

Panhandle Federal Credit Union

1st Quarter 2009 UPDATE

403 N. Washington ~ PO Box 26 ~ Wellington, KS 67152

www.panhandlefcu.com

52nd ANNUAL MEETING

The 52nd Annual Meeting of the Panhandle Federal Credit Union was held on Saturday, March 7th, 2009 at the Credit Union office from 10:00 am to 1:00 p.m. Members voted for their Board of Directors and Credit Committee then received a "money envelope" before enjoying some refreshments. Each member received a copy of the 51st Annual Meeting Minutes, the Supervisory and Credit Committee Report and the Financial Report for 2008. If you were unable to attend and would like to receive these reports, call our office and we'll be happy to mail one to you.

The youngest member chosen for 2008 was Blaze Maverick Johnson. He was awarded a \$10 deposit to his account. Congratulations Blaze!

Other member volunteers helping out with this year's meeting were Lakin Cook, Katie McEachern and Michelle Herpich. Their help was greatly appreciated.

Elected to the Board of Directors:

Clint Struble, Rosie Smith, Joe Costello
and Vince Wetta

Elected to the Credit Committee:

Phil Gwinner

COUNT ON YOUR CREDIT UNION

During turbulent times, it is especially important to choose the financial institution that will do the most for you. That's why PFCU is the right choice.

We're financially sound. In fact, we have been one of the area's strongest financial institutions for more than 50 years.

We're not for profit. Unlike banks, we do not have outside owners. All of our profits earned are returned to you in the form of better rates, lower fees and enhanced services.

We're proudly member-owned. That's why you find a higher level of personal service than you'd experience at any "for profit" institution.

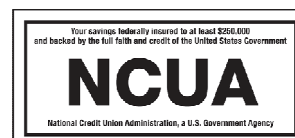
We're your financial partner for life. Most members who start banking with PFCU keep banking with us for a lifetime. *What other financial institution can say that?*

Federal Deposit Coverage Increased to \$250,000 at PFCU

Despite all the grim news from the banking and financial markets, it is important for you to know that your money is safe at PFCU.

The recently passed Emergency Economic Stabilization Act of 2008 has immediately increased federal savings insurance coverage from \$100,000 to \$250,000. Remember, your money is federally insured by the National Share Insurance Fund (NCUSIF). The NCUSIF is administered by the National Credit Union Administration (NCUA), an agency of the federal government similar to the FDIC. To learn more about your share deposit insurance, go to the following web address:

<http://www.ncua.gov/ShareInsurance/Index.htm>



Your credit union has remained strong with 2008 being a period of growth and profitability. PFCU is in exceptional financial condition. Our capital is nearly 15%. Regulatory standards consider anything over 7% well capitalized. Net earnings thru December were, well ahead of budget. Through 2008, deposit growth was strong and assets were up to \$41 million by year end. PFCU has also had strong loan demand from our members and we are meeting those demands successfully and will continue to do so.

To reassure our members, we would like to point out that PFCU, like most credit unions, did not participate in sub-prime lending. Therefore, we are absolutely not part of the problems that these types of loans have created. In fact, credit unions are part of the solution. Because of our conservative nature we are in a position to help our members with their financial needs and we look forward to doing just that.

Spring into a Low Rate Auto Loan!
Plus

No payment for up to 90 days!

Whether you're looking to buy a new or used vehicle or refinance your current auto loan, PFCU offers fantastic rates. Qualifying members can receive as low as **4.99% APR*** on new or used vehicles. Plus, we will allow you to **defer your first payment for up to 90 days** from the date of purchase; allowing you the extra cash to pay any other expenses related to your vehicle purchase.

When it comes to low-rate loans and a high level of member service, visiting your Credit Union is the first place to go before you shop for that next vehicle. We offer loan pre-approvals, which will give you bargaining power when you head to the dealerships. To apply, just stop by the credit union and see Kim or Sandy so they can get you into your new vehicle today!

*Subject to credit approval. Some restrictions apply. Applicants must be Credit Union members to qualify for special rate. These rates are subject to change at any time.

Too Many Bills? Why Not Consolidate?

If you're feeling overwhelmed by a stack of bills, consider a Signature Loan from PFCU. With rates as low as **8.00% APR*** and terms up to 48 months, replace all your bills and take command of your finances with one easy and affordable monthly payment. And, for a limited time get an extra ¼% rate reduction if you have a checking account with us!

MAIL RECEIPT CHANGES

In an effort to reduce the cost for postage, we will no longer mail receipts for mail, phone or night deposit transactions as of April 1, 2009. You can verify the transactions thru the credit union by phone, your monthly/quarterly statements, or by using our HFS services at www.panhandlefcu.com. If you need a receipt for your transaction, please just let us know and we will gladly mail you one.

MANY Thanks to our Volunteers!!

Your Board of Directors, Credit Committee and Supervisory Committee contribute their time and energy in many ways, attending meetings each month to make the decisions which shape the future of your credit union, sitting in on committees, being available for consultation, and sometimes just telling an employee they are doing a good job and are appreciated. Our Board of Directors and Committees are YOUR voice in the many decisions which need to be made for the smooth operation of YOUR Credit Union.

Remember to say "thank you!" next time you run into one of them in the lobby or around town.