

Financial

HORIZONS

2010: The Year Of The Roth IRA

New tax rules for 2010 give more people access to a Roth Individual Retirement Account (IRA). There are two main types of IRAs, Traditional and Roth. Both will help you plan for your future – especially if your company does not sponsor a program such as a 401(k) – and both have **distinct tax advantages**.

An IRA is a personal savings plan that the Internal Revenue Service (IRS) allows you to contribute to yearly. Read the chart below to check which type of IRA is right for you!

**OPEN BY
APRIL 15**

Differences between Traditional & Roth IRAs

Traditional IRA	Roth IRA
Offers tax-deferred earnings	Contributions not tax-deferred, but provides tax-free growth
To contribute: Must have earned income and not turn 70½ by year's end	Contributions limits for both single & joint filers are set by your modified adjusted gross income
Withdrawals will be treated as taxable income	Withdrawals are tax-free
Must begin taking minimum distributions at age 70½, but can start withdrawing at 59½	You can contribute past 70½
If you make a withdrawal before age 59½, income tax and a 10% penalty may apply	If you make a withdrawal before five years of establishing your account or before you reach 59½, income taxes and a 10% penalty tax may apply
The 2010 annual contribution limit for both IRAs is \$5,000 (\$6,000 for individuals age 50 and older).	

New in 2010! Anyone with a traditional IRA (or an eligible rollover distribution from a company plan) can convert that distribution to a Roth IRA, regardless of income or tax-filing status. Although the conversion is subject to income tax now, future withdrawals would be tax free. Confer with a tax advisor to see if converting makes sense for you.

Alliance offers several high-yielding IRA options to provide you with an easy, convenient and powerful way to save for your retirement. Both Traditional and Roth IRA options are available, as well as Coverdell Educational Savings Accounts. For more assistance, call (636) 343-7005, toll free (800) 541-6131, or visit us at one of our offices.

Go to our Web site and use our Roth vs. Traditional IRA calculator!

ALTERNATIVES TO COSTLY OVERDRAFT FEES

Did you know we offer two first-line defenses to help you avoid costly overdraft fees on your Alliance checking account? Here is how it works - if your checking account is short funds to clear a check and your savings account has the funds available, we will automatically transfer the money (plus a nominal \$5 fee) to clear the check. We will even mail you a form notifying you of the transfer. So, having emergency funds on deposit can be the difference between a costly overdraft or a nominal savings transfer fee. Members with a Line of Credit Loan may authorize Alliance to make automatic cash advances to fund a check presented to their checking account – paying daily interest on the credit advance until the principle and interest is repaid can be a money-saving proposition.

A Money-Saving Example

Let's say your washing machine breaks down, and you will not have the money to buy a new one until you get your next paycheck in two weeks! If you buy a \$400 washing machine that day, Alliance will cover the cost through your line of credit. You will only be charged for 14 days of interest on that \$400. At a 12% interest rate, you would only pay \$1.84 to use the funds instead of the more costly \$25 overdraft fee. Plus, your clothes are clean!

Qualified members may simply fill out an unsecured loan application online at www.alliancecu.com, or visit any branch to apply for your Alliance safety net!



Alliance Home Loans: Easy & Affordable

Alliance offers a full line of mortgage products that could significantly lower your monthly mortgage loan payment! Whichever product you choose, we will provide you with honest answers and reliable service that you have come to expect from your credit union. Consistent communication and speed of service is a high priority in all of our mortgage loan closings.

NO CLOSING COSTS

3/1 ARM as low as **3.75%^{APR*}**

5/1 ARM as low as **4.125%^{APR**}**

Offer Ends

Feb. 28, 2010!

Closing costs include flood report, credit report, Alliance processing. Does NOT include appraisal. Rates vary depending on borrower's credit and loan to value ratio. Rates featured are lowest available. APR = Annual Percentage Rate. *2.741% **2.989%. Call for complete details.

We also have competitive rates on our 30-year fixed mortgages. These rates change daily, so please call (636) 343-7005, option 3, to talk to a Home Loan Specialist and discuss how we can save you money today, or apply online at www.alliancecu.com.

We will work with you personally to determine the best loan for your situation!

