

AN L&N FEDERAL CREDIT UNION PUBLICATION

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L&N
FEDERAL CREDIT UNION

why wait?

go with instant issue

three new
branches

2017
annual
meeting

A Note From the President's Desk



Gary Lord
President/CEO

I am proud to announce that L&N Federal Credit Union enjoyed another successful year in 2016.

Financially, 2016 was a very strong year for your credit union. Loans grew by \$120 million, a 19% increase over 2015. Commercial lending continued to expand and serve our members' needs, increasing by 63%. Mortgage lending was also strong with just over 1,000 First Mortgages closed for over \$150 million. Shares and membership also continued their strong growth. Shares increased by over \$81 million, or 9%, and the credit union added over 9,600 new members in 2016, bringing total membership to over 80,000 at year end. Expenses and Delinquency remained in good fiscal control, and for the seventh straight year, L&N was well below NCUA peer credit unions in both categories.

To provide better service and more convenience for our members, we opened three new branches in 2016. Our new stand-alone branch in London, on Highway 192, opened in March. This is our second location in London and provides greater access for our Southeastern Kentucky members. Also in March, we opened a branch inside the new Walmart in Crestwood, Kentucky, providing service for Oldham County members. And finally, in May we opened a new stand-alone branch in the Tyler Village shopping center located on Taylorsville Road near the Gene Snyder Freeway. This branch is located outside of Jeffersontown, and offers better access for J-Town and Fern Creek members.

We continued our member surveys in 2016 with excellent results. Our member loyalty survey results indicated that 96% of those surveyed would recommend L&N to family and friends. Your Credit Union also scored above peer in a national survey regarding Satisfaction and Efficiency.

In 2017, we will continue to focus on maintaining friendly and efficient service and continue to provide financial products with competitive deposit and loan rates for our members. We will also stay at the forefront of technological enhancements that members want and deserve, including mobile and internet banking upgrades, as well as providing a facelift and upgrade to a few of our branches. We will continue to monitor new areas for potential locations in the future, to add to our current network of 18 branches. Possible future locations include South Corbin, Shelby County, and St. Matthews in Louisville.

Finally, your Credit Union reached a big milestone in 2016. In March of 1954, the credit union began with 132 members and \$305 in deposits. In 2016, this same credit union grew Assets by \$92 million, ending the year at \$1.071 BILLION. This is a significant milestone to reach, and L&N is now a major financial institution in the state of Kentucky. I would like to thank all of the current and past members, employees and volunteers for making this possible.

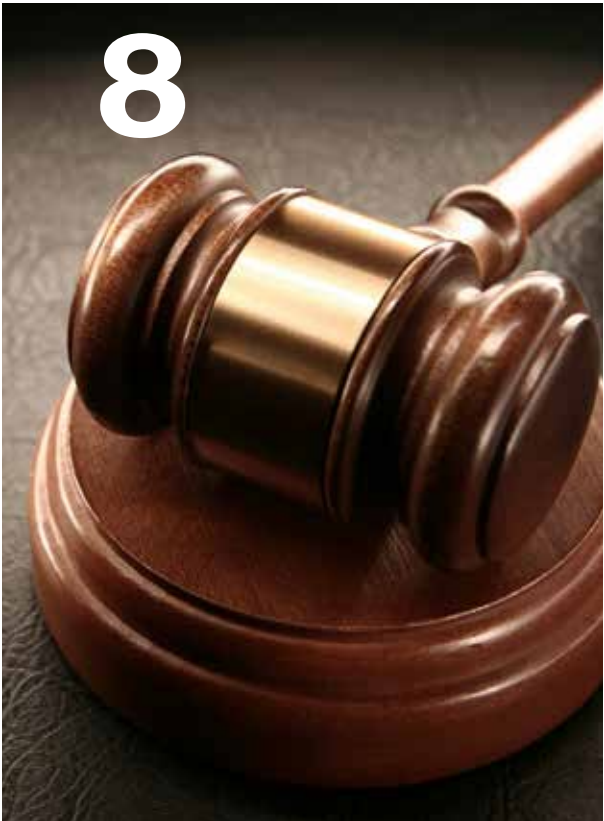
In closing, thanks again to you, our members. Your dedication and loyalty have made L&N successful for these many years. We look forward to serving you in 2017.

