

in your corner

Volume 15 ▪ Number 1 ▪ March 2010

NY020-NEWSLETTER-0310

In this issue:

Cornerstone unveils new look | 1
President's message | 2
Overdraft privileges | 3

Discount theme park tickets | 3
Cornerstone offers loan solutions | 3
Statement Express | 3



Cornerstone
You rate better here.

Cornerstone unveils a brand new look

Cornerstone has a long history of helping our members make the most of their hard-earned money. As we look toward the future, we are introducing a new brand identity that reinforces our commitment to our members, while also reflecting our evolution into a trusted countywide financial institution.

Our new logo is a more contemporary icon that represents our credit union's strength and stability. By shortening the name from Cornerstone Community Federal Credit Union to Cornerstone CFCU, we've also placed more of an emphasis on the word "Cornerstone." We want our members to know they can rest assured that their money is being protected by an institution

that is in a position of strength – a sentiment that is more important than ever in today's day and age.

In addition to the logo, we've also developed a new tag line that reflects our commitment to caring member service combined with fiscal stewardship. "You Rate Better Here" means that not only do we offer our members more personalized and responsive service, but we also offer better rates – quite literally. From Share Savings accounts to auto loans, our rates are consistently superior when compared to those offered by traditional banks.

With all that's going on in the economy, we felt that it was an ideal time to create a new

brand that better reflects our bright future as well as the many benefits offered to our members, most importantly our investment and lending strategies.

"Our rebrand reiterates the fact that we are a member-owned, not-for-profit institution dedicated 100% to the interests and needs of our members," said Cornerstone President and CEO, Ann M. Brittin. "It also emphasizes the atmosphere of friendliness and understanding, as well as our commitment to fiscally safe, sound and secure practices."

Soon you will see our new brand identity on all of our communication materials. ●

President's report



The year 2009 presented a number of challenges to the United States economy, particularly the financial community. Bailouts, foreclosures and layoffs disrupted the way many Americans went about their business and personal lives. Cornerstone Community Federal Credit Union was not immune to these changes, but our sound fiscal practices and dedication to providing our members with the highest quality service has seen us into 2010 in good standing. We thank our members for choosing us to be their financial partner.

We have consistently practiced sound financial strategies and last year was no different. However, losses in the corporate credit union network have had major impacts on the overall credit union system. Specifically, losses felt by U.S. Central Corporate FCU and Members United Corporate FCU forced Cornerstone to write-off \$3.9 million of our Member Capital Shares held at Members United CFCU. This resulted in a depletion of our capital. We regret this loss, but we are confident that we will not experience any future losses of this kind.

Our mission has and will always be to provide the finest financial services and benefits to our membership. Despite the upheaval in the financial marketplace, we, like other credit unions and businesses, have survived the most trying time in the history of Cornerstone. We remain committed to the conservative financial strategies we use in both our lending and Share Deposit programs, allowing us to remain profitable and accountable to our membership.

In 2009, we updated the software on our Online Account Status Information System (OASIS), making it easier than ever to check balances, transfer funds and browse account history from the comfort of a home or business. This year, OASIS will receive an updated look to the log-in

page. Cornerstone's Statement Express, our free electronic statement service, allows members to view monthly or quarterly statements online. It's a fast, convenient and secure way to track statements that is also environmentally friendly.

Cornerstone launched a new Health Savings Account (HSA) program in 2009 to allow members to save for future qualified medical and retiree health expenses on a tax-free basis. We make it easier for our membership to save more in an era of increased health care costs that many times result in out-of-pocket payments. In addition, we will be adding the convenience of debit cards to the HSA program in 2010.

Cornerstone was also happy to celebrate the tenth anniversary of our MEMBERS Financial Services program in 2009. Stewart Conover and David Goldpenny, our MEMBERS Financial Services representatives, continue to deliver outstanding financial planning services through our credit union on a variety of topics including mutual funds, life insurance and annuities. Their services are at no cost and a consultation requires no obligation.*

While many financial institutions cut back on lending last year, Cornerstone did not. We offered many loan programs covering new and used automobiles as well as mortgages and home equity loans. We are proud that our membership looked to us for solutions to their important financial decisions and we are committed to providing solutions for all of their banking needs in one place for years to come.

