



Idahy MoneyLine

Federal Credit Union

October 2008

Home Equity Rates Starting At

4.00% APR*



Idahy's Home Equity rates are low and now is the time to take advantage of your largest asset - your home! You can get started on your home improvement projects before the snow flies with Idahy's no-fee Home Equity Line of Credit.

There are many ways for you to benefit from the equity in your home. You may want to take that family vacation you have been dreaming of, help a child prepare for college expenses, or consolidate your high interest debt and increase your monthly cash flow. Speak with an Idahy loan professional today to discover the many ways to use the equity in your home.



*Annual Percentage Rate, Certain Terms and Restrictions Apply

The Power of Compounding Interest

Compound interest is the concept of adding interest back to principal. The members' accounts then earn interest on top of the interest added back to principal. Compound interest is a powerful tool for financial planning.

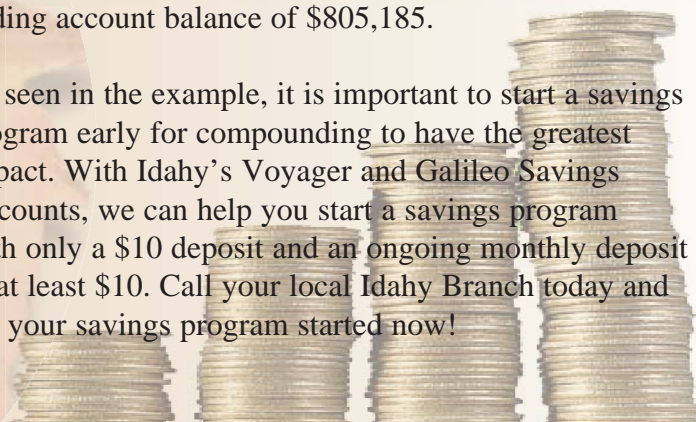
The following example helps to illustrate the advantage of saving early, allowing compound interest to exponentially increase the value of your savings.

John started a savings account when he was 19 years old. He contributed \$2000 to his IRA each year until he turned 27.

Jack did not begin saving until he was 27 years old. Jack contributed \$2000 to his account from age 27 until age 65 when he retired. Both John and Jack's accounts earned 10% and compounded annually.

Upon retirement, Jack and John's accounts were quite different in value. John, who had only made \$16,000 in contributions to his account, none of which took place since age 27, found that his balance had reached \$1,019,160. Jack, on the other hand, had made a total of \$78,000 in contributions to his account, but had earned less with an ending account balance of \$805,185.

As seen in the example, it is important to start a savings program early for compounding to have the greatest impact. With Idahy's Voyager and Galileo Savings Accounts, we can help you start a savings program with only a \$10 deposit and an ongoing monthly deposit of at least \$10. Call your local Idahy Branch today and get your savings program started now!



Idahy Branch Locations • Call Toll-free (800) 877-3174

Rose Branch • (208) 344-7948
1010 N. Rose Street, Boise

Coeur d'Alene Branch • (208) 667-9199
1839 N. Government Way, Coeur d'Alene

Online Branch • idahy@home
www.idahy.org

Emerald Branch • (208) 947-0123
9769 W. Emerald Street, Boise

La Grande Branch • (541) 963-2632
1502 N. Pine, Ste. 3, La Grande

MemberLine (phone) • (208) 344-7932
Toll-free (800) 503-9010

Special Meeting of Membership in October

A Special Meeting of Idaho's members will be held this Fall in Boise. The purpose of the meeting is to discuss and vote on a proposed change to Idaho's Charter to convert from a Federal Charter to an Idaho State Charter. All Idaho members eligible to vote on business matters of the credit union will be mailed a packet of information with a ballot and details about the meeting.

Over the past few years, Idaho's Board of Directors and management have discussed ways for Idaho to grow and offer an expanded array of products and services. One such strategy is to explore the possibilities of changing Idaho's charter. The Board and management of Idaho have carefully evaluated all of the benefits, and any potential challenges, of a charter conversion. As a result of their efforts, the board and management of Idaho unanimously support converting to an Idaho State Charter. The primary reasons for recommending the conversion are: to allow Idaho to offer membership to more consumers in our communities through an expanded field of membership; and to gain the ability to provide members an expanded array of products and services beyond what our current federal charter will allow.

Idahy continues to be a leader amongst our peers in both financial soundness and capitalization (recently recognized by BauerFinancial* with their top "Five Star Rating"). As an Idaho State-Chartered Credit Union, your money at Idahy would continue to be insured, as it always has, through the NCUSIF, which is backed by the National Credit Union Administration (NCUA). We would continue to be examined regularly by federal examiners as we now are, and in addition, by the Idaho Department of Finance.

It is important that each member review the information in the packet and vote per instructions in the packet, either prior to, or at the Special Meeting. If you have any questions or concerns about the charter conversion, we encourage you to call or visit our website and read through our Frequently Asked Questions About Charter Conversion page.

*Rating information obtained from http://www.bauerfinancial.com/btc_ratings.asp?q=cu 09/11/2008)

Membership = Safety and Security

Credit unions promote community values by bringing people together who have a common bond and then offering services which are mutually beneficial to them and the credit union.

As a credit union member, you are part owner of the credit union. You are able to vote on how your credit union does business. Credit unions do not answer to stockholders. We answer to you - the owners and members.

Idahy's sound lending practices help to ensure your financial safety. We offer the right products and services based on your needs - not profit.

Your deposits at Idahy Federal Credit Union are insured by the National Credit Union Share Insurance Fund (NCUSIF) up to \$100,000 per individual. If a person has more than \$100,000 at any single credit union, several options are available for additional coverage. Retirement accounts are insured up to \$250,000. Retirement account insurance protection is separate and apart from insurance coverage on other credit union accounts. The NCUSIF is administered by the National Credit Union Administration (NCUA), an agency of the federal government.

Visit www.idahy.org and click on Products & Services, Share Savings, Share Insurance Estimator to determine your current account coverage.

Traditional or Roth IRA, Which one is right for you?

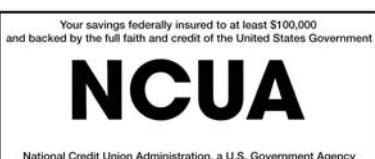
So, you are ready to start up that retirement account everyone has been telling you to get. What type of IRA is best for your personal financial situation? Traditional and Roth IRAs are both created for a specific purpose and each have their unique benefits.

Here are some of the most significant differences:

Terms	Traditional IRA	Roth IRA
Maximum age limit to contribute	70 1/2	None
Taxation of contributions	Fully Deductible*	Non-Deductible
Taxation of earnings (after age 59 1/2)	Subject to federal income tax	Free from federal income tax
Required minimum distributions after age 70 1/2	April 1st, the year following 70 1/2 birthday	No required distributions

*must meet certain requirements

For more information about how Idahy can help you get started with an IRA, visit your local Idahy Branch or find us on the web at www.idahy.org.



www.idahy.org