

NO MATTER WHAT THEY WANT TO BE...

Your Children and Grandchildren Need to be Money Smart

2

2009 BOARD OF
DIRECTORS ELECTION
PROCESS

Understanding the value of a dollar is a critical life skill that children are never too young to learn.

3

REDUCE TAXES WITH A
GIFTING PLAN

Start your child on the right financial path with an NWFCU Youth Club Account. Your child will learn important money management skills and benefit from higher dividends, saving incentives, special gifts, member-only events, and more.

Act now and get a free gift plus a chance to win a \$100 Add-on Certificate.¹

From newborn to college-bound, we have a Youth Club Account geared toward your child or grandchild:

- **Sweet Pea Account** (newborn-3 years)² - This custodial account allows parents or loved ones to establish savings for babies and toddlers. Account holders will receive a welcome kit with special mementos to commemorate their Sweet Pea's early years.
- **Westies Kids Club** (age 4-8) - Westie, our lovable West Highland Terrier mascot, makes learning about finances fun! Kids will get a special membership kit, a prize machine token with every deposit, and a plush Westie dog after their first 10 deposits. Plus, they'll enjoy a website designed just for them!
- **Plan-it Now** (age 9-12) - We'll welcome tweens with a membership toolkit to

help them track their savings, and reward them after their first 10 deposits with a Go-Pouch to carry their cash, music player or phone. Plan-it Now's website features games and news to entertain and inform them about money matters.



Open a new Youth Club Account by October 31 and get a free gift plus a chance to win a \$100 Add-on Certificate.¹

- **First Rewards** (age 13-17) - Teens will receive a money slideguide with tips on goal setting, budgeting, credit and smart shopping. To reward them for saving, we'll give them a \$25 bonus³ once their account balance reaches \$500.

To open a Youth Club Account, stop by any branch or visit www.nwfcu.org and search *Youth* to download, print and return an application.

¹ Offer is available through 10/31/08. The \$100 prize will be awarded to the adult sponsoring member. Must be 18 years or older to enter. No purchase or transaction required. Youth Add-on Certificate giveaway prize will be dispersed as a one-time \$100 deposit in the winner's NWFCU primary share account. Visit www.nwfcu.org for complete details and contest rules. Prize is subject to IRS reporting.

² A separate application is required to open a Sweet Pea Account because the account is opened under the custodian's name. Contact NWFCU for a Sweet Pea Account brochure and application.

³ First Rewards members will receive \$25 as a bonus when their savings account balance reaches \$500. The \$25 bonus will be funded to the member's savings account by close of business on the first day the balance reaches \$500. Offer available to new members only and limited to one bonus per member. The bonus will be reported on the member's year-end 1099-INT statement.

NEED A LOAN? WE'RE HERE FOR YOU.

Even in this ever-tightening credit climate, we still have money to lend. We are, and always will be, a lender you can trust.

Check out our low rates on auto loans, unlock the door to home ownership with a mortgage, or consolidate bills with a signature loan.

Whatever you need, we have the funds to make it happen. Apply today!

Online: visit www.nwfcu.org

By phone: 703-709-8901 or (1-866-709-8901 toll-free)

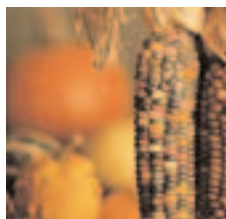
In person: visit any branch

You Have the Power to Make a Difference

Get involved. Stay informed. Make a Difference.

WELCOME NEW MEMBERS

Base Technologies



HOLIDAY CLOSINGS

Columbus Day

Mon., October 13

Veterans Day

Tue., November 11

Thanksgiving

Thur., November 27

Offices will be open during normal business hours on Friday, November 28.

MARK YOUR CALENDARS

International Credit Union Day

Thurs., October 16
Stop by any NWFCU branch on this day for a special treat (while supplies last).

Finding and Financing a Home in Today's Market

Sat., October 18 or Sat., November 15
9:00am-11:00am
Register at www.nwfcu.org or call 703-709-8921, option 7.

Seminars will be held at our Herndon branch.

Whether it's casting your vote for the Board candidate of your choice or throwing your own hat into the campaign ring, I encourage you to take an active role in our annual election.

In 2009, we will have three seats to fill on NWFCU's Board of Directors. The Nominating Committee will produce a slate of qualified candidates to run and individuals can add their names to the ballot by petition. Those elected will serve 3-year terms as volunteers working closely with credit union executives, guiding and overseeing NWFCU operations.

Board of Directors

NWFCU's Board is comprised of 9 volunteers who represent the membership and set credit union policy and strategy. Board members meet for 2 hours each month at our Herndon headquarters; attend an annual strategic planning session; and serve throughout the year on one or more of the following committees: Financial Management, Technology, Strategic Planning, and Governance.

