



Currency Affairs



Winter 2015

Annual Meeting | Vehicle Buyer's Check | We Want To Hear From You!

Annual Meeting and Election of Directors

An election of directors is scheduled in conjunction with University Federal Credit Union's 2015 Annual Meeting for three places on the Board of Directors.

ANNUAL MEMBERSHIP MEETING

Monday, April 6, 2015 | 5:30 PM | UFCU Plaza Event Center | 8303 N MoPac Expy | Austin, TX

Chairman of the Board Jerry Davis appointed a Nominating Committee led by Committee Chair Carl Hansen. The Committee nominated the following members to serve as UFCU Directors for three-year terms: Laura J. Kilcrease, John A. Martin, Ellen E. Wood.

UFCU's bylaws permit other nominations by petition if signed by 500 qualified members and, together with a statement of qualifications and signed certificate stating the nominee is agreeable to such nomination and will serve if elected, is submitted to UFCU's Senior Manager, Assurance Services by 5 PM Central Standard Time on or before February 6, 2015. The election will be conducted by mail ballot only if there exists one or more petition candidates. Bylaws do not allow nominations from the floor at the annual meeting when one or more candidates exist for each open position.

For more information regarding the election process, including how to obtain related documents, please contact the office of the Senior Manager, Assurance Services at (512) 467-8080 in Austin, (409) 797-3300 in Galveston or U.S. Toll-Free at (800) 252-8311 x22312.



Laura J. Kilcrease – Laura Kilcrease is founder and managing director of Triton Ventures, LLC, a venture capital fund investing in spinout and early-stage technology companies. With more than 25 years of hands-on experience in commercializing technology, Ms. Kilcrease has a deep understanding of how to cultivate new opportunities to “grow businesses around businesses” as well as how to deconstruct and reconstruct business models to achieve significant results.

An active member of the community, Ms. Kilcrease has given her time and expertise to a number of nonprofit boards, including the Women's Leadership Advisory Board of Harvard University's Kennedy School of Government, the Beyster Institute, World Congress for Information Technology 2006, the IC² Institute at The University of Texas at Austin, the Austin Area Research Organization (AARO), The Executive Committee of the Board of the Austin Chamber of Commerce, among others.

She received her certification as a Chartered Management Accountant in the UK in 1980 and an MBA from The University of Texas at Austin in 1992. Ms. Kilcrease has been a member since 2014.



John A. Martin – John Martin leads the Texas Division of Flintco, LLC, a 106-year-old national commercial construction company. With annual revenue of more than \$1 billion and more than 500 employees nationwide, Flintco proudly provides a safe place to work demonstrated through the #1 national ranking by the Associated General Contractors in 2014. Martin's construction management career includes work in the commercial, industrial, retail, education, athletic, laboratory and high-tech sectors. Flintco is a key provider of construction services for higher education institutions such as The University of Texas System and Baylor University. Under Martin's leadership, Flintco constructed the UT System's first LEED® -certified building and most recently Baylor's McLane football stadium. Also, Flintco has consistently earned a top-10 ranking of Best Companies to Work For in Texas for the past 9 years by The Texas Association of Business and the Society for Human Resource Management.

He earned a bachelor's degree from Oklahoma State University and has been a UFCU member since 2005. Martin has served on the UFCU Board of Directors for the past six years. He also led the Ad Hoc Mission, Vision, & Purpose Committee and served as Chair of the Governance Committee.



Ellen E. Wood – Ellen Wood is the CEO of vcfo®, a professional services firm offering a customized team model to assist companies with financial, recruiting and human resources needs. Prior to vcfo, Wood served as the Executive Vice President and Chief Financial Officer of Capital Network System and as the Controller for Block Watne Texas and Hometown Builders.

Active in the Austin community, Wood is an Advisory Board Member and past Board Member and Treasurer of the Boy Scouts Capital Area Council, Board Member and Treasurer of the Entrepreneurs Foundation, a member of the audit committee for Seton Medical Center and a member of the Austin Area Research Organization, (AARO.) She is a past board member and finance chair of the Greater Austin Chamber of Commerce, past chair of the Central Texas RCIC advisory committee, and past Austin and Statewide President of Texchange.

A graduate of The University of Texas at Austin and a Texas CPA, Wood has been a member of UFCU much of her life. She joined the board of directors in late 2011.

Interested in leading our cooperative?

Credit unions are unique financial cooperatives in that their boards of directors, committees and task forces are composed of volunteers. In an ongoing effort to diversify professional skills and experience represented among UFCU's volunteer leaders, UFCU's Governance/ Nominating Committee encourages members interested in serving in a volunteer capacity to complete a volunteer application available from the President/ CEO's office at (512) 467-8080 in Austin, US Toll-Free at (800) 252-8311, or (409) 797-3300 in Galveston x21008.



