



A Message From Your President

As we begin 2010 and reflect on 2009 we realize that these are interesting, unusual and in some cases unprecedented times. There have been and continue to be many people struggling with debt repayment and feeding their families. In the past when we would hear of these situations we would relate them to "The Great Depression" of the thirties. As a society, those of us who are more fortunate and have the means to help, have the responsibility to help. As a responsible credit union, we work with our members restructuring debt and setting budgets to enable them to make their payments. We also have three trained Financial Counselors on staff who are available to provide advice FREE OF CHARGE.

At HFCU 2009 was our best year operationally. However, we did experience some systemic downside due to our association with the Credit Union Corporate System, whom we have done business with in the past. They sustained investment losses as a result of the Mortgage Sub-prime debacle which in turn impacted our balance sheet in a negative manner. We made all of the adjustments needed to deal with the impairment and still had a solid year. We remain optimistic for 2010 with hopes of meeting or even exceeding your individual financial services needs.

My thanks and appreciation go to the members of the Board of Directors, Supervisory Committee, Loan Review Committee, staff and you, our member, for your continued utilization of our products and services.

May the New Year find you in good health and bring you happiness and prosperity.

Ron Hance, President

Our Branch Network Has Grown – to 3,000

Did you know that you can access your Heritage Family Credit Union account at more than 3,000 branch locations around the nation?

We know how important it is for you to be able to take care of your financial business when you are on the go, even if one of our own branches aren't nearby. That's why Heritage Family Credit Union is now part of "Shared Branching". This new partnership with other credit unions enables our members to conduct most transactions at other participating Credit Union Service Centers just as if you were in a Heritage Family Credit Union branch.

Shared branching offers convenience and expanded service to Heritage Family Credit Union members. The concept is simple – members can access their accounts and take advantage of many traditional branch services at over 3,000 participating locations nationwide. In order to perform transactions at a shared branching location, a member will need their credit union account number and photo identification.

The following are some of the services available at shared branching locations:

- Deposits and withdrawals
- Transfers between accounts
- Account inquiries
- Money orders/gift cards
- Statement prints
- Extended hours of access
- And more



CREDIT UNION
SERVICE CENTERS[®]
The Member-Friendly Financial Network

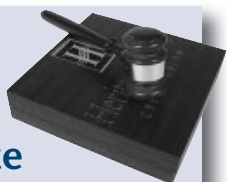
THERE IS NO CHARGE FOR YOU TO USE THIS SERVICE! All participating credit unions display the Credit Union Service Centers logo.

When you visit a Credit Union Service Center, just make sure you bring your account number, your social security number, your credit union's name and photo identification.

Shared branching is ideal for members who travel on business or pleasure, have children away at college, or relocate out of state – for any situation, it is easy and convenient. When looking for a shared branching location, look for the CU Swirl Logo (pictured above).

Please visit www.hfcuvt.com to search or download branches to your GPS, or call 1-800-919-2872 to find a location near you.

The 54th Annual Meeting... An Evening To Reunite



It's back! Heritage Family Credit Union's HFCU 54th Annual Member Meeting & Dinner returns to the evening at the Rutland Holiday Inn. This year's event will take place on Saturday, April 24th at 6:00 p.m.

As you may know, HFCU is a not-for profit, member financial cooperative, but what does that mean? It means it is important for you to attend the annual meeting because you are a part owner of the Credit Union. What happens to the organization is very important to you and the rest of the membership. At the Annual Meeting, you have the chance to review the events of the past year and learn about important changes taking place during the coming year.

In addition, the annual meeting is a solid commitment by staff, members and volunteers to keep the credit union strong and healthy, as well as, a way to reunite with old friends and have some fun. This is a great opportunity to mingle with fellow members and meet the staff and volunteers that run the credit union.

More importantly, you will have the opportunity to elect fellow members to the Board of Directors who oversee the operation of the credit union. If you would like to run for a position on the Heritage Family Credit Union Board of Directors please send a resume and/or cover letter to Ron Hance, Heritage Family Credit Union, Thirty Allen Street, Rutland, Vermont, 05701 by the first week of April. Elections will take place at the 54th Annual Meeting Saturday, April 24, 2010.

And as always, the attendees have their fun. Dinner and the meeting will be followed by dancing and the raffling of some great prizes. Space is limited to 300 attendees so plan on purchasing your tickets early.

Happy Hour: 6:00pm
Dinner Buffet: 6:45pm
Business Meeting: 8:00pm

Entertainment immediately following meeting.

Price: \$10 per member
\$10 per guest

Ticket sales commence Monday, April 5th at any of our credit union branches. Tickets must be purchased by Monday, April 19th.

The CO-Op Network IS There For You!

When you need convenient ATM access without paying a surcharge, a bigger network is better. Heritage Family Credit Union is pleased to be a part of the CO-OP Network, the largest credit union-owned ATM network in the United States. The CO-OP Network operates 25,000 surcharge-free ATMs across the country for the benefit of 24 million credit union members nationwide.