Eligibility

If you'd like to volunteer your time and talents to help NWFCU chart its course, you can submit your name to our Nominating Committee for consideration as a 2009 Board candidate. Eligible candidates must be:

- NWFCU members in good standing
- 18 years of age or older
- Available to attend monthly meetings
- Able to hold a valid security clearance
- And have integrity, strong communication skills and sound judgment

Members with experience in economics, law, budget/finance, technology or program management are always an asset on the Board, however, I encourage eligible members with diverse backgrounds in other areas of expertise to consider this opportunity as well.

Nominations

For more information about the election process, visit www.nwfcu.org and search *Election*. To receive a nominee packet, submit your contact information and a member of the 2009 Nominating Committee will contact you. The deadline for submitting your name for nomination is November 6, 2008.

Thomas Conroy
Chair, Nominating Committee

KEY DATES FOR NWFCU'S 2009 ELECTION

November 6: Deadline to submit names to Nominating Committee

December 15: Nominating Committee presents slate of candidates to the Board

January 23: Deadline to request a petition for nomination

February 23: Final day NWFCU can accept petition from nominees

March 16: Ballots mailed; online voting begins

April 13: Deadline for ballot returns; online voting ends

April 18: Election results announced at NWFCU's annual meeting at our Herndon branch

TAKE CONTROL TO HAVE YOUR WISHES CARRIED OUT

Combat Estate Taxes with a Strategic Gifting Plan

Regardless of your net worth, having a basic estate plan is vital.



An effective estate plan will ensure that your wishes and financial goals are met after your death. It should consist of a will, trust, power of attorney and a living will. However, one component of a comprehensive estate plan—gifting—can benefit you now, by reducing the size of your taxable estate, and even resulting in income tax savings.

Gifting enables you to transfer property before your death, allowing you to accomplish a number of goals. You may help finance higher education, offset medical bills, or support a favorite charity. By reducing the size of the estate that must pass through court administration, gifting essentially cuts probate costs and federal estate taxes. In addition, gifts of income-producing property can shift income from one family member to another in a lower tax bracket.

There are two easy ways to give gifts tax-free and reduce your estate. The first is to transfer property, such as real estate, stocks, bonds, certificates of deposit, or cash. You may give up to \$12,000 a year to an individual (or \$24,000 if you're married and giving the gift with your spouse) without having to pay the federal gift tax. In

addition, the recipient does not have to claim the gift as income. You may also pay an unlimited amount (tax-free) of medical and education bills for someone if you pay the expenses directly to the institutions where they were incurred.

Donate to your favorite charity and your gift can keep on giving. Contributions made to a qualified charitable, religious, educational, or government agency are exempt from the gift tax, and the funds can be invested to grow tax-free. Plus, you'll likely walk away with a nice tax deduction.

Giving away property may sound easy at first, but a number of laws, taxes, deductions, exemptions, and limits make it anything but simple. For assistance, contact a Northwest Financial representative at 703-810-1072, ext. 110 or contact@nwflc.com. They can help you create a gifting plan that will maximize tax strategies and help you accomplish your personal goals.

Access to securities and insurance products offered through Northwest Financial Group, a registered broker/dealer, member FINRA/SIPC, and a subsidiary of Northwest Financial LLC. Securities and insurance products offered through LPL Financial and its affiliates, member FINRA/SIPC. LPL Financial has contracted Northwest Financial Group to refer securities and insurance business to LPL Financial. Not NCUA insured. No credit union guarantee. May lose value.

Certificate Enhancements

Now you can choose whether to receive your Share and IRA Certificate dividends monthly, quarterly or annually. And, you can build your Add-on Certificate savings faster by setting up automatic transfers from any account (NWFCU or another financial institution).

For details, visit www.nwfcu.org or contact our Call Center at 703-709-8901 or 1-866-709-8901 (toll-free).

UPCOMING SEMINAR

Deciphering the Long-Term Care Code

Wed., October 22
5:00pm – 6:30pm
Herndon branch

NW Insurance Agency, a subsidiary of Northwest Financial LLC, will present this seminar detailing the factors involved in planning for long-term care. Topics include the evolving need for long-term care as well as the cost considerations and tax incentives of long-term care insurance. To register, visit www.nwflc.com; contact@nwflc.com; or call 703-810-1072, ext. 109.

IS YOUR CAR PAYMENT MORE THAN YOU CAN HANDLE?

Bring us your loan from another lender and save!

Our rates are likely lower than what you pay with another lender and when you refinance your vehicle with us, we'll give you a cash rebate up to \$100.* For details and to apply, visit www.nwfcu.org and search *auto refinancing*.

* \$100 rebate is paid on loans greater than \$10,000; \$50 paid on loans \$5,000 to \$9,999.