoming increasingly sophisticated at password "cracking." You have to change your password frequently, and stay aware of what techniques hackers are using to steal passwords, if you want to stay ahead of the bad guys.

PASSWORD SUGGESTIONS:

- Use BOTH upper- and lower-case letters, a number and/or one of these special characters: ! @ # \$ % * () - + = , < > : : " ' .
- Make your password long and complex, so it is hard to crack. Between 8 to 20 characters long is recommended.
- To help you easily remember your password, consider using a phrase or a song title as a password. For example, "Somewhere Over the Rainbow" becomes "Sw0tr8nBO".
- Create different passwords for different accounts and applications. If one account is breached, your other accounts won't be put at risk too.
- Don't share your password with anyone else.
- Never enable the "Save Password" option, even if prompted to do so. Pre-saved passwords make it easy for anyone else using your computer to access your accounts.

Be sure to utilize the above information for your username and password for your Allegius Home Banking and Mobile Banking service. If you have any questions, contact Allegius at **(219) 787-8049** or **(800) 537-8386**.

PRIME TIMES TRAVELERS CLUB

Prime Times Travelers Club is specifically designed for active lifestyles of the soon to be or current retired members. Club members are always on the go with many local one-day, regional two-day, or out of the area multiple overnight trips. Come join us! **Family and friends over the age of 21 are invited!**

2016 EVENTS

AUGUST 18 SAUGATUCK, MI

- Tour on the paddle wheel "The Star of Saugatuck"
- Shopping at local merchants offering bargains galore

Per person: \$93

Final payment due July 25th

SEPTEMBER 17 – 23 OTTAWA AND THOUSAND ISLANDS, CANADA

- Tour of Parliament Hill
- Shop at the ByWard Farmer's Market
- Exploring in the Canadian Museum of Nature
- Thousand Island Boat Cruise visiting Boldt Castle, Casino du Lac Leamy, and Basilica of Notre Dame

Per person: \$979 - double occupancy \$1,178 - single occupancy

Final payment due August 3rd

DECEMBER 9 – 12 COUNTRY CHRISTMAS, NASHVILLE, TN

- Lodging at the Grand Old Opry
- General Jackson Riverboat Luncheon Cruise
- Country Christmas Dinner and Show
- Guided Tour of Nashville with visits to – Themed Ice Sculptures, Country Music Hall of Fame, and Brightest Star Fountain Show

Per person: \$915 - double occupancy \$1,228 - single occupancy

Final payment due October 21st

For more information on events visit **www.allegius.org**, see our Facebook page or contact committee members John and Linda Starr at **(219) 778-2736**.



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SERVICE CONTACTS

BURNS HARBOR OFFICE

Eva: (219) 787-6321
Member Support Representative: (219) 787-8049 (press 2)

HOBART BRANCH

Nancy: (219) 787-6141

MICHIGAN CITY BRANCH

Michelle: (219) 787-6161

VALPARAISO BRANCH

Tonya: (219) 787-6184

LOCATIONS

BURNS HARBOR OFFICE

244 Allegius Drive
Burns Harbor, Indiana 46304
Monday - Friday: 7:00 a.m. - 4:00 p.m.
FAX: (219) 787- 9580
ATM: Before ArcelorMittal's Main Gate Entrance
North Wall of BHAA Building

CHESTERTON BRANCH

315 W. Broadway
Chesterton, Indiana 46304

HOBART BRANCH

2027 East 37th Avenue
Hobart, Indiana 46342

MICHIGAN CITY BRANCH

1015 E. US Hwy. 20
Michigan City, Indiana 46360

VALPARAISO BRANCH

175 W. Lincolnway, Suite E (Napoleon Center)
Valparaiso, Indiana 46383

(DRIVE-UP ATM AT ALL BRANCH LOCATIONS)

BRANCH HOURS

BURNS HARBOR, HOBART, MICHIGAN CITY, AND VALPARAISO

LOBBY:

Monday - Thursday: 9:00 a.m. - 5:00 p.m.
Friday: 9:00 a.m. - 6:00 p.m.
Saturday: 9:00 a.m. - 12:00 p.m.

DRIVE-UP:

Monday - Thursday: 8:30 a.m. - 5:00 p.m.
Friday: 8:30 a.m. - 6:00 p.m.
Saturday: 8:30 a.m. - 12:00 p.m.

TOLL FREE (800) 537-8386

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