President's Report

Action Alert – Merchant Data Breaches

As a not-for-profit financial services cooperative, our Mission is to provide for the well-being of our Members. It follows, then, that protecting the privacy and security of your accounts is a primary responsibility. When we discover a data breach at retailers like Target or Home Depot, we immediately take action and issue new credit and debit cards for affected members. In many cases, it's difficult to identify

sources of such breaches, though we nonetheless work to protect your account from resulting fraud.

The possibility of having your personal financial data stolen is enough of a burden. You shouldn't have to worry about who will clean up the mess and pay the bills for the fraud. There have been over 500 data security breaches in 2014 and, nationally, over 75 million data records have been exposed. If you're like most people, you probably assume that merchants are responsible to pick up the cost since it was their security failures that permitted theft of your data. Unfortunately, that's not how it works. Credit unions like UFCU bear the brunt of these costs after a merchant data breach, even though we (and members like you) had nothing to do with it.

To give you one example, after the Target breach, credit unions were left on the hook for \$30.6 million and credit unions reissued 4.6 million credit and debit cards. Because we are not-for-profit cooperatives owned by our members, you ultimately foot the bill. After you've been victimized by having your financial data stolen, you shouldn't have to pick up the tab to clean up the mess. Right now, merchants can shift most of the costs of their data breaches to others. So there is no incentive for them to spend the time and money to increase their data security. That's wrong for consumers and it's bad for our economy.

That's why UFCU and other credit unions across the country are working together to improve protections for consumers who are victims of merchant data breaches. We're calling on Congress to step up and protect credit union members like you:

- 1. By holding merchants accountable for their data breaches.*
- 2. By requiring merchants to reimburse credit unions for costs incurred for data breaches.*
- 3. By allowing credit unions to inform their members of merchants whose records are breached.*

I hope you'll consider lending your voice to this important effort. Please visit www.StoptheDataBreaches.com to learn more about the problem and send email to your U.S. Representative and U.S. Senators. Tell them you want them to take action to protect consumers like you. Look for an important email from me later this month with additional details on this matter.

Let's work together to send a clear message to Congress regarding collaborating with the merchant community to protect our data security.

I am proud and honored to lead your financial services cooperative and am grateful for the opportunity you give us to provide for your well-being and that of your family, today and in the future.

Warmest regards,

Tony C. Budet
President/CEO

Want to Know Something Funny About Identity Theft and Data Hacks?

Are you one of those people who isn't too worried about data hacks and identity theft since you aren't online much, if at all? *Guess what:* You're the person most likely to get hacked!

I founded the Privacy Rights Now Coalition, and have learned five big lessons because of my involvement in that group.

FIRST BIG LESSON: Safely using the Web to monitor what's happening on all your accounts is the smartest way to stop identity theft and financial fraud in its tracks.

SECOND BIG LESSON: You do not have to be afraid of mega-data hacks—if you proactively monitor all your accounts online and use caution. UFCU has extraordinary measures in place to protect your information and your accounts. The chances of a hack at UFCU hurting you are very, very small. But that does not mean you shouldn't monitor those accounts, too.

THIRD BIG LESSON: The greatest danger from those mega-data hacks may not come to you for months. Information stolen in mega-hacks is sold and resold by scammers, and smart scammers wait months—or even years—before they try to use your personal information to scam you.

FOURTH BIG LESSON: The vast majority of people who will be hurt by the mega-hacks will be hurt because they fall for what looks like an innocent email, letter or phone call.

FIFTH BIG LESSON - and this is the most important lesson: If you think before you react, a scam email, scam letter, or scam phone call will not hurt you. Period. Even scammers that have a huge amount of your personal information cannot hurt you unless you respond to their scam—they wouldn't be trying to get you to respond if they already had enough information to hurt you.

Read Will deHoo's column on this page. Will tells you how to avoid falling for scam emails, letters, or phone calls.



Remar Sutton
Remar Sutton
Independent
Consumer Advocate

A Simple Tip to Protect Yourself from Scam Emails, Letters and Phone Calls

Remember the 'good ole days' of (Nigerian) scam emails? You've just been offered a big commission if you'll just let some total stranger in Nigeria deposit \$10 million in your bank account for a few weeks! You won the lottery and can put a check into your account. Just wire back the taxes! DUH!

Unfortunately, scammers have gotten a lot smarter and more believable since then. The scammers who made the major data hacks –I'm sure you've heard about them recently—are definitely some of the smartest.

If you receive an email, letter, or phone call from these scammers, their message can seem totally believable and legit. For instance, "Attached is your new insurance policy." The email mentions your insurance company. Or, "Visa card ending in 1234 has been compromised." You have a card ending with that number. How about this one: "Someone has done a criminal background check on you."—and the sender has four digits of your Social Security number, your full name and your address.

