

PIPELINE



Serving IBEW Locals 915, 108, 177, 1618, 2358, 1205, 1924 and 222; UA Local 123; Iron Workers Local 397; Sheet Metal Workers Local 15 and 435; Millwrights Locals 1000 and 2411; Boilermakers Local 433 and 199; Machinists and Aerospace Workers Local 731 and District 112; Insulators Local 67; Operating Engineers Local 925; Carpenters Locals 627 and 140; Painters Local 164; and Bricklayers Local 1

2nd Quarter 2009

This May BE The Time To ACT!

PowerNet is putting together more than one timely source of assistance to help those members that have been wanting to buy a house, but just haven't been able to pull it off yet – for whatever reason. There are several reasons that NOW is the time to act so we want to know just how many members and potential members are seriously interested in buying their first house. Here's what we have put together that may be available so far:



Under the economic stimulus plan signed by President Obama on February 17th, first-time homebuyers who purchase a home between January 1 and December 1 this year will be eligible for a tax credit on 10 percent of the value of the home, up to \$8,000. (This is basically free money)! First-time buyers are defined as those

that haven't owned a house for at least three years.

To make this opportunity even better, we are working on tying it into other one-time government programs for down payment assistance – some as high as \$60,000! We are also working on an in-house permanent mortgage program of our own to help our members take advantage of this fantastic, one-time incentive for home ownership by also providing the permanent financing at affordable terms. With property values down so far, now is the time to seriously consider taking advantage of so many opportunities.

If you are interested in moving forward on this opportunity with incentives available like never before, give Jason a call and he will give you more information. Stop wishing for a home and contact us so you can start shopping! Every cloud has a silver lining, this may be yours – if you take action. Our participation will be based on the response we receive from our membership, so if you are interested, let Jason know and we'll go from there.



It's TIME To COMPARE Credit Terms And Fees!

Have you been playing the role of "cash cow" in the credit card marketplace by paying hefty fees and outrageously high interest rates?

The good news is that new consumer credit card legislation has been passed – thanks to the new Congress and administration. The bad news is that it won't be effective until next year and in the meantime, you can expect credit limits to be lowered, fees to increase, and rate increases to ramp up even more quickly – with very little notice – until the law changes. In fact, there's a very good chance that if you have a credit card from someone other than **PowerNet**, it may have already happened to you. Oh, and your rewards program may have drastically changed.

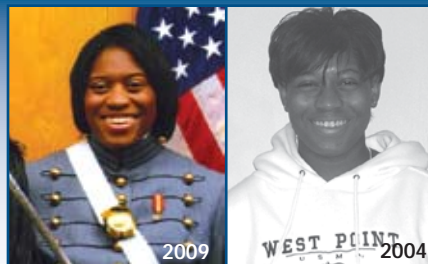
That is, UNLESS you are using **PowerNet's** MasterCard! We do not raise our credit card interest rates retroactively, nor do we raise interest rates based on whether or not you are employed (two recent examples). As for fee structure comparisons, how about over-limit of \$15 compared to \$39; Late fees set at 15% of delinquent amount – up to a maximum of \$20 – compared to a flat \$39; or a maximum interest rate of 18% (as low as 9.9%) compared to an average of 24.9%. Our program is definitely priced differently – because we are here to help you – not to use you as a cash cow to fortify the bottom line of our financials for shareholders.

Compare programs – then you decide.

Geryah WHITE

In the Fall of 2004, Geryah, the third of four children of Local 108 member, Rev. Gerald and Ann Sharkey White, entered the United States Military Academy at West Point with the assistance of Congressman Jim Davis and a \$315,000, 4-year scholarship.

On May 23rd, she graduated from the Academy at West Point and will now enter the U.S. Army as a 2nd lieutenant, with 5 years of obligated service. As we did when she started, we once again wish Geryah great success and Congratulations on such an auspicious accomplishment.



MESSAGE from The PRESIDENT



We Remain Poised To Please!

Just when you think the financial markets are turning around, something else happens. Predictions continue to talk about nearing “the bottom” with “visible economic signs” to prove the point. But then the following day, something changes and predictions take another direction. Does anyone know what is going on?

The truth is, fallout from an over-spending, credit-driven society continues to take its toll. We need to bring back some form of balance to our economy and until that happens, we will continue to hear about more bad news. Just prior to the end of June, the number of bank failures in the country had mushroomed to 40. That compares to 28 in 2008 and just three in 2007. Institutions are buying each other in hopes of getting in line for a “piece of the action.” Major change happens almost daily. That is certainly true within the regulatory framework we are dealing with. Now that the finger-pointing stage is almost over, the new focus is turning to “just because someone is designated responsible for a certain function, that doesn’t necessarily mean that it gets done.” All too true as witnessed through the past failures of our own credit union regulators in the last few years that have drawn the close attention of the White House administration – along with the bankers. The most recent change appears to allow us to spread an industry loss to be expensed by all credit unions over seven years – rather than the single year we were told in March. That will have very positive implications for our June 30 and later financials for 2009.

Chaos is not the case at **PowerNet** – although we continue to make alterations to our business plan and delivery, it is pretty much business as usual. We are still focusing on serving our members – the savers and borrowers – and fortunately, we do have both. The majority of our membership has learned to save for “a rainy day,” because they know that over time, payday isn’t regularly guaranteed. Most of our members have learned to live either within or below their means – not way beyond. It’s just a fact of life as a Union construction professional. As a family



*Tim McMurry, CFP
President*

member growing up in a Union home that lesson was learned and it has proven to be a “saving grace” for many of our members. As a membership, we have somewhat isolated ourselves from the shock of a sudden loss or drop in income by planning for that rainy day – as a part of life. And as we cross the midpoint for 2009, it is still raining – but we are weathering the storm. We are continuing to set earnings aside for growth as both savings and loan balances continue to grow. The cooperative structure embedded in the basic operation of **PowerNet** is working well.

When a member saves and the credit union is able to move those savings into an interest-bearing competitively-priced loan to help another member – generating more earnings for our depositors – it is all for mutual benefit. This is what we are, and have been all about – starting in 1961. The sophistication and size of transactions have changed, but the basics are the same. **PowerNet** is a cooperative effort with people coming together to pool their resources to improve the financial standing of all members in the group. With everyone doing their part, we will remain stronger as a group – **Building \$trength in Unity!**

For many, these are trying times. But through our cooperative structure, we will all be able to weather this financial storm – it will not be raining forever – and together, we will come through this stronger than ever. Some members have experienced some difficult situations, but we are prepared to work with everyone that will work with their credit union – it’s why we’re here. In fact, we have already logged several success stories of positive workouts.

As always during tough times, there are also opportunities for those that have prepared themselves to take advantage of a special deal they may find. As in the old days of plantations and cotton fields, cotton was king. Today, cash is king and there are some amazing deals available to those that can come up with the cash. Some members have orchestrated amazing purchases – at deeply discounted prices because of the current status of the market. If you happen onto a special deal, call us. We can help provide that cash. We’d welcome the chance to help make the best of this time for you!

Founding Father PASSES

It is with sadness that we report the death of Richard (Dick) Moon, one of the original nine members that helped charter our credit union. Preliminary work was done in 1960, then approved and passed into law by the State of Florida in 1961, initially as Electricians Local 2017 Credit Union, then changed to Electricians Local 915, and finally to **PowerNet Credit Union**. Dick proudly served as our first president of the board of directors in those early years and was instrumental in bringing it through its infancy to where we are today.

Born in 1920, Dick passed away June 4, 2009 – leaving behind the legacy of playing a significant role in developing a credit union that currently serves several thousand Union member families that has loaned out more than a quarter billion dollars in loans to our members. His contributions are well appreciated and will not be forgotten.

Looking For Investment Alternatives?

All of us are faced with tough financial decisions due to the current recession. One aspect is that we have seen interest rates near all time lows – including on CD's. People who've been depending on income from their CD's have seen that income drop substantially over the past couple of years.

You need your retirement income to last as long as you do – we understand that. And you would prefer some protection from declining interest rates so your income will stay steady. Also understandable, since a retirement income level that you can count on to provide an income that will be there regardless of current interest rates and economic conditions is certainly preferable to a fluctuating one.

There are alternatives that can provide this type of income protection – a guaranteed* income-for-life withdrawal benefit provided by some of today's annuities. The guaranteed* income



Tom Viezbicke, CFP

balance – the balance from which you take income – will not decline as a result of market performance or declining interest rates (as long as you do not take excess withdrawals). *Keep in mind, these particular guarantees are backed by the claims-paying ability of the Insurance Company providing the annuity policy – they are not NCUA insured, nor do they carry a credit union guarantee. For many portfolios, these can play an important role in your quality of life.

To learn more, and to see if this alternative will work for you, please stop by the Credit Union and visit with Tom Viezbicke, CFP. You can also call Tom at (813) 769-5045. We will continue to provide you the necessary tools to build a solid financial lifestyle.



Reverse Mortgages Can Turn The Tables

If you are over 62 years old, have equity in your home and are having difficulty making ends meet, you can qualify for a special type of mortgage that may be just what you've been looking for. This also works if you need some extra money but don't want to make payments. Or, maybe your parents could use some help. We offer a mortgage loan product that can be a great financial solution in the right situation. For many older adults, this has been the only way to accomplish many dreams. It is rapidly growing in popularity because of all it can do – with no payments. We have recently closed loans for two members – enhancing their financial situations. The product has been around for a long time, but improvements have been made and it is now something we are pleased to offer and expect it to gain in popularity. It's called a reverse mortgage and it has several benefits.

Once thought of as a last resort of desperation to keep a home, it is now becoming a retirement tool that can add to a person's quality of life. It's a loan that turns the equity in a home into cash for retiring bills, remodeling, purchasing a

second home or RV, or even to fund long-term care. It can even be used for that vacation you always wanted to take, but never did.

You make NO monthly payments and you still own your home throughout the entire term of the loan – until you move or the last owner passes away. With several ways to receive the proceeds from a reverse mortgage, you can better manage your financial future and enhance your quality of life. Some of the benefits include:

- No monthly mortgage payments
- Proceeds can be used for anything
- No income qualifications
- No credit score requirement
- Proceeds are tax free
- No risk of losing your home
- Neither you nor your heirs can ever owe more than the market value of your home at the time of sale.

If you are interested and want to get more details on how this may enhance your lifestyle while in retirement, give Jason a call at our Tampa office at (813) 769-2179. He will be glad to answer any questions you may have.

PowerNet Credit Union Privacy Disclosure Policy

Categories Of Information That We May Collect

We collect non-public personal information about you from the following sources: Information we receive from you on applications or other forms; Information about your transactions with us, our affiliates, or others; and Information we receive from a consumer reporting agency.

Categories Of Information That We Disclose

We do not disclose any non-public personal information about our members and former members to anyone, except as permitted by law.

Disclosure As Permitted By Law

We may disclose all the information we collect, as described above, to companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing agreements.

Confidentiality and Security

We restrict access to non-public information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your non-public personal information.

Considering A Vehicle Purchase?

Super Low Rates and Terms



Check with **PowerNet**. We are offering super low vehicle rates to take advantage of all the vehicles "on sale" at financially stressed dealerships. By taking the cash incentive offered and financing with a low rate from **PowerNet**, you save twice! We make these lending offers as we continue to try to increase our loan balances and reduce our investment balances that provide much lower yields. By offering low loan rates, our plan is to increase overall income so we can maintain our savings dividend rates for those that depend on the income generated. This is part of our cooperative structure that benefits all members.

To help increase our loan balances, in addition to our regular low rate schedule, we are also targeting those that have their vehicle loan somewhere else and are current on their payments. We are serious about getting you some help and want your loan with **PowerNet**. By having more of our members' money in our care out in loans, members will benefit in two ways.

We will earn more to pay our depositors and by transferring the loan, the new rate can save the member money every month – a win/win situation. You can help yourself and your fellow member by taking advantage of what **PowerNet** has to offer. Remember, this is your credit union – you are a part owner just like all other depositors.

Check out these special rates for refinancing and purchasing vehicles:

UP TO	RATE
12 months	3.25% APR
24 months	3.75% APR
36 months	4.00% APR
48 months	4.25% APR
60 months	4.50% APR

CALL TODAY AND SAVE!!

Together, we're building
Strength In Unity!

Talk About Green!

Joshua and Julie Barry, two of our members, have recently started construction on a new home with **PowerNet Credit Union** providing the construction-to-perm financing. When completed, it will be just under 2,200 square feet under roof, almost 1,700 heated/air conditioned.

As a member of Local 1000, Joshua is no stranger to construction and the benefits of quality into the construction from the beginning. Once the plumbing was roughed in and the slab poured, Superior Walls by Weaver Precast of Florida was brought in to accomplish construction of the walls, insulation, and furring strips – all at one time! Although the cost for this step was slightly more than conventional methods, the energy savings over the life of the home will be excellent. And the time for this phase of construction was much shorter. All exterior walls (that included



Pictured is the first wall section being lowered into place on June 24th.

two inches of Styrofoam insulation and 1x4 furring strips) were installed into place and secured in just 3 ½ hours! Using this method of construction on the walls will increase the "R" factor for the walls approximately 300 percent greater than conventional construction. The Barry's are also considering a metal roof to help even more with the energy efficiency.



CREDIT UNION

www.powernetcu.org

THREE LOCATIONS:

Main Office

5619 Harney Road
Tampa, FL 33610

(813) 621-6454

Fax: (813) 620-1953

888-4MEMBER

(Toll Free Number Outside Tampa Area)

Hours: Mon.- Wed. 8:30 -5:00

Thurs. & Fri. 8:30-6:00

Jacksonville Branch

966 Liberty Street

(IBEW Local 177 Building)

Jacksonville, FL 32206

(904) 359-9050 • Fax (904) 354-4248

Hours: Mon. - Fri. 9:00-5:00

Plant City Branch

101 Alexander Street N.

Plant City, FL 33563

(813) 757-6707 • Fax (813) 757-6686

Hours: Mon.- Wed. 9:00 - 5:00

Thurs. & Fri. 9:00 - 6:00

PHONE NUMBERS FOR MEMBER ASSISTANCE

PowerLine Tampa: 740-2447

Toll-Free: 877-628-2447

MasterCard Toll-Free: 800-654-7728

Email: mbrservices@powernetcu.org

Dividends

Second Quarter	Annual Percentage Yield
SHARES.....	0.75%

HIGH VOLTAGE MONEY MARKET

Tier 1 <\$2,500	0.25%
Tier 2 \$2,501 - \$5,000	0.75%
Tier 3 \$5,001 - \$10,000	1.00%
Tier 4 \$10,001 - \$25,000	1.30%
Tier 5 >\$25,000.....	1.50%

REGULAR SHARE DRAFTS.....0.00%

SUPER SHARE DRAFTS.....0.50%

IRA SHARES.....1.25%

CERTIFICATES OF DEPOSIT (SHARE AND IRA)

6 Months.....	1.50%
12 Months.....	1.80%
24 Months.....	1.85%
36 Months.....	1.90%
48 Months.....	2.25%
60 Months.....	2.75%

Contact Credit Union staff

for additional account information.

Your savings insured to \$500,000.

Your IRAs also insured to \$500,000.



EQUAL HOUSING LENDER
We do business in accordance with the federal fair housing law and equal credit opportunity act.