Cornerstone remains active in the community as well. Once again we sponsored the Molson Canal Concert Series in downtown Lockport, bringing free musical performances to the general public. We offered our scholarship program to provide a number of local students with money for continuing education. Cornerstone was also a

sponsor of the Taste of Lockport, Canal Fest golf tournament, Hunter's Hope Walk for Universal Newborn Screening and the Niagara County Fair.

As we move further into 2010, we are looking forward to many more programs and enhancements that will help us build on our reputation for superior member service, including in-depth training of our staff members. Internally, we will be transferring over to electronic documents from paper forms in the lending and member service areas. Also included with this will be the use of e-signatures and signature pads.

We're looking forward to another year of serving the people of Niagara County as the largest community-wide credit union. There are many uncertainties in today's world, but our membership can be certain that Cornerstone will be there to provide top-notch service and the best financial value possible. We're here for you, so stop in and see how we can help today.

Respectfully submitted,

Ann M. Brittin
President & CEO

*Representatives are registered, securities are sold, and investment advisory services offered through CUNA Brokerage Services, Inc. (CBSI), member FINRA/SIPC, a registered broker/dealer and investment advisor, 2000 Heritage Way, Waverly, Iowa 50677, toll-free (866) 512-6109. **Nondeposit investment and insurance products are not federally insured, involve investment risk, may lose value and are not obligations of or guaranteed by the financial institution.** CBSI is under contract with the financial institution, through the financial services program, to make securities available to members.



Cornerstone offers loan solutions

Planning on buying a new car or making home improvements? Need to consolidate your debts? Count on Cornerstone to provide low-cost credit solutions to meet all of your needs.

We offer loans for new or used vehicles including cars, motorcycles, snowmobiles, recreational vehicles and even airplanes! Cornerstone also has flexible terms and rates on personal loans – great for consolidating high-cost bills into one low monthly payment.

Our home equity loans provide the reliability of fixed monthly payments. You may even select a home equity line of credit that allows for access to credit whenever it's needed at a low variable rate that lowers when the prime rate goes down. Cornerstone offers a variety of mortgage programs at fixed or adjustable rates with affordable monthly payments to best fit your individual needs. Business loans are also available and come with highly competitive interest rates to help local businesses succeed.

Apply online at CornerstoneCommunityFCU.org, call Loans-By-Phone at 716.433.0063, 24-Hour Lending toll-free at 1.888.822.1985 or visit any Cornerstone location. ●

Overdraft privileges keep your account in good standing

Changes in federal regulations have been numerous in 2009. Beginning on July 1, 2010, the Federal Reserve will impose a new rule that prohibits financial institutions from charging overdraft fees on automated teller machine (ATM) and debit card transactions without the account holder's permission. This rule applies to Cornerstone and therefore our members will need to "opt-in" to participate in our overdraft protection program. By taking advantage of overdraft privileges, you can ensure your account will remain in good standing despite exceeding your balance. Members must choose this opt-in program by July 1 for new accounts or August 15 for existing accounts.

Please visit CornerstoneCommunityFCU.org today to learn more about our overdraft protection program, or visit any one of our convenient locations.



Faster account information with Statement Express

Statement Express not only keeps you up-to-date on your account activity, it also helps the environment by saving paper! By choosing to receive your monthly or quarterly statements electronically, you will have all of your account information more quickly than mailed statements, and it's free!

- **Convenience** – See your statement 24 hours a day from the comfort of your home or office
- **Fast** – Electronic statements are generally available several days earlier than printed statements
- **Safe** – No threat of identity theft or financial fraud through mail interception
- **Cost-Effective** – Statement Express saves Cornerstone resources so we can pass the savings back to you
- **Control** – It's your decision! If you prefer having printed statements, you can switch back to them at any time

Enrolling in Statement Express is easy! Just visit CornerstoneCommunityFCU.org and click on the Services menu to choose Statement Express today.

Discount theme park tickets

Spring has sprung. That means the fun-filled days of summer are just around the corner and Cornerstone makes enjoying Western New York more affordable! You can take advantage of discounted tickets for area attractions including Darien Lake Theme Park Resort and Martin's Fantasy Island. These tickets are good any day and are available at all four Cornerstone branches.

Darien Lake
\$24.99 Adults
(ticket includes parking)

Martin's Fantasy Island
\$16.95 Adults
(good any day)

We will once again hold "Cornerstone Days" at Darien Lake on July 24 and August 1. Ticket prices for this special event will be just \$16.99 and can be used on either day!

Ask your teller for more information!



We're conservative, safe and responsible

Credit unions follow conservative lending practices and discourage excessive risk taking. Cornerstone is and continues to be a safe harbor for savings and borrowing. The National Credit Union Administration (NCUA), an independent federal agency that charters and supervises credit union practices, insures members' savings up to \$250,000. In fact, Cornerstone offers the same level of security as FDIC-insured banks. Not one penny of insured savings has ever been lost by a member of a federally insured credit union.

As a member-owned, not-for-profit institution, Cornerstone promises to not take risks with your money and return earnings in the form of lower fees, higher dividends and enhanced savings. You can rest assured that we will continue to put our members first and make decisions that will guarantee a sound, stable financial future for you. ●

Changes in IRAs may benefit you

Did you know that new rules for Individual Retirement Account (IRA) conversions may help you save on taxes? Traditional IRAs provide a tax-deferred way to save for retirement, but there are other options that offer the potential for tax-free savings. You can convert a traditional IRA to a Roth IRA to take advantage of unique benefits.

Prior to 2010, these conversions were available to individuals making \$100,000 or less in modified adjusted gross income, but these limits have been lifted and everyone is eligible to take advantage of the savings. And there's more! Any conversion performed in 2010 can allow taxes due at the time of the switch to be deferred and spread over a two-year time period. The income limitation and tax deferral are available together only in 2010.

Please call a MEMBERS Financial Services* representative at 716.434.2290, extension 3050, with any questions today! ●

Indirect lending

Cornerstone makes it convenient to get a vehicle loan at many nearby participating dealerships. From new and used cars to motorcycles and recreational vehicles, Cornerstone has the right program for you. For a complete list of area dealerships, visit the Indirect Lending page at CornerstoneCommunityFCU.org today.

Annual meeting

Cornerstone's 2010 Annual Meeting will be held on Sunday, April 11, 2010, at 2:00 p.m. at the Cornell Cooperative Extension Building located on the Niagara County Fairgrounds, 4487 Lake Avenue in Lockport, New York. All members are invited to attend.

Good service stories

Have you received outstanding service from a Cornerstone representative? We'd love to hear about it! Share your story by e-mailing the details to info@CornerstoneCommunityFCU.org today!

Your experience may be shared in upcoming issues of "in your corner."

CORNERSTONE LOCATIONS

Main Office

6485 S. Transit Rd. | Lockport, NY 14094
716.434.2290 or 1.800.488.6481

24-Hour Lending 1.888.822.1985

Lockport Office

55 Stevens St. | Lockport, NY 14094
716.434.2290

Middleport Office

5 State St. | Middleport, NY 14105
716.735.7004

North Tonawanda Office

107 Main St. | North Tonawanda, NY 14120
716.694.0295

NIAGARA COUNTY SHARED SERVICE CENTERS

Visit CornerstoneCommunityFCU.org and click on the CU Service Centers link to view all our Shared Service Centers online!

CORNERSTONE HAS WHAT YOU NEED

We're committed to offering you the financial services you need, with the lowest loan rates possible. Ask us today about our current rates on the following or check them out at CornerstoneCommunityFCU.org.

- **Secured Loans** – *Auto, boat, RV, share secured loans, etc.*
- **Home Equity Line of Credit**
- **Unsecured Loans** – *Personal, line of credit*
- **VISA® Classic, Gold and Platinum cards**
- **Share Secured VISA®**
- **Student VISA®**

For more information, visit CornerstoneCommunityFCU.org or call Cornerstone's Loan Department at 716.433.0063.

VITAL SIGNS (AS OF JANUARY 31, 2010)

Capital Ratio	8.733
Number of Members	46,216
Total Assets	\$286,282,667
Number of Loans	26,007
Dollar Amount of Outstanding Loans	\$182,284,539

HOLIDAYS

We will be closed in recognition of the following holidays:

Monday, May 31	Memorial Day
Monday, July 5	Independence Day
Monday, September 6	Labor Day
Monday, October 11	Columbus Day



This Credit Union is federally insured by the National Credit Union Administration.



We do business in accordance with the Federal Fair Housing Law and Equal Credit Opportunity Act.