Sure, it's a bit unnerving that scammers have that information already. But, as Remar says in his column on this page, the mere fact the scammers are reaching out to you means they don't know enough about you to hurt you, yet.

SO HERE'S THE PLAN TO PROTECT YOURSELF - and it is 100% guaranteed to prevent you from inadvertently spilling the beans on your information to the wrong person or company—Stop and think before you react to all emails, letters and phone calls.

- **IF IT'S AN EMAIL:** Do not click on anything in any email without questioning the email. If you have any suspicions, simply call or email the sender using contact details you already know.
- **IF IT'S A PHONE CALL:** Tell the person you'll call back. Call back on a published number or a number you know.
- **IF IT'S A LETTER ASKING FOR YOU TO GIVE YOUR PERSONAL INFORMATION:** Call the institution to get clarification. And don't use the phone number in the letter!

Like Remar says, UFCU has done a great job of protecting your information at the credit union.

I hope this helps! Cheers, Will.



Will from Holland
Will deHoo
Independent
Consumer Advocate

VEHICLE BUYER'S CHECK

UFCU Takes Another Step to Help Our Members Make Wise Vehicle Purchases.

Partner with UFCU and Save Thousands on Your Next Vehicle Purchase!

UFCU has created a streamlined process to make you a “cash buyer” at any Texas dealership. Here is the way it can work for you:

Call UFCU at (512) 498-CARS (2277) or stop at any one of our Financial Centers in Austin or Galveston.

We can discuss your vehicle needs and give you straight answers about what you should pay for a specific car or truck, qualify you for a loan or help you better understand your credit, and issue a check that you can take to the dealership and sign when you have negotiated your best cash deal.

Many times car and truck buyers are lured into a dealership-offered lower rate, and end up spending more for the vehicle and significantly more for warranty, special services (think rust protection or upholstery scotch-guarding) and protection programs. A 0.5% lower rate on a \$25,000 vehicle will save you \$328 over a five-year loan, while you might pay \$1,000 more for an extended warranty and \$2,500 more for the vehicle itself.

Armed with a UFCU Vehicle Buyer's Check, you can stand your ground on the price you will pay and avoid the over-sell of ancillary products at significantly higher prices.

As your not-for-profit, member-owned financial institution, UFCU will provide for the best interests of you, our member, as you negotiate the vehicle-buying process. Lean on us for education, information and protection.



UFCU TO OFFER REVERSE MORTGAGES

In early 2015, UFCU will be able to offer our members who are 62 or older a reverse mortgage as a way to convert the equity in your home into tax-free (please consult your professional tax advisor) cash. Unlike a home equity loan, you do not make mortgage payments with a reverse mortgage. The loan is due for repayment whenever you sell the home or after a year if it is left to your estate. While a reverse mortgage is not for everyone, it can provide cash for some important retirement needs or desires:

- Increase your monthly cash flow for a more comfortable lifestyle.
- Pay medical bills or burdensome credit cards.
- Fund home improvements or modifications.
- Pay homeowners insurance or property taxes.
- Pay off an existing mortgage so you can live payment-free.
- Defer drawing Social Security until age 70 to collect the highest amount.
- Pay for in-home care for yourself or a loved one.
- Increase your existing portfolio and extend its survivability.
- Enjoy “bucket list” travel.

Many protections have now been built into this mortgage product that did not exist in the past. It is certainly not for everyone, but it can be a great solution for some. Call your trusted UFCU advisors at UFCU at (512) 997-HOME (4663) to talk about your circumstances and determine if this might be a useful money-life management tool for you.



NMLS # 441215
8303 N MoPac Expy, Austin, TX 78759

Member Education Seminars & Events

Visit ufcu.org to register or for complete event details.