The CO-OP Network is convenient – you get surcharge-free access to twice as many ATMs as the nation's largest bank and three times as many ATMs as the second largest bank! If you've ever had to hunt for an in-network ATM, you know the value of having access to more locations. CO-OP Network ATMs are located in credit union branches, supermarkets and 7-Eleven stores. Grab a cup o' joe or a Slurpee® on the go, then make your dash with some extra cash.

The CO-OP Network isn't just bigger; it's better. It's designed strictly for the benefit of credit union members – no collecting fees in order to turn a profit, and no making money at your expense. It's the largest ATM network on the planet – and it belongs to you. So when you travel, be sure to take your Heritage Family Credit Union Visa® Debit or ATM Card with you. Find a surcharge-free CO-OP ATM in your neighborhood by visiting www.co-opnetwork.org.

FREE Online Tools For Students!

Heritage Family is helping our younger members, in elementary school up to those who are young adults, become more financially literate with a series of FREE online financial tools available on hfcvut.com. Googolplex, Guides to Independence, and MoneyMix all offer great ways to teach kids and young adults to become more money-wise from the comfort of their own home or even on the go!

Googolplex® is a series of three Web sites: 5-Spot™ for elementary schoolers, A-J's™ for middle schoolers, and C-Note™ for high schoolers. These sites feature interactive games, videos and colorful stories dealing with money matters and life issues.

High school students can gain knowledge and practice through Guides to Independence™, a series of online interactive tutorials guiding them to financial freedom. With Guides to Independence, students learn through simulations, games, quizzes and by watching interactions among real teenagers. They can also earn a free eMusic® download when they complete each course, along with a certificate of completion. Students who use the Guides to Independence can now learn, earn and save, too. Each time a course is completed, the student prints out a certificate of completion and brings it into their nearest branch, where \$3 will be deposited into his or her account. Talk about easy money!

Designed for people 18-30, MoneyMix has interactive features, blogs, videos and articles on topics important to this generation.

To access these great tools, visit hfcvut.com and look under the "Student Services" section of the "Accounts & Services" area, and click on the program you would like to use. If you are under 18 years of age please get your parent's permission to visit hfcvut.com.

If you have any questions about these programs, or even how Heritage Family can get involved with your school, please call Katrina Doty at 802-776-2114 or e-mail her at katrinak@hfcvut.com.

Concerned Where Your Nest Egg Goes?

HFCU will be hosting a seminar on Estate Planning on February 10th at noon at our branch located at 50 West Street, Rutland. Featured guest speakers will be Attorneys Tom Dowling and Jim Anderson of Ryan, Smith and Carbine. This is a no-cost, no-obligation seminar, and lunch will be provided. Seating is limited. Please R.S.V.P. by calling 888.252.8932.

Timely Tax Tips

Tax Refunds

All parties named on the check must endorse federal tax refund checks. If mailing the check for deposit, sign the back and add the words: For deposit only to the account #_____.

If you are requesting that a refund be electronically deposited to your account, the Routing and Transit number is 211691318. This is on line 74b of your tax form. Your account number goes on line 74d. Contact our call center if you need assistance.

IRA Deposits

Deposits to your 2009 IRA must be received no later than April 15, 2010. Remember, the credit union offers Traditional, Roth, Health Savings and Coverdell ESAs. For more information contact Member Services at 802.776.2103.

Three Ways to Improve Your Credit Score

Your credit score is one of your most important financial assets. The quality of your score can affect everything from your ability to get a loan (and the rate you are offered) to the cost of your annual car insurance premium. Here are three ways you can help ensure your credit score is as high as it could be.

(Remember, if you are trying to improve your credit rating that you aren't repairing your score, you are rebuilding your history. The only way to improve your score is to establish good habits and continue them over time.)

- 1. Make Payments on Time.** One late payment can stay on your credit report for up to 7 years. Be sure to make payments on time. Using auto bill payment can keep your payments from being late.
- 2. Pay down debt.** If you have fixed rate loans, pay the minimum to free up cash to pay down debts with variable rates (such as equity loans or credit cards). Once you have paid off the variable rate loans, you can make larger payments toward the fixed loans.
- 3. Open a savings account and keep it growing.** A savings account shows the credit agencies that you are serious about saving toward the future and that you have cash reserves on hand that you could use toward your debts. Consider making automatic deposits every pay period, so you can keep your nest egg growing.

Pay Attention to "The Three C's"

The guidelines that creditors use to decide when to grant you credit are character, capacity, and collateral.

Character: How responsible you are in paying your bills. Paying on time is important.

Capacity: Your ability to repay loans based on money management skills, income, and financial position.

Collateral: What assets you have to offer if you don't pay back the loan.

Questions and Answers

A Message from the Heritage Way Program

What is the Heritage Way Program?

The Heritage Way Program is a full-service financial advisory program located here at Heritage Family Credit Union offering our members Investment, Insurance, and Retirement services. Our goal is to help our members achieve their financial goals for themselves and their families.

How does the Heritage Way Program work?

Richard Rodrigue, our full-time Heritage Way Representative is available to meet with you to evaluate your situation, offer recommendations, and coordinate your investment and insurance choices.