Sincerely,

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magazine

L&N Federal Credit Union Board of Directors

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Chairman

Claude Simpson
Vice Chairman

George Davis
Secretary/Treasurer

Benjamin H. Barnes
Board Member

Gary Lord
Board Member

Jim Goetz
Board Member

Jim Macpherson
Board Member

Alternate Board Member

Darlene Mooney
Member

Supervisory Committee

Thomas Heuke
Chairman

Brian Stephenson
Vice Chairman

Darlene Mooney
Secretary

Wayne Britt
Member

Ron Hennig
Member

Audit Committee

Jim Dorn
Member

Jim Revoir
Member

The L&N Connection

on our cover

L&N opened 3 new
branches in 2016!

Our new J-Town branch
is featured on the cover.

See page 9 for details.



LOUISVILLE AREA LOCATIONS

SOUTHERN PARKWAY
4700 Southern Parkway
Louisville, KY 40214

DOWNTOWN
200 West Chestnut Street
Louisville, KY 40202

McMAHAN
3099E Breckenridge Lane
Suite 109
Louisville, KY 40220

SMYRNA
9201 Smyrna Parkway
Louisville, KY 40229

DIXIE
7412 Dixie Highway
Louisville, KY 40258

OLD BROWNSBORO CROSSINGS
9731 Von Allmen Ct.
Louisville, KY 40241

CRESTWOOD
6501 Veterans
Memorial Pkwy
Crestwood, KY 40014

MIDDLETOWN
12981 Shelbyville Rd.
Louisville, KY 40243

JEFFERSONTOWN
12629 Taylorsville Rd
Louisville, KY 40299

SOUTHERN INDIANA
1450 Veterans Pkwy
Suite 100
Jeffersonville, KY 47130

MT. WASHINGTON
129 Davis Drive
Mt. Washington, KY 40047

SEKY AREA LOCATIONS

CORBIN
1498 W. Cumberland
Gap Pkwy
Corbin, KY 40701

LONDON DOWNTOWN
101 Spring Street
London, KY 40741

LONDON SOUTH
120 Wendon Way
London, KY 40741

SOMERSET
2599 US HWY 27S
Light 16A
Somerset, KY 42501

WILLIAMSBURG
589 Hwy. 92 West
Williamsburg, KY 40769

NKY AREA LOCATIONS

ERLANGER
822 Donaldson Highway
Erlanger, KY 41018

FT. WRIGHT
3450 Valley Plaza Pkwy
Fort Wright, KY 41017

Privacy Statement

In recognition of our members' expectation of privacy, L&N Federal Credit Union has adopted the following privacy statement.

We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products and services to you. We maintain physical, electronic, and procedural safeguards that comply with Federal standards to guard your nonpublic personal information.

We may disclose some or all of the information we collect to service providers, such as credit reporting agencies, check printers or marketing services that perform a service on our behalf. We may also disclose information about you under other circumstances permitted by law.



sparechange

2017 Holiday Hours

Easter Sunday - Sunday, April 16th

Memorial Day - Monday, May 29th

Independence Day - Tuesday, July 4th

Labor Day - Monday, September 4th

Columbus Day - Monday, October 9th

Veteran's Day - Saturday, November 11th

Traditional Branches Closed

Walmart Branches Open 10am-4pm

Thanksgiving

Thursday, November 23rd - All Branches Closed

Friday, November 24th - Traditional Branches Close at 1pm

Walmart Branches Open 10am-7pm

Christmas

Sunday, December 24th - All Branches Closed

Monday, December 25th - All Branches Closed

Best Places to Work

L&N Federal Credit Union has been named "One of the Best Places to Work" in Kentucky!

