

Washington Financial News

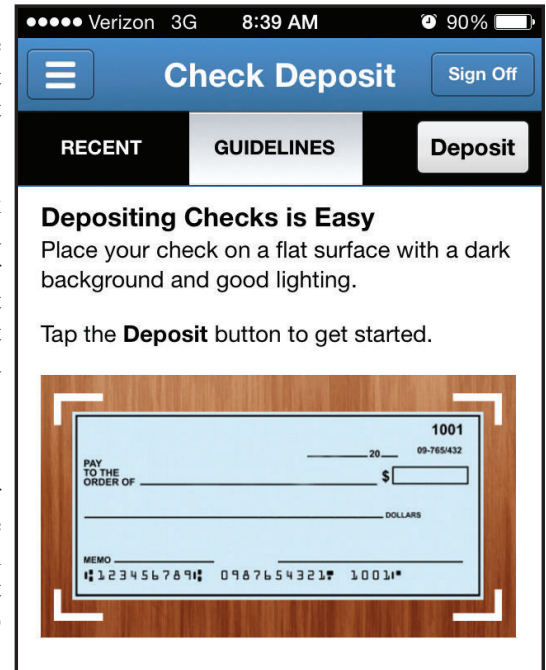


Deposit checks from your smartphone

Now, you can deposit checks anytime, anywhere with the WFB mobile banking app. Our new mobile deposit feature takes you through your deposit step-by-step.

To get started, just choose “Check Deposit” from the menu. Take a picture of the front and back of your check, enter the amount, and select the account. Once your deposit is processed, you will receive a verification e-mail.

Mobile deposit is easy and secure. If you have any questions or concerns about our app or mobile deposit, please talk to a Washington Financial representative or call us at (724) 222-3120. We’re happy to help you.



Inside

15,400 pounds of paper shredded in June

Our Community Shred Events were a big success. Here are some tips on what to shred and what to keep.

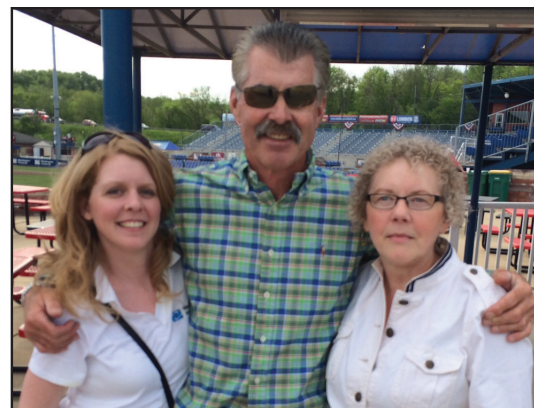
Bank awards 10 local scholarships

Together, our scholarship recipients volunteered more than 1,500 hours in our community.

Retirement planning for 50-somethings

Get your financial plan back on track and make the most of your financial working years.

Lifestyle members attend home opener



Former MLB player Bill Buckner with Michelle Philips, our Senior Marketing Associate, and Susan King, our Branch Manager at Main Street.

Lifestyle members cheered on the Wild Things as they took on the Frontier Greys at Washington Financial’s annual Tailgate Parties in May. Before the first pitch, members enjoyed a picnic-style dinner at the stadium’s Party Pavilion. Plus, former MLB player Bill Buckner stopped by Thursday’s picnic to say hello.

Lifestyle Plus is Washington Financial’s premier club program and offers regional travel opportunities. The next trip will be announced later this summer!

In your own words

Washington Financial continues to receive exceptionally high scores from our customer loyalty surveys. We review each response and personally address any questions or concerns for those who submit contact information. Thank you for sharing your experiences with us. Here are some of the responses we've received!

"I absolutely love using the banking app on my phone! It makes checking balances and transferring money so much easier because I can do it 'on the road.' Way to go for listening to your customers and keeping up with the trends!"

"Washington Financial has still retained the 'home town' feel for a financial institution. The customer still counts as is evidenced by the excellent customer service I have always experienced at this organization."

"During the recent Target debit card issues, the information I receive in person and by phone was very professional and helped me make my decisions on using or suspending my card easier. Also, I greatly appreciated the phone calls verifying the usage until my new card arrived."

"I am always greeted in a friendly and familiar way— a way that makes one feel at home."

"Jim Medved is a phone call away whenever a problem occurs. It is very reassuring to trust our company's financial well being with such a trusted and accessible individual."

"My husband and I are currently in the process of buying real estate, and the bank representatives have been most helpful in helping us find the best type of loan [and] saving us money by recommending ways to finance that we had not considered."

"The customer service reps at the Washington Crown Center anticipate my needs and are always available to assist with any special requests that my company may have."