RV LOANS: DO MORE & SPEND LESS THIS YEAR!

Now you can travel farther and stay longer on the money you'll save with a recreational vehicle loan from Alliance. Ready to cruise the lake in a new boat, see the sights in an RV or speed off on that springtime motorcycle road trip? Either way, an Alliance recreational vehicle loan will allow you to do more and spend less this year!

Benefits include:

- Financing up to 125% of NADA Retail Value
- New and used terms up to 180 months
- No hidden fees or prepayment penalties
- Quick, easy and convenient application!

**Get .25% off
qualifying rate by
mentioning this
article!**

Term	New RV/Boat APR As Low As*	Used RV/Boat APR As Low As*
1-60 Months	6.35%	6.60%
61-84 Months	6.50%	6.75%
85-120 Months	6.75%	7.00%
Term	New Motorcycle APR As Low As*	Used Motorcycle APR As Low As*
1-36 Months	6.25%	6.35%
37-48 Months	6.45%	6.50%
49-60 Months	6.50%	6.75%

*Rates subject to change daily. Offer includes refinances. Contact Alliance for complete details.

SCHOLARSHIP APPLICATIONS NOW AVAILABLE

Get Yours Online Or At Any Branch!

Alliance Credit Union has awarded scholarships totaling more than \$50,000 to many college students over the last 13 years. As part of our continuing support of higher education, **Alliance will award three scholarships of \$1,500 each.** Scholarship funds will be paid to the university in the student's name.

To be eligible, applicants must be Alliance Credit Union members (or the son or daughter of an Alliance member), as well as one of the following:

- A full-time college student
- A high school student who will be a full-time college student in 2010

Applications are available online at www.alliancecu.com/Scholarship.asp. For more information, or to have an application mailed to you, please call (636) 343-7005 or send us an e-mail at talktous@alliancecu.com!

Scholarship application deadline is April 3, 2010!

Presidents' Day

Monday, February 15

The Alliance Fenton Branch and Administrative Office will close from 9 a.m. to 1 p.m. for disaster recovery testing. Normal business hours will resume at 1 p.m. after testing is complete.

All other Alliance offices will be open during regular business hours.



(636) 343-7005 • (800) 541-6131

Tel-A-Connect: (314) 469-3669 (32#) or (800) 382-8340 (32#)

www.alliancecu.com • talktous@alliancecu.com

Fenton
575 Rudder Rd.
Fenton, MO 63026

Office Hours:

Mon. - Thur.9 am - 5:15 pm
Friday8:30 am - 5:30 pm
Saturday9 am - noon

O'Fallon - ATM
1167 Bryan Rd.
O'Fallon, MO 63366

O'Fallon
1051 Hwy. K
O'Fallon, MO 63366

Office Hours:

Mon. - Thur.9 am - 5:15 pm
Friday9 am - 5:45 pm
Saturday9 am - noon

Drive-up:

Mon. - Thur. ...8:30 am - 5:30 pm
Friday8:30 am - 6 pm
Saturday8:30 am - 12:30 pm

Hazelwood
9150 Pershall Rd.
Hazelwood, MO 63042

Office Hours:

Mon., Tues., Thur. 9 am - 5:30 pm
Wednesdayclosed
Friday8:30 am - 5:30 pm
Saturday8:30 am - 12:30 pm

Drive-up:

Mon., Tues., Thur. 8:30 am - 5:30 pm
Wednesdayclosed
Friday8:30 am - 5:30 pm
Saturday8:30 am - 12:30 pm

Jennings
9050 W. Florissant Ave.
St. Louis, MO 63136

Office Hours:

Mon. - Thur.9 am - 5:15 pm
Friday9 am - 5:45 pm
Saturday9 am - noon

Drive-up:

Mon. - Thur. ...8:30 am - 5:30 pm
Friday8:30 am - 6 pm
Saturday8:30 am - 12:30 pm

High Ridge Home Loan Office
320A Emerson Rd.
High Ridge, MO 63049

Office Hours:

Mon., Wed., Fri.9 am - 5 pm
Tues., Thur.10 am - 7 pm
Saturday10 am - 1 pm