Thank you for being a part of such a wonderful experience for our employees. Without you, the member, we wouldn't be where we are today!



Thinking Outside the Branch

L&N continues making our traditional branch services and member relationships a top priority while adding new, secure and effective technology to save you time and money. We are always excited to see you in our branches, but strive to offer convenient online and mobile options that add value to your L&N banking experience.

A Mobile Payment Solution for Everyone

In addition to Apple Pay, in 2016 L&N added Android Pay and Samsung Pay to our Mobile Payment Solutions Suite. Each of these great mobile payment solutions make it possible for you to do more from your mobile device and to make fast, easy and secure payments online and with participating retailers.

Remote Signature

In 2016 L&N introduced Remote Signature loan closings. This service allows you to sign the necessary paperwork for your loan without stepping foot into a branch. Members are presented with the option of Remote Signature for most consumer lending loan closings. This simple, secure, and convenient way to sign can be done from your personal computer and most tablets or smart phones.

Liberty Mutual Offers Discounted rates to L&N Federal Credit Union members.

Gail Dickman

4885 Houston Rd. Suite 200 • Florence, KY 41042
859.371.0440, ext. 53664

Jessica Brown Smith

303 N. Hurstbourne Pkwy, Suite 200 • Louisville, KY 40222
502.425.8450, ext. 51660 or 800.430.2482

**Insurance from a company that's
as responsible as you are.**



www.libertymutual.com

(502)368-5858 • (800)292-2905 • www.LNFCU.com

Buy the Home of Your Dreams

The **5/5** Mortgage

- Up to 100% Financing
- No Closing Costs
- No PMI
- Rate adjusts once every 5 years
- Competitive Rates

20, 25 & 30 Year Terms Available

The **15/15** Mortgage

- Up to 95% Financing
- No PMI
- Rate Locked in for 15 Years
- Competitive Rates

30 Year Term Available

For more information
call (502) 368-5858 or
1-800-292-2905 or
visit www.LNFCU.com.

* The 5/5 ARM rate adjusts every 5 years and the 15/15 ARM rate adjusts after 15 years. Ask for details.
Approval based on credit qualifications. Terms of the programs are subject to change. NMLS#531738



The **Right** Financing for Your Business!



Our business lending solutions are designed with your growth and success in mind! We understand the importance of running an efficient business and maximizing profit. We encourage you to take a look at our competitive lending options to find increased value, savings and convenience for your business.

At L&N, we work closely with our members to fully understand their business needs, successes, obstacles and discuss how L&N can help.

L&N has extensive experience in real estate loans for commercial investment properties, owner occupied commercial properties, single and multi-family investment properties, and not-for-profit entities, offering both Term Loans and Lines of Credit to meet the borrower's unique needs.

Since all credit decisions are made locally, we offer our members faster decision making with highly competitive loan products

structured to best fit their needs. Lower fees, competitive rates, no loan covenants and desirable loan structuring are among the key elements of our business lending products.

If you are seeking to purchase or refinance business real estate and would like to talk with one of our experienced lenders, please call:

Amy Brown – Vice President, Commercial Lending
(502) 315-8148

Tony Raley – Vice President, Commercial Lending
(502) 515-8301

L&N Business Services Department
(502) 368-5858 / (800) 292-2905



Save for your future needs by investing in an

Individual Retirement Account

An IRA is a tax-advantaged savings plan built around your individual needs. It's easy to start, affordable, and can make a world of difference in retirement living. L&N Federal Credit Union offers three types: Traditional IRA's, Roth IRA's, and the Coverdell Education Savings Account (formerly an Education IRA).