Mobile adoption soars

A message from the CEO



Brian J. Smith
President and CEO

As the reliance on mobile communications continues to increase, it's important for financial institutions to ensure that their e-banking solutions keep pace with changing technologies. Over the past several months, Washington Financial expanded its suite of e-banking services to include text banking, a mobile banking application (app), and mobile deposit. With this new set of e-banking features, you can check account balances, transfer funds, pay bills, and deposit checks from a smartphone or tablet.

Since our mobile banking launch in October, we have experienced exceptionally high adoption rates – about 29% of active online banking users also use mobile banking. Typically, mobile banking adoption remains at 15-20% for most financial institutions according to a study by Fiserv, Inc. The remote deposit feature launched in May has also been quite popular, with 7% of mobile banking users depositing checks via their mobile device.

The benefit of these new solutions is clear, and we are confident that those of you who choose to use them will be happy with added convenience that they provide. Our commitment to offering you the products and services that you desire, is surpassed only by our commitment to maintaining the security of your personal information. We adhere to the highest level of industry recognized safeguards to keep your online and mobile banking experience safe. No data is stored on your smartphone or tablet, so if your device is lost or stolen, you can simply deactivate the device and your information can no longer be accessed on it.

Although new technology is changing the banking industry, Washington Financial's approach to community and relationship banking remains constant. We believe in true personal service and with our network of convenient locations, you have ready access to Washington Financial's staff. As a community bank, we take pride in our accessibility and in developing relationships that often last a lifetime. Although our e-channels may mean you may visit us in person less frequently, our dedicated team is, and will continue to be, available when you need us!

Brian J. Smith
Brian J. Smith, President and CEO

Community Shred Events



To help consumers safely destroy personal documents, Washington Financial held three Community Shred Events in June. Events were held in Peters Township, Washington, and Canonsburg. Together, we shredded 15,400 pounds of paper.

Because paper trails are one of the most common ways identity thieves steal your personal information, it's extremely important to destroy all sensitive documents in a safe manner.

Stay up-to-date on community events like Community Shred Days by liking our Charitable Foundation on Facebook. Just search for Washington Financial Charitable Foundation. Similar events are also promoted in our offices and on the Community Events page of our website.



Top: Carla Kraushaar and Dave Webb of the Crown Center office. Bottom: Phil Trozzi and Barb Czadankiewicz of the Canonsburg office.

To shred or not to shred?

Headed for the recycling bin with a pile of files? Before you dump them, check to see if any of those papers include sensitive information and should be shredded to protect you and your family. As a safe rule, shred any papers that contain information you would not want made public such as documents that contain names, social security numbers, dates of birth, account balances, medical data, or other personal information.

Here are guidelines from the FDIC to help you decide which papers merit the shredder treatment and when.

- **Credit card and bank account statements.** Save those with no tax significance for about a year, but those with tax significance should be saved for seven years.
- **Canceled checks.** Those unrelated to anything you claimed on your income tax form and not needed to show you've paid a bill or debt probably can be destroyed after you've verified that your bank statement is correct. But cancelled checks that support your tax returns, such as charitable contributions or tax payments, probably should be held for seven years.
- **Deposit, ATM, credit card, and debit card receipts.** Save them until the transaction appears on your statement and you've verified that the information is accurate. You may make an exception for receipts for expensive items. If they are under warranty or you have to file an insurance claim, the receipt may be helpful.

Staying connected to our community



At Washington Financial, our community roots run deep. Each year, we reinvest a portion of our profits back into the community through our Charitable Foundation. Plus, many of our employees donate their time and talents to further community organizations.

Now, you can stay up-to-date on local events and our community initiatives. Like the Washington Financial Charitable Foundation on Facebook.

In our community

Employees rally at Relay for Life

Washington Financial employees, family, and friends joined together to help raise funds for the American Cancer Society at the Relay for Life in May. Relay for Life events allow communities across the world to come together to honor cancer survivors, remember loved ones lost, and fight back.

Locally, the Bank's team raised funds through sponsorships and a Chinese Auction. The funds raised will help further cancer research, awareness programs, and aid for local patients, survivors, and caregivers.



Bowling for a cause

Washington Financial employees teamed up to help raise funds for Junior Achievement (JA) at the annual Bowl-A-Thon in April. JA is a non-profit organization that helps educate local students in financial literacy, work readiness, and entrepreneurship.

Recognizing women's leadership

Branch Managers Susan King, Georgette Minnick, Carla Kraushaar, Judy Bee, and Nan Campbell (not pictured) attended the Washington County Chamber of Commerce's Athena Awards luncheon.

This annual event honors the