DATE



TOPIC



TIME



LOCATION

JAN
21

Retirement Income Planning*

6 PM

Lakeline Financial Center

JAN
28

**I'm Retiring from TRS*
(but may not be retiring)**

6 PM

N Guadalupe Financial Center

FEB
10

First Time Home Buyers

6:30 PM

UFCU Plaza Event Center

FEB
11

**Estate Planning 101*
(Basic Topics)**

6 PM

UFCU Plaza Event Center

FEB
11

**Teacher Retirement
System 101***

6 PM

Whitestone Financial Center

FEB
18

**Planning for Long Term Care –
Protecting Your Life Savings****

6 PM

N Guadalupe Financial Center

MAR
11

**Estate Planning 201* (Advanced
Topics)**

6 PM

UFCU Plaza Event Center

MAR
12

**Planning for Long Term Care –
Protecting Your Life Savings****

6 PM

Steck Financial Center

MAR
18

**Maximizing Social Security
Benefits in Retirement***

6 PM

N Guadalupe Financial Center

MAR
18

**Small Business
Security Seminar**

6 PM

UFCU Plaza Event Center

MAR
24

**An Intro to Annuities – Funding
your Future***

6 PM

Highway 79 Financial Center

MAR
26

**Is A Reverse Mortgage
Right For You?**

6 PM

UFCU Plaza Event Center

MAR
28

Shred Day

10 AM – 12 PM
(or until truck is full)
Weather Permitting

N Guadalupe Financial Center

APR 1	First Time Home Buyers	6:30 PM	UFCU Plaza Event Center
APR 1	Planning for Long Term Care – Protecting Your Life Savings**	6 PM	Lakeline Financial Center
APR 6	Annual Meeting	5:30 PM	UFCU Plaza Event Center
APR 22	Wise Women Know More – 7 Strategies to Help You Take Control*	6 PM	N Guadalupe Financial Center
APR 23	Insuring Your Automobile	6 PM	UFCU Plaza Event Center
APR 28	Teacher Retirement System 101*	6:30 PM	University Financial Center
APR 30	Investment Basics*	6 PM	South MoPac Financial Center
MAY 13	Tap Into Solutions To The Global Water Crisis*	6 PM	Whitestone Financial Center
MAY 14	Teacher Retirement System 101*	5:30 PM	Open Gates Conference Center
MAY 19	Investment Basics*	6 PM	Highway 79 Financial Center
MAY 20	Retirement Income Planning – Planning for a Financially Successful Retirement*	6 PM	N Guadalupe Financial Center
JUNE 17	An Intro to Annuities – Funding your Future*	6 PM	Lakeline Financial Center
JUNE 20	Shred Day	10 AM – 12 PM (or until truck is full) Weather Permitting	N Guadalupe Financial Center
JUNE 24	I'm Retiring from TRS* (but may not be retiring)	6 PM	Ben White Financial Center

* Non-deposit investment products and services are offered through CUSO Financial Services, L.P. ("CFS"), a registered broker-dealer (Member FINRA/SIPC) and SEC Registered Investment Advisor. Products offered through CFS: are not NCUA/NCUSIF or otherwise federally insured, **are not guarantees or obligations of the credit union, and may involve investment risk including possible loss of principal.** Investment Representatives are registered through CFS. UFCU has contracted with CFS to make non-deposit investment products and services available to credit union members.

** Insurance products and services are offered through CUSO Financial Services, Inc. ("CFS"). Products offered through CFS: are not NCUA/NCUSIF or otherwise federally insured, **are not guarantees or obligations of the credit union, and may involve risk including possible loss of principal.** Investment Representatives are licensed through CFS. The credit union has contracted with CFS to make certain insurance products and services available to credit union members.

Business Owners ALERT!

Why every business owner with employees should carry workers' compensation insurance.

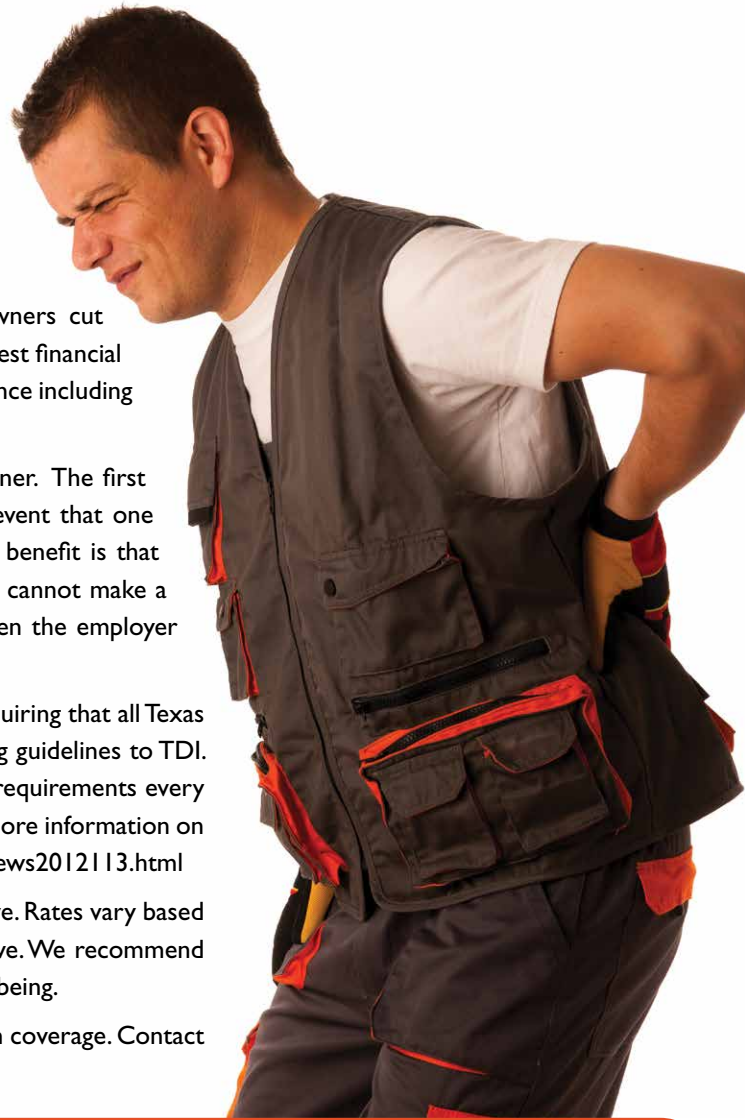
It is hard work running a business and expensive. Oftentimes business owners cut corners looking for ways to save money at their own expense. One of the biggest financial mistakes that you can make as a business owner is to not carry adequate insurance including workers' compensation.