Traditional IRA

A Traditional IRA has long been a savvy way to invest money for your future. Its widespread appeal comes from its tax deferred status and the fact that practically everyone is eligible for a Traditional IRA. You qualify if you're under age 70 ½ and earn compensation. This type of plan offers many benefits:

- Tax deductions-you may be able to deduct part or all of your annual contribution on your income tax return (see your tax advisor for individual eligibility).
- Tax deferral- pay no federal taxes on earnings until you take withdrawals.
- Spousal advantage- you can open an IRA for your non-working spouse when you file a joint tax return.
- Penalty free withdrawals for a first-time home purchase and higher education expenses.

Roth IRA

The Roth IRA is an increasingly popular alternative to the Traditional IRA. In contrast to the Traditional IRA, the Roth IRA does have income restrictions (see your tax advisor for eligibility details). Plus, all Roth IRA contributions are made with 'after tax' dollars. Here's the upside of the Roth IRA:

- Tax and penalty free withdrawals of regular contributions-at any time, for any reason.
- Tax and penalty free withdrawals of earnings if the account is open for at least five years and one of the following reasons for withdrawal applies: age 59 ½ or older, disability, death, or first-time home purchase.
- No age limitations on contributions- it's never too early or too late to start saving because you can put money in as long as you earn compensation.
- No required withdrawals at age 70 ½

Coverdell Education Savings Account

The Coverdell Education Savings Account's sole purpose is to help pay for a child's higher education. All contributions are made with 'after tax' dollars, but withdrawals are tax and penalty free for qualified expenses (e.g. tuition, fees, books, supplies, and certain room and board costs).

For more information about an IRA, contact our Member Services Department at (800) 292-2905 or (502) 368-5858. Or, email us at ira@LNFCU.com



Why Wait?

When You Open an L&N Carefree Checking Account You Can Receive Your New Debit Card On-the-Spot!

That's right; on-the-spot. No waiting for it to show up in the mail 7 to 10 days later! All of the L&N branches are equipped to create your debit card while you wait.

L&N Carefree Checking also includes

- No minimum balance
- No monthly fee
- Free internet banking and billpay
- Free mobile banking
- Over 300 no-surcharge ATMs in KY & IN

For more information about an L&N Carefree Checking and on-the-spot debit cards, call (502) 368-5858 or visit www.LNFCU.com.

It Starts at **L&N**

New Auto Loans As Low As

2.99^{0%*}
APR

Up to 63 Months
2016-2018 Models



* Annual Percentage Rate is based on 63, 75 & 84 month terms, subject to change and may be different based on amount borrowed and credit qualifications. Any vehicle with 20,000 miles or more, regardless of year, is considered used.

62nd Annual Meeting

On **Saturday, March 11, 2017**, the Credit Union will hold it's 62nd Annual Membership Meeting. This year's meeting will be held at the **Crowne Plaza (formerly the Executive West), 830 Phillips Ln, Louisville, KY 40209**. Lunch will be at 12:45pm and the meeting will begin at 1:30pm.

At this event, you will have the opportunity to talk with the Credit Union's Board and staff. There will also be reports from 2016 by the Board and Committees.

Please fill out the reservation slip below and return to any L&N Federal Credit Union branch no later than March 1, 2017. If mailing, please send to 9265 Smyrna Parkway, Louisville, KY 40229, Attn: Patrick.

There is no reservation needed to attend the meeting only.



CLIP ALONG DOTTED LINE AND RETURN TO CREDIT UNION TO RESERVE YOUR SPOT FOR THE ANNUAL MEETING

Reservation Form

I plan to attend the Lunch and Annual Meeting on March 11, 2017. Please make a reservation in my name.

☐ Enclosed is my payment of \$10 for one adult ticket or \$5 for one child's ticket (under age 12).

☐ Please deduct the cost for the ticket from my Savings Account

Print Name _____

Acct. No. _____

Email: _____

Telephone _____ Date _____

Signature _____

Eligibility: Primary members are eligible to attend Annual Meeting. Joint owners, friends, and relatives are not eligible to attend unless they have their own Membership and Regular Savings Account.

