

Membership Survey

- On a scale of 1 to 10 (10 being excellent), how would you rate the following:
 - The overall level of service you receive from your Credit Union? **1 2 3 4 5 6 7 8 9 10**
 - The diversity of products and services to suit your financial needs? **1 2 3 4 5 6 7 8 9 10**
- Has an employee of Southwest provided you with exemplary service? If so, we would like to hear about it. Please comment: _____

- Are there any products or services not presently provided that you would like to see implemented?

- Would you feel comfortable in referring Southwest to a friend or family member? **Yes** **No**
 If not, please comment: _____

- Do you have any comments or suggestions for improvements for your Credit Union? _____

- To assist us with our advertising efforts, can you indicate which media you may have heard or seen our ads?
 Radio Sporting Events Promotional Products
 Newspapers Magazines Other: _____
- Would you be interested in becoming Director with Southwest Regional Credit Union? **Yes** **No**
 If yes, when would be the best time to reach you? _____

Name: _____
 Branch/Account No.: _____
 Phone No. _____
 E-Mail Address: _____

Names from all returned ballots will be entered into a draw for a \$150 Gift Certificate.

*Only one survey per membership will be accepted and all responses received will be kept confidential.



<p>Sarnia 1205 Exmouth St. Upper Level Sarnia, ON N7S 1W7 519-383-0750</p>	<p>Corunna 411 Lyndock Street Corunna, Ont. N0N 1G0 519-862-1421</p>	<p>Wyoming 618 Broadway Street, Wyoming, Ont. N0N 1T0 519-845-3362</p>	<p>Wallaceburg 57 McNaughton Ave. County Fair Mall Wallaceburg, Ont. N8A 1R7 519-627-6744</p>
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The Sunny Side of Finance • Winter 2009/10

Southwest Members Share in the Success Despite Economic Instability:

The financial crisis has hit us all in many different ways. Interest rates are at an all time low, unemployment levels are abnormally high, the new housing industry virtually came to a halt and consumers became skittish about spending. In hopes of softening the blow to the economy, governments introduced stimulus plans designed to spur consumer spending. The most popular has been the Home Improvement Tax Credit. The program has been extremely well received by consumers.

Southwest shared in the economic uncertainties created by the low interest rate market but we rose to the challenge. Where most financial institutions were adjusting their borrowing rates by moving from the traditional Bank of Canada Prime rate to a higher Institutional Prime, we choose to stay on course by following past business models. Because of this, our Lambton Line II Home-Equity Line-of-Credit proved to be the product of choice for the year. Demand for the product allowed us to grow our lending business to a total in excess of \$80 Million. Membership demand of our banking and deposit services also continued to be strong. As a result, our total assets increased in excess of \$119 Million up 5.8% from last year. We thank you for your support, your loyalty and for the opportunity to be your financial service provider of choice.

Our strong performance has once again enabled your Board to declare member dividends and interest rebates. This year approximately \$600,000 will be returned to our membership in the following form:

- 1.70% dividend on dividend account balances
- 10.0% interest rebate on personal loans/personal lines-of-credit
- 3.50% interest rebate on personal mortgages
- 2.00% interest rebate on Lambton Line II
- 3.00% interest rebate on commercial loan/lines-of-credit
- 1.60% interest rebate on commercial mortgages

Equally as important is the fact that our reserves are now in excess of \$12M, which is well ahead of regulatory requirements.

This year we celebrated our 70th anniversary. Festivities commemorating the event were held at all of our branches in July. Also during the year we were forced to say our good-byes to those announcing their retirements. Early in the

year, Patty Levack, Exmouth Branch Manager announced her retirement after 16 years of service followed by Elanor VanLandeghem, Wallaceburg Branch Manager after 38 years of service. We wish them both a happy retirement. Their contributions will never be forgotten.

Looking forward, we are excited about our new branch opening in Wallaceburg mid-February. The new location and modern branch is being well received by the community. It will feature a bright and open concept, a semi-circle counter for privacy during teller-assisted banking transactions and two ATMs. One of the ATMs will be a drive-thru which is both a "first" for the Town of Wallaceburg and our organization. We look forward to welcoming you there.

This year we will also be launching two new innovative accounts designed to offer flat-fee services to our business members and agricultural members. Our Community Re-Investment Program continues to be our focus. The program allows us to invest directly in the communities we live and work in. We will continue to support this initiative throughout 2010.

Enclosed you will find a survey. The survey is your opportunity to rate our service and to provide suggestions for new products and services you may wish to be made available. Your response is valuable to us and your time spent completing the survey is much appreciated. In appreciation of your time, we will enter names from those completing the survey into a draw for a \$150 gift certificate. Please feel free to complete the survey online at www.southwestcu.com. Alternatively, you may either bring your survey to your nearest branch or fax it to 519-383-8841.

Southwest Regional Credit Union Ltd. will hold its Annual Meeting on Tuesday January 26, 2010 at the Royal Canadian Legion, Branch 62 at 286 Front St.N., Sarnia, Ontario. The meeting will commence at 7:30 PM and we invite all members to attend. The Annual Report will be available in each branch and online by January 25, 2010.