There are two benefits to carrying workers' compensation as a business owner. The first benefit is that you have insurance coverage to pay for medical care in the event that one of your employees is injured or sickened on the job. The second important benefit is that workers' compensation is an exclusive remedy. This means that an employee cannot make a tort liability claim against the employer for injuries sustained on the job when the employer carries workers' compensation coverage.

Effective January 1, 2013, the Texas Department of Insurance (TDI) started requiring that all Texas employers who do not carry workers' compensation follow specific reporting guidelines to TDI. The reporting requirements are detailed and failure to comply with the new requirements every year could result in a penalty up to \$500 for each day of non-compliance. For more information on the reporting requirements, please visit <http://www.tdi.texas.gov/news/2012/news20121113.html>

Many business owners think that workers' compensation insurance is expensive. Rates vary based on the business type and work performed and overall can be very inexpensive. We recommend that employers purchase this valuable coverage to protect their financial well-being.

UFCU Insurance Services can assist you with obtaining workers' compensation coverage. Contact us today at (512) 421-8100 or UFCUInsurance@ufcu.org.



Business Checking Account Update

Effective December 15, 2014, UFCU enhanced our Business Checking account.

Why the change?

At UFCU we strive to keep our members' best interests in mind. With our Business Checking enhancements, you continue to receive the great service you expect with an account that is easy to use.

What's in it for you?

Check out the comparison chart below to learn about the new features.

FEATURE	OLD UFCU BUSINESS CHECKING	NEW UFCU BUSINESS CHECKING
Minimum to Open	\$25	\$25
Minimum Monthly Balance	\$5,000	\$0
Monthly Service Fee	\$10	\$0
Number of Free Transactions*	200 per month	50 per month
Cost Per Transaction*	\$0.30 per transaction after 200 transactions	\$.10 per transaction after 50 transactions

We hope you enjoy the new UFCU Business Checking account features. For more information on Business Accounts, visit ufcu.org.

*Transactions include deposited items, withdrawals and on-us checks.

Estate Planning and Income Tax Basics

Income tax basis can be an important factor in deciding whether to make gifts during your lifetime or transfer property at your death. This is because the income tax basis for the person receiving the property depends on whether the transfer is by gift or at death. This, in turn, affects the amount of taxable gain subject to income tax when the person sells the property.

WHAT IS INCOME TAX BASIS?

Income tax basis is the base figure you use when determining whether you have recognized capital gain or loss on the sale of property for income tax purposes. When you purchase property, your basis is generally equal to the purchase price. However, there may be some adjustments made to basis. If you sell the property for more than your adjusted basis, you'll have a gain. Sell the property for less than your adjusted basis, and you'll have a loss.

Example: You purchased stock for \$25,000. Your basis in the stock is \$25,000. If you sell the stock for more than \$25,000, you would have a gain. If you sell the stock for less than \$25,000, you would have a loss.

WHAT IS THE INCOME TAX BASIS FOR PROPERTY YOU RECEIVE BY GIFT?

When you receive a gift, you generally take the same basis in the property that the person who gave you the property (the donor) had. (This is often referred to as a "carryover" or "transferred" basis.) The carried-over basis is increased—but not above fair market value (FMV)—by any gift tax paid that is attributable to appreciation in value of the gift (appreciation is equal to the excess of FMV over the donor's basis in the gift immediately before the gift). However, for purpose of determining loss on a subsequent sale, the carried-over basis cannot exceed the FMV of the property at the time of the gift.

Example: Say your father gives you stock worth \$1,000. He purchased the stock for \$500. Assume the gift incurs no gift tax. Your basis in the stock, for purpose of determining gain on the sale of the stock, is \$500. If you sold the stock for \$1,000, you would have gain of \$500 (\$1,000 received minus \$500 basis). Now assume that the stock is worth only \$200 at the time of the gift, and you sell it for \$200. Your basis in the stock, for purpose of determining gain on the sale of the stock, is still \$500; but your basis for purpose of determining loss is \$200. You do not pay tax on the sale of the stock. You do not recognize a loss either. In this case, your father could have sold the stock (and recognized the loss of \$300—his basis of \$500 minus \$200 received) and then transferred the sales proceeds to you as a gift. (You are not permitted to transfer losses.)

Example: Assume your father gives you real estate worth \$1,000,000. He purchased the land for \$200,000. Assume your father paid gift tax of \$400,000 on the transfer. Your basis in the land, for purpose of determining gain (or loss) on the sale of the land, is \$520,000 [$\$200,000 + \$400,000 \times ((\$1,000,000 - \$200,000) / \$1,000,000)$]. If you sold the land for more than \$520,000, you would have gain. If you sold the land for less than \$520,000, you would have a loss. Now assume your father gives you real estate worth \$1,000,000, but he purchased the land for \$1,200,000. Assume your father paid gift tax of \$400,000 on the transfer. Your basis in the land, for purpose of determining gain (or loss) on the sale of the land, is \$1,000,000. In this case, your father could have sold the land (and recognized the loss of \$200,000—his basis of \$1,200,000 minus \$1,000,000 received) and then transferred the sales proceeds to you as a gift.

WHAT IS THE INCOME TAX BASIS FOR PROPERTY YOU INHERIT?

When you inherit property, you generally receive an initial basis in property equal to the property's FMV. The FMV is established on the date of death or, sometimes, on an alternate valuation date six months after death. This is often referred to as a "stepped-up basis," since basis is typically stepped up to FMV. However, basis can also be "stepped down" to FMV.

Example: Say your mother leaves you stock worth \$1,000 at her death. She purchased the stock for \$500. Your basis in the stock is a stepped-up basis of \$1,000. If you sold the stock for \$1,000, you would have no gain (\$1,000 received minus \$1,000 basis). Now assume that the stock is worth

only \$200 at the time of your mother's death. Your basis in the stock is a stepped-down basis of \$200. If you sold the stock for more than \$200, you would have gain.

Transfers within one year of death. If you transfer appreciated property to a person within one year of his or her death, and then you (or your spouse) receive the property back at that person's death, the basis in the property is not stepped up or down to FMV. Instead, the basis in the property is equal to that person's basis immediately before death. (And this basis is probably pretty close to the basis you originally had in the property before you transferred it.) This rule is designed to prevent you from obtaining a stepped-up basis by transferring appreciated property to a dying person who then transfers it back to you (or your spouse) at death. However, the rule does not apply if the dying person lives for more than one year after you transfer the property to him or her. Also, the rule does not apply if the property passes from the decedent to someone other than you or your spouse (e.g., to one of your children). In those cases, a stepped-up basis would be available.

Income in respect of a decedent (IRD). There is no step up (or step down) in basis for IRD. IRD is certain income that was not properly includable in taxable income for the year of the decedent's death or a prior year. In other words, it is income that has not yet been taxed. Examples of IRD include installment payments and retirement accounts. When you inherit IRD, you include the IRD in income as you receive payments, and take any related deductions. An income tax deduction may be available for any estate tax paid that's attributable to the IRD.

HOW DOES GENERATION-SKIPPING TRANSFER (GST) TAX AFFECT BASIS?

As discussed above, when you make a gift, the carried-over basis is increased—but not above FMV—by any gift tax paid that is attributable to appreciation in value of the gift. If the gift is also subject to GST tax, the carried-over basis is then increased—but not above FMV—by any GST tax paid that is attributable to appreciation in value of the gift. Special rules can apply when property in a trust passes at the death of an individual.

MAKE GIFT NOW OR TRANSFER AT DEATH?

As the following example shows, income tax basis can be important when deciding whether to make gifts now or transfer property at your death.

Example: You purchased land for \$25,000. It is now worth \$250,000. You give the property to your child (assume the gift incurs no gift tax), who then has a tax basis of \$25,000. If your child sells the land for \$250,000, your child would have taxable gain of \$225,000 (\$250,000 sales proceeds minus \$25,000 basis). If, instead, you kept the land and transferred it to your child at your death when the land is worth \$250,000, your child would have a tax basis of \$250,000. If your child sells the land for \$250,000, your child would have no taxable gain (\$250,000 sales proceeds minus \$250,000 basis).

IN ADDITION TO INCOME TAX BASIS, YOU MIGHT CONSIDER THE FOLLOWING QUESTIONS:

- Will making gifts reduce your combined gift and estate taxes? For example, future appreciation on gifted property is removed from your gross estate for federal estate tax purposes. And gift tax paid on gifts made more than three years before your death is also removed from your gross estate.
- Does the recipient need a gift now or can it wait?
- How long would a recipient have to wait until your death?
- What are the marginal income tax rates of you and the recipient?
- Do you have other property or cash that you could give?
- Can you afford to make a gift now?