Note: Only one reservation for lunch can be made on this form. If other relatives, who are members, would like to attend they must complete another form. Additional forms are available at the Credit Union offices or make needed copies of this form.

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☐ Please deduct the cost for the ticket from my Savings Account

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Telephone _____ Date _____

Signature _____

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Note: Only one reservation for lunch can be made on this form. If other relatives, who are members, would like to attend they must complete another form. Additional forms are available at the Credit Union offices or make needed copies of this form.

Location, Location, Location...

Three New Locations to Better Serve You!



London South

Our fifth branch in the Southeastern KY area offers added convenience for London and surrounding community residents. Located on Highway 192, between Office Depot and the U.S. Post Office, this full-service branch includes:

- Member development area, where members can discuss their financial needs with L&N staff.
- Private rooms for account openings and loan closings.
- Personal Banking Center and Tablet Station.
- Drive-thru and drive-up ATM.

Business hours are:

Monday – Thursday - 9:00am – 5:00pm
Friday - 9:00am – 6:00pm
Saturday - 9:00am – 12:00pm

Crestwood

Located inside of the Walmart on Veterans Memorial Parkway, our Crestwood branch features extended hours and is open for service 7 days a week. This location features:

- Teller service
- Member development area, where members can discuss their financial needs with L&N staff.
- Walk-up ATM and night drop.

Business hours are:

Monday – Friday - 10:00am – 7:00pm
Saturday - 10:00am – 4:00pm
Sunday - 12:00pm – 4:00pm.



Jeffersontown

Located on Taylorsville Road, in the Tyler Village Shopping Center, our Jeffersontown location is a full-service branch that offers:

- A member development area where members can discuss their financial needs with L&N staff.
- Private rooms for account openings and loan closings.
- Personal Banking Center and Tablet Station.
- Drive-thru and drive-up ATM.

Business hours are:

Monday – Thursday - 9:00am – 5:00pm
Friday - 9:00am – 6:00pm
Saturday - 9:00am – 12:00pm



Home Buying Grants



We are pleased to offer select home buying grants for qualified applicants desiring to purchase a home. Both of the grants provide a great opportunity for first time home buyers.

The Welcome Home Grant is open to qualified applicants and is available on March 1, 2017. The Norton Healthcare Employer Housing Program Grant is reserved for Norton Healthcare Employees.

Welcome Home Grant Program

- \$5000 in grant money can be used for closing costs, pre-pays, and down payments.
- \$5000 allotments may be available to qualified applicants on a first come, first served basis.
- Grant can be used with all mortgage products including the First Time Home Buyer's program.**
- Income guidelines are based on the county where the home is located and are available for all counties in KY, IN, OH and TN. We've listed a few below:
 - Jefferson, Bullitt & Oldham County, KY
 - Maximum \$53,600 for 1-2 person household / \$61,640 for 3+ person household.
 - Clark & Floyd County, IN
 - Maximum \$51,280 for 1-2 person household / \$58,972 for 3+ person household.
 - Knox, Pulaski, Rockcastle, Whitley Counties, KY
 - Maximum \$51,280 for 1-2 person household / \$58,972 for 3+ person household.
 - Laurel County, KY
 - Maximum \$44,880 for 1-2 person household / \$51,968 for 3+ person household.
 - Boone, Campbell, Kenton Counties, KY
 - Maximum \$56,560 for 1-2 person household / \$65,044 for 3+ person household.

Norton Healthcare Employer Housing Program Grant

- \$5000 for "benefits eligible" full-time employees whose regular salary is \$60,000 or less and who work a minimum of 32 hours per pay period of .4 FTE.
- Funds can be combined with other L&N programs.
- Owner must complete homebuyer counseling with the Housing Partnership Inc. before an offer to purchase can be made.***
- One time only, unsecured, 4 year forgivable loan for down payment and/or closing costs.
- Cannot have owned a home in the last three years.
- Loan is forgiven at the rate of 25% (\$1,250) per year for 4 years.

