

A LETTER FROM THE CEO

If you don't talk to your children about money who will?

Most school districts don't teach a course in personal finance management. That places the burden of teaching our children about how to manage their money squarely on the home front. According to a recent report by Sallie Mae (the nation's leading provider of student loans) the average college senior carried \$4,138 in credit card debt last year. It's not surprising to learn that 84% of undergraduates also indicated a desire for more education on financial management topics.

Sb1 provides money management advice geared to young adults.

Every quarter Sb1 mails all our members between the ages of 15 and 25 a co-branded edition of Brass magazine. Brass is a publication aimed at discussing important financial matters with this young adult demographic. The magazine provides relevant articles for our younger members on topics such as credit card management, investing and purchasing a first home.

Generation-Y looks to family and friends for advice more than previous generations.

Raised in an age of expanding media options that constantly bombard them with advertising, this generation has grown skeptical of traditional marketing messages. They've adapted by placing a

higher importance on the word of mouth recommendations shared by their friends and family. Generation-Y is also more reliant on their parents for financial support than any other generation before. This extra guidance and support all adds up to a bigger role for today's parent.

Sb1 can be that trusted advisor for you and your family.

Contact Sb1 to discuss financial issues as they arise by calling us toll-free at 800.806.9465 or visiting us online at sb1fcu.org.

Brass can help you start the conversation about money management.

Keep an eye out for the next edition of Brass set to arrive in November. It's a great opportunity to start a discussion with your young adult on a variety of financial topics. And in the meantime, be sure to check out all the archived content featured in Brass on our co-branded website. The link can be found under the "Youth" tab of the Sb1 website, sb1fcu.org.

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What's text?

Now you can send text messages to Sb1 to get general questions answered. To ask about personal account information please use NetBanker's Communication Center or to view your accounts from your web-enabled phone logon via Mobile Banking at sb1fcu.mobi.

sb1fcu.org
mail@sb1fcu.org

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Equal Housing Lender



MoneyTalk

FALL 2009



There are several reasons to save with Sb1.

Better rates.

Without having to provide a profit to external stockholders, we can afford to pay out higher than average rates.

Less hoops to jump through.

We're members just like you. We like to keep things simple. We don't require you to sign up for a package of products to earn a decent savings rate. With Sb1, what you see is what you get.

Keeping minimum requirements at a minimum.

Without the pressure of paying out a dividend to stockholders, we don't need to push minimum balance requirements higher and higher like many banks.

Fewer fees.

We tend to charge fewer fees than most other institutions. And the ones we do charge ultimately benefit you by discouraging costly habits by your fellow members.

Transfer your savings into Sb1's 15-month term Share Certificate to earn one of the highest rates in the country.

Get a high rate on a short term when you open a new 15-month Share Certificate/IRA with Sb1.

For a limited time, you can take advantage of this special term offer to start earning more.

Apply today to take advantage of this special Certificate.

Share Certificate applications are available online at sb1fcu.org.

*APY = Annual Percentage Yield. Rates effective as of 10/1/2009. Rates subject to change at any time without notice.

Term	APY*	Required Minimum Balance
15-month	2.00%	\$500
15-month	2.25%	\$10,000



Make saving easy on yourself.

Changing habits is hard. How many times have you tried to change something in your life, whether it be a bad habit or getting into a new routine, and failed? Changing is hard for most of us. And since the average American hasn't been saving for the past several years starting to save again is going to be a change for most of us.

The easiest way to change is by NOT changing.

The next time you are set to receive a pay raise or finish paying off a loan, keep your income distribution at the same level. Don't get used to spending the newly available funds. Instead put the new money into an Sb1 Savings Account.

Saving takes discipline, but why not make it as painless as possible.

Make saving automatic with Direct Deposit and Payroll Deduction. By automatically deducting the new funds from your paycheck you won't get used to having the extra money.

Take advantage of the tax benefits an IRA provides.

Both the Traditional and Roth IRAs (Individual Retirement Accounts) provide tax advantages other investments simply don't offer. To learn more about these IRAs and to find out which option might be best for you visit Sb1's IRA/Retirement Central. This section of our site provides several online tools to help you decide which type of IRA can help you achieve your goals.