The financial advisors here at University Federal Credit Union, available through CFS*, will work closely with you for a financial review. **For more information or for a complimentary consultation, email JSheets@ufcu.org or call (512) 467-8080 x21814.**



JONATHAN SHEETS

* Non-deposit investment products and services are offered through CUSO Financial Services, L.P. ("CFS"), a registered broker-dealer (Member FINRA/SIPC) and SEC Registered Investment Advisor. Products offered through CFS: **are not NCUA/NCUSIF or otherwise federally insured, are not guarantees or obligations of the credit union, and may involve investment risk including possible loss of principal.** Investment Representatives are registered through CFS. UFCU has contracted with CFS to make non-deposit investment products and services available to credit union members.

Broadridge Investor Communication Solutions, Inc. does not provide investment, tax, or legal advice. The information presented here is not specific to any individual's personal circumstances.

To the extent that this material concerns tax matters, it is not intended or written to be used, and cannot be used, by a taxpayer for the purpose of avoiding penalties that may be imposed by law. Each taxpayer should seek independent advice from a tax professional based on his or her individual circumstances.

These materials are provided for general information and educational purposes based upon publicly available information from sources believed to be reliable—we cannot assure the accuracy or completeness of these materials. The information in these materials may change at any time and without notice.

Prepared by Broadridge Investor Communication Solutions, Inc. Copyright 2014



Board of Directors/ Senior Leadership

Board of Directors:

- Gerald (Jerry) L. Davis, Chairman
- Carl E. Hansen, Ph.D., Vice Chairman
- Thomas J. Ardis, Secretary
- D. Michael Harris, Ph.D., CPA, CITP, Treasurer
- Neal E. Armstrong, Ph.D.
- Cynthia A. Leach
- C. Cale McDowell, J.D.
- John A. Martin
- David W. Niesel, Ph.D.
- Mary A. Seng
- Ellen E. Wood
- George K. Herbert, Ph.D., J.D., Director Emeritus
- Frank J. Peters, Director Emeritus

Supervisory Committee:

- C. Brian Cassidy, J.D., Chairman
- Chris A. Plonsky, Secretary
- Ned H. Burns, Ph.D.
- Brady M. Cole, RADM USN SC (Ret)
- Laura J. Kilcrease

Principal Officers:

- Tony C. Budet, President/CEO
- Yung V. Tran, CPA, Executive Vice President
- Denise M. Cheles, VP, Virtual Retail Services
- Michael E. Crowl, CPA, VP, Finance/CFO
- Heather M. McKissick, VP, Human Resources/
Organizational Development
- John C. Petrey, VP, Information Technology/CIO
- Aaron M. Persons, VP, Retail Services
- Laurie A. Roberts, SVP, Lending, CLO
- Ellen S. Simpson, VP, Enterprise Risk Management
- Sheila Jo Wojcik, Ph.D., SVP, Communications/
Corporate Affairs



Stay Up to Date

Does UFCU have your current address, phone number(s) and email?

In order to serve you in the best way possible, we strongly encourage you to maintain accurate contact information with UFCU. We strive to keep you informed about any developments or issues that may affect your account. Examples include:

- *Notify you that your debit and/or credit card was affected by a data breach at a retailer.*
- *Communicate certain account notices that are required by law.*
- *Inform you of major system upgrades and any resulting service disruptions.*
- *Provide you with timely information in the event of a disaster or emergency.*

If you've moved, changed your phone number, or updated your email address; be sure to let us know. Change your address, phone number(s) and email address via Online Banking or ask a UFCU representative to verify and update your contact information.

Survey & Member Feedback We Want To Hear From You!

Beginning this year, we will send surveys that ask for your feedback. These short surveys will provide us with valuable information to identify areas in which we can serve you better. Our goal is to enhance your UFCU experience.

If you are selected for feedback, you will receive an email invitation to complete the online survey. Follow the steps below to verify or update your email address on file with UFCU.



1. *Log in to UFCU Online Banking at ufcu.org.*
2. *Verify your email address at top right corner.*
3. *To update your email address, click the Update button.*
4. *Enter and re-enter your correct email address, and click the Update button.*

We want to assure you that UFCU is very protective of your information, and you will not be asked to provide any account information. You will be provided with a method to opt-out of the surveys but still receive other forms of valuable UFCU communication.

We look forward to receiving your feedback!

Insure Your Love With Life Insurance



What do love and life insurance have in common? More than you might realize. We buy life insurance because we love people and want to protect them. Life insurance can help make sure they'll be protected financially, even after you're gone. Think of it as the ultimate act of enduring love.

What if you died tomorrow? How would this affect your family? If there are individuals who depend on you for financial support, or even if you provide services for your family like child care, cooking, and cleaning, you need life insurance. Without your income and all the other things you do for your loved ones, would they be able to maintain their current lifestyle and keep future plans on track? Don't make the mistake of thinking that it's only for families with young children – older couples may need life insurance as well to protect a surviving spouse. By having life insurance, it can help pay for unexpected medical expenses, as well as funeral costs.