You may want to tackle just one financial issue today. We can help you:

- Roll-over your 401(k) or pension plan if you've changed jobs.
- Develop a savings and investment plan.
- Create a retirement income plan to approach those years with confidence.
- Manage your investments better.
- Protect your family with life insurance or long-term care insurance.
- Save for college education costs.

Or, you may be looking for help in managing your entire financial situation. We'll help you develop a comprehensive financial roadmap that addresses all the relevant financial issues in your life.

Can the Heritage Way Program help me with retirement planning?

Yes, whether you are already retired, getting ready to do so, or are just beginning to save for retirement, our program has sophisticated planning software and a wide array of investment products to help you fund the retirement lifestyle you're seeking. We believe everybody has a unique vision of their retirement years and we help you manage your money to support that vision.

How do I get started?

To set up a no-cost, no-obligation appointment, call Richard Rodrigue at 802-776-2154 today. Be sure to bring any documentation that will help Richard understand your situation better such as account statements, tax forms, and benefit information. If married, it's best that both you and your spouse attend. Lastly, always bring an open mind and a willingness to discuss the details of your situation.

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.

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HERITAGE WAY
INVESTMENTS | INSURANCE | RETIREMENT



Heritage Family CREDIT UNION

Main Office

Thirty Allen Street
Rutland, VT 05701
888.252.8932
Fax 802.775.7864

Rutland Branch

Fifty West Street
Rutland, VT 05701
888.252.8932
Fax 802.747.7543

Fair Haven Branch

67 Washington Street
Fair Haven, VT 05743
888.252.8932
Fax 802.265.4751

Londonderry Branch

Route 100
South Londonderry, VT 05155
888.252.8932
Fax 802.824.1003

Hooksett Branch

1338 Hooksett Road
Hooksett, NH 03106
888.252.8932
Fax 603.624.1132

Bennington Branch

206 Pleasant Street
Bennington, VT 05201
888.252.8932
Fax 802.447.1003

Brandon Branch

2 West Seminary Street
Brandon, VT 05733
888.252.8932
Fax 802.247.8732

MARS 800.374.8469

e-Branch www.hfcvt.com

*Your entire family is eligible
to join the Credit Union.
Call for an application today!*

*We make loans without
regard to race, color, religion,
sex or national origin.*

*Federal regulations prohibit
the payment of dividends in
excess of available earnings.*



We Do Business In Accordance With the
Federal Fair Housing Law and the
Equal Credit Opportunity Act



This credit union is federally
insured by the National
Credit Union Administration

Loan Rates

All rates are listed "as low as" Effective December 1, 2009

Type	Term	APR**	Payment Per \$1,000 of Borrowing
Secured Loans*	24 months	4.95%	\$43.86
	<i>Including new/used autos and RVs</i>		
	36 months	5.95%	\$30.41
	48 months	6.25%	\$23.61
	60 months	6.50%	\$19.57
	72 months	6.75%	\$16.94
Unsecured Loans*	48 months	9.70%	\$25.23
Home Equity Line of Credit*	180 months	Prime +1.75% adj	\$7.93

Visa Emerald Cards

Visa® Platinum Rate (No Annual Fee)	Prime + 1.00% adj. (7.25% min.)
Visa® Gold Rate (No Annual Fee)	9.99%
Visa® Classic® Rate (\$15 Annual Fee)	11.90%
Visa® Classic® Rate (No Annual Fee)	13.90%
Certificate Secured	Certificate Rate + 3.00% adj.
Share Secured	Share Rate + 3.00% adj.

Student Loans

Student Loans, Federal Stafford	6.80%
Student Loans, Federal PLUS & SLS	8.50%
Overdraft Protection	15.00%
Mortgages/Mobile Home Loans	Contact a Mortgage Officer for current rates.

*Rate based on your credit history. Actual rate may be higher. All rates subject to change without prior notice.

**Denotes Annual Percentage Rate.

Deposit Rates

Account	APY**	Rate
Share Savings Account* (\$25 Minimum Balance)	0.50%	0.499%
Share Draft Account*	0.15%	0.15%
Other Accounts* (Holiday, Vacation, Fuel, Tax)	0.50%	0.499%
Term Share Certificates (\$1,000 Minimum Balance)		
3 month	1.50%	1.49%
6 month	1.50%	1.49%
12 month	1.75%	1.74%
24 month	2.10%	2.08%
36 month	2.25%	2.23%
HSA Accounts		
\$0-500	0.25%	0.25%
\$500-2,499	0.75%	0.748%
\$2,500-4,999	1.25%	1.243%
\$5,000-14,999	1.75%	1.737%
\$15,000 and up	2.50%	2.472%
IRA Shares/Payroll	1.00%	0.995%
IRA Term Share Certificates (\$500 Minimum Deposit)		Call for terms and rates.
Money Market Share Certificates (\$1,000 Minimum Deposit)		Call for terms and rates. A penalty may be imposed for early withdrawal.

*Federal law prohibits payment of dividends in excess of available earnings. **Annual Percentage Yield.