You'll continue to live within your means and after some time passes you will start to see your savings grow.

Contact your Payroll Department now. Here is all the information you need to get started.

- ❖ Sb1's Routing and Transit number: 236087664
- ❖ Sb1's address: PO Box 7480 Phila PA 19101-7480
- ❖ Your member number, found on your statement or at the bottom of your personal checks, followed the two digit account number. For example, if your member number is 12345 and you want your funds deposited into your Savings Account (01) you would use 1234501, or to have your funds deposited into your Checking Account, you would use 1234502.

And, to set up automatic distributions between your Sb1 accounts, use Sb1's payroll distribution form available at sb1fcu.org/directdeposit.

Changing jobs? Looking to rollover a 401k plan?

Retirement Central is a great resource offering you financial advice for various stages of life. Check out the "Life Stages" section today when you visit Retirement Central under the "Tools & Resources" tab of our website, sb1fcu.org.

Resources for better money management.

Get advice for managing your finances anytime online with Sb1's Financial Management Center. This interactive site can help you better define your own goals and objectives to develop financial strategies suited to your needs and risk tolerances.



Financial Management Center covers a full range of topics including:

- ❖ Retirement
- ❖ College
- ❖ Inheritance
- ❖ Changing Jobs – 401k Planning
- ❖ Getting Started
- ❖ IRA Options

Visit Financial Management Center today online at sb1fcu.org, under the "Tools & Resources" tab.

Needing long-term investment advice?

Sb1's Financial Services Department, available through CFS*, can help you set up a plan. Schedule a complimentary appointment by contacting Diane Badolato by phone at 888.564.4900 or by email at Diane.Badolato@sb1fcu.org.

Sb1's Financial Services Department: Gauging the Road Ahead

With the media reporting an endless stream of economic issues, it is no wonder that many of you may be feeling as if you have wandered into the desert without a map. A good way to gain a better understanding of the current economic situation and major trends is to track certain key economic indicators. Several government agencies gather economic data, conduct analyses and distribute vital statistics to the American public. The public can then use this data to better understand the performance of the nation's economy. With so much data available, it might be more effective to focus efforts on a few main indicators such as gross domestic product (GDP), consumer spending and employment. The Bureau of Economic Analysis (BEA) prepares vital economic statistics such as national income and product accounts (NIPAs) which features estimates of the gross domestic product (GDP).

Two additional government agencies that release key economic data are the U.S. Department of Labor and the U.S. Census Bureau.

Gross Domestic Product (GDP) is the total market value of output produced in a nation in one year. It is the sum of consumer, investor and the government spending (plus the value of exports minus the value of imports). Generally, when the economy experiences two consecutive quarters of decline in GDP, analysts describe that as an economic recession. The gross domestic product is ranked as one of the most influential measures that affect U.S. financial markets.

Personal Income and Consumer Spending

The BEA also releases a monthly report titled the "Personal Income and Outlays Report". This report measures consumers' income, personal savings and how much they are spending. If consumer income is falling then it could mean that consumers are, or soon will be, spending less. Consumer spending a/call GDP. If consumer spending begins to decrease it generally means that the economy may be headed into a recession.

Employment Statistics

Economists closely track the employment reports released by the U.S. Department of Labor (DOL). They use these statistics to gauge whether the economy is growing or contracting. According to the DOL, "these numbers come from a survey of about 150,000 businesses and government agencies, representing approximately 390,000 individual work sites."

Reaching out to Your Credit Union's Investment Professionals

Talk to your investment professional about the financial matters affecting your life. To schedule an appointment with one of our investment representatives, contact Diane Badolato by email at diane.badolato@sb1fcu.org or by phone at 888.564.4900.



Financial Advisors

James T. Tait III

Louise Selsky

Sources: bea.gov and bls.gov.

*Investments products and advisory services offered through CUSO Financial Services, L.P., (CFS), a registered Broker-dealer and SEC Registered Investment Advisor. Investment products: are not NCUA/NCUSIF or federally insured, are not obligations of the credit union, are not guaranteed by the credit union or any affiliated entity, and involve investment risk including the possible loss of principal. Investment Representatives are employees of Sb1 Federal Credit Union and registered through CFS (member FINRA/SIPC).