We cannot predict what tomorrow will bring, but we can make sure that we are prepared. With our partner LifeHelp, at no cost or obligation, you can look up a premium quote on your own or talk with a licensed agent who will help you find coverage that is a good fit for your unique situation or lifestyle.

To get started, visit our partner LifeHelp at gotolifehelp.com or call (800) 824-1166.

Do Your Own Taxes and Save -
and enter for a chance to win
up to \$15,000

intuit.

TurboTax® 

With TurboTax® and UFCU, it's easy to do your own taxes and save. TurboTax coaches you every step of the way, and UFCU offers you savings of up to \$15 on TurboTax federal products.

- **All you need to know is yourself.** TurboTax translates taxes into simple questions about your life and puts everything on the right forms for you.
- **You won't miss a thing.** TurboTax searches over 350 deductions and credits, so you can be confident you're getting the biggest refund you deserve.
- **Double checks as you go.** TurboTax runs error checks and a final review of your return to help make sure your taxes are done right.

Begin your TurboTax return by February 26, 2015, and you'll be entered to win up to \$15,000.¹ Visit ufcu.org to save with TurboTax and learn more about the tax preparation discounts available to UFCU members.

To receive the TurboTax discount for UFCU members and be entered to win the sweepstakes, you must access TurboTax via UFCU's website, ufcu.org.

¹ TurboTax \$25K Giveaway. NO PURCHASE OR FINANCIAL DISCLOSURE NECESSARY. Open to legal residents of the fifty (50) United States or the District of Columbia, 18 years of age or older at time of entry. Void in Puerto Rico and where prohibited by law. Giveaway ends 2/26/15. Subject to complete Official Rules and all applicable federal, state and local laws. For Official Rules including odds of winning, alternate method of entry, and prize descriptions, visit turbotax.intuit.com/go/sweepstakesrules.

PRIZES: One (1) Grand Prize: A check for \$15,000. Retail value, \$15,000. Ten (10) First Prizes: A check for \$1,000. Retail value, \$1,000 each. Maximum retail value of all prizes is \$25,000. The odds of winning a prize depend upon the total number of eligible entries received by the end of the Promotion Period.

SPONSOR: Intuit Inc., 7535 Torrey Santa Fe Rd, SDG-2A-03-22F, San Diego, CA, 92129. © 2014-2015 Intuit Inc. All rights reserved. State filing charges apply. Limited time offer for TurboTax 2014. Terms, conditions, features, availability, pricing, fees, service and support options subject to change without notice. Intuit, TurboTax and TurboTax Online, among others, are registered trademarks and/or service marks of Intuit Inc. in the United States and other countries. Other parties' trademarks or service marks are the property of their respective owners.



PO Box 9350 • Austin, Texas 78766-9350

PRSR STD
US Postage
PAID
Permit #1434
Austin, TX

HOLIDAY CLOSINGS

UFCU will close in observance of the following holidays:



New Year's DayThursday, January 1, 2015

Martin Luther King, Jr.'s BirthdayMonday, January 19, 2015

Presidents' DayMonday, February 16, 2015

Memorial DayMonday, May 25, 2015

Independence DaySaturday, July 4, 2015



LOCATIONS

- Ben White..... 130 E Ben White Blvd, Austin, TX
- Brodie..... 9925 Brodie Ln, Austin, TX
- Downtown..... 201 W 7th St, Austin, TX
- Galveston 428 Postoffice St, Galveston, TX
- Highway 79..... 120 Palm Valley Cv, Round Rock, TX
- Lakeline..... 13860 US Hwy 183 N, Austin, TX
- N Guadalupe 4611 Guadalupe St, Austin, TX
- Pflugerville..... 15116 FM 1825, Pflugerville, TX
- Scotfield..... 1500 W Parmer Ln, Austin, TX
- S MoPac 5033 US Hwy 290 W, Austin, TX
- Steck 3305 Steck Ave, Austin, TX
- Teravista 571 University Blvd, Round Rock, TX
- University 2244 Guadalupe St, Austin, TX
- Westlake..... 701 Capital of Texas Highway S, West Lake Hills, TX
- Whitestone..... 3200 E Whitestone Blvd, Cedar Park, TX

MORTGAGE SERVICES

- UFCU Plaza..... 8303 N MoPac Expy, Suite A105, Austin, TX
- Lakeway 1213 Ranch Road 620 S, Lakeway, TX

YOU CAN REACH US BY DIALING

- Austin..... (512) 467-8080
- Galveston (409) 797-3300
- US Toll-free..... (800) 252-8311
- TDD Number (512) 421-7477



MAILING ADDRESS

PO Box 9350
Austin, TX 78766-9350

WEB ADDRESS

ufcu.org

UFCU PLAZA

8303 N MoPac Expy
Austin, TX 78759