**Call (502) 368-5858
or (800) 292-2905
to get started.**

*Limited amount of grant money available. Grant money is forgiven upon residency of five years and 1 day. If property is sold within the first five years the grant money is prorated for repayment. Home must be owner occupied. Homebuyers must contribute at least \$500 of their own funds (60% can be a gift. Home must be owner occupied). Inquire with L&N for more information.

** First Time Home Buyers are required to complete an approved homebuyer counseling program.

*** Home must be owner occupied.



NMLS#531738



Relationships

Frank H. Moore Memorial Scholarship



This scholarship was established as a memorial to Frank H. Moore, former manager of L&N Federal Credit Union and to recognize and honor students based on leadership and citizenship, without regard to financial need. Frank H. Moore was General Manager of L&N Federal Credit Union from 1969-1986. He passed away at age 52 on October 5, 1986. He succumbed to pneumonia while battling cancer. Frank had a very distinguished career in the credit union movement. His involvement spanned across local, state, and national levels. In 1981, he received the highest honor bestowed by the Kentucky Credit Union League when he was awarded the Steve Brody Memorial Award for outstanding credit union service.



Eligibility

This scholarship is open to all L&N Federal Credit Union members and/or daughters and sons of members. The student must be enrolled, or plan to enroll in the current year in undergraduate study leading to a traditional bachelor's degree and maintain a 2.5 GPA.

Eligible children include the member's unmarried children; natural or legally adopted or step children. Eligibility also extends to any child principally dependent on the member for maintenance and support. When not in attendance at school, the child must reside permanently in the member's household in what generally is considered a parent/child relationship.

This scholarship is based on the following:

1. **Achievements** (11 points)
2. **School recommendations** (11 points)
3. **Strong leadership qualities** (26 points)
4. **Significant involvement in school** (26 points)
5. **Significant involvement in the community** (26 points)

Recipients of the scholarship will be selected by an impartial Scholarship Selection Committee.

When to Apply

Interested students must apply between January 1-March 31, 2017. (Must be postmarked by March 31)

Amount of Award

We will choose 2 recipients (One winner will be chosen from the Southeast KY Region and one winner will be chosen from the Louisville/NKY Region). The amount of the scholarship is \$2500 annually or \$1250 per semester; renewable, providing the student maintains a 2.5 GPA. The maximum scholarship per student is \$10,000 over a four-year period for undergraduate study.

For an application or questions regarding the scholarship

**Call (502) 515-8322
or email
academy@LNFCU.com**

Giving Back!

Each year L&N employees, volunteers, members and friends participate in a number of charity walks and events to benefit charitable organizations throughout the community.

In 2016 L&N donated over \$14,000 to charities such as: Light the Night Walk (for Leukemia Society), Jr. Diabetes Walk, Step Out Walk (for American Diabetes), F.E.A.T Walk (to benefit autism research), the Heart Walk, Rob's Kids and March of Dimes.

We are pleased to help support these great causes and are incredibly thankful to everyone who helped make them a success!



Meet Amy Brown

We are pleased to introduce Amy Brown, who began working with L&N in February 2016 as Vice President, Commercial Lending.

She has 22 years of experience in her field and will be a great resource for our members! Lending for commercial and investment real estate is her specialty.

If you would like to discuss lending needs for your business, you can contact Amy at (502) 608-5267 or amy.brown@LNFCU.com.



In Loving Memory of Laquinta S. Strickland

January 3, 1960 – January 20, 2017

It is with great sadness that we mourn the passing of one of our employees. Laquinta began her career with L&N on January 5, 1987 at our Southern Parkway Office. In the early 90's, she moved to the Northern Kentucky area where she managed branches and was instrumental in developing our growth in that area.

We extend our heartfelt condolences to Laquinta's family and friends during this difficult time.

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