RWRule
 President
[Signature]
 General Manager



The New Chip Card

Over the years, debit card fraud has resulted in millions of dollars being stolen from people like you and I. Most commonly, the fraud occurs from a card containing a magnetic stripe by having the information contained on it duplicated to another card through sophisticated means. Collectively to combat the losses and the inconveniences it causes, Europay, MasterCard and Visa formed a partnership to create a standard under which a new payment technology could be developed. This eventually became known as the EMV standard and it forms the basis of the CHIP technology.

Canada's national debit network, Interac, began the national rollout of CHIP technology in 2007. The technology was first introduced in the Kitchener-Waterloo market as a test, and now is being rolled out nationally. This cutting edge technology will assist Southwest Regional Credit Union in providing members with superior security and convenience.

The CHIP card includes an embedded microcomputer CHIP that gives the card the ability to store and process data, such as an account number and a personal identification number (PIN). The PIN will replace the need for a signature and provide increased protection against fraud. The new process will actually provide for greater convenience to our membership and allow for future additional uses.

The primary benefit to our members is added security. While no technology is 100% invulnerable, CHIP cards employ a range of security features and measures that work in concert with each other to create a multi-layered defence against fraud. CHIP represents the highest level

of security available to protect payment information and prevent fraud. CHIP cards provide additional protection to avoid disclosure of personal information and are very difficult to duplicate.

The complete migration to CHIP technology will take a number of years, given the vast number of debit cards, ABMs and store terminals across Canada that must be upgraded. The Interac Association has set transition requirements to ensure that the majority of Canadians will be able to fully benefit from this new technology by the end of 2010, at which point the majority of ABMs and debit cards will be converted.

CHIP debit cardholders will experience only a minor change in the way they interact with the store terminal. When conducting a CHIP debit transaction, cardholders will no longer swipe the card through the machine. Instead, cardholders will insert their debit CHIP card first into the terminal and leave it in the device for the duration of the transaction, following the prompts and entering their PINs, just as they do today.

Members will be able to use their CHIP debit card anywhere they use Interac services today. CHIP debit cards will still have a magnetic stripe on the back of the card to ensure continued acceptance at locations around the world that haven't yet converted to the upgraded CHIP technology such as the United States.

In addition to providing enhanced security, the CHIP card also offers a platform for new products and services, such as stored value, small ticket payments, loyalty programs, and much more. Through the transition to the CHIP technology, Southwest Regional Credit Union will be able to provide a new layer of security, trust and peace of mind to its members. We can all benefit from a little extra protection against fraud. Membership will begin receiving their CHIP card mid-way through 2010.



Last Minute RRSP Tips



The deadline for making contributions to your RRSP is March 1, 2010. As long as you make your contribution by that date, you can deduct your investment from last year's earned income and possibly get a hefty tax refund.

If you're like most of us, you have waited until this last month, and now you are feeling a bit panicky. RRSP lists, like dinner party lists, to-do lists and Christmas lists, help quench the panic. Here's your RRSP list.

1. Dig out your Notice of Assessment from Revenue Canada or call (1-800-959-8281). Your Assessment tells you how much you can contribute to an RRSP for the past calendar year and how much unused contribution room you have from previous years.
2. If the amount you are allowed to contribute is more than you have on hand, consider an RRSP loan. The interest you pay on RRSP loans is usually at Prime and the amount of interest paid is usually less than the amount you can earn on your investment, if you repay the loan within one year. Plus, you get the tax refund, which means that you can repay the loan faster, or you can put the refund in your RRSP, pay down your mortgage or other high-interest debt with the windfall.
3. When you make an appointment with your Investment Team to talk about getting a loan and where to invest your RRSP contributions, consider setting up a monthly contribution plan so you won't have to go through all this again next year. Monthly contributions to RRSPs earn more than just making one lump sum contribution at the end of the year, even if the rate of return on both types of contributions is the same.
4. Diversify. Don't put all your eggs in one basket – spread the money around. The reason you have heard this advice so often is because it is true. Every kind of stock or mutual fund can have a downturn, and interest rates can fall. Putting some of your money in mutual funds or stocks and some in term deposits protects you from heavy losses during downswings. Talk to your Southwest Regional Investment Team: they can help you diversify, put your eggs in different baskets, and spread the money around.
5. If you're receiving a severance package, check with your employer to see whether you can roll the money over into your RRSP to prevent taxes being deducted at the source. Even if you have to withdraw some of the money during the year, you can withdraw it in amounts of less than \$5,000, paying only 10% withholding tax at the time of withdrawal.

If you don't like to do things in a panic and are unsure about where to invest your RRSP dollars, just contribute to an RRSP savings account. The interest on these accounts is very low, but you are able to transfer your funds into a different type of investment without any penalty. Just be sure to make an appointment with your Investment Team to sort out your options.

fresh, focused,
community driven

**Come Grow
With Us!**

Southwest
REGIONAL CREDIT UNION

Serving People with People Since 1939

The advertisement features a group of six Southwest Regional Credit Union staff members standing in front of a building. The text is set against a dark blue background with a white circular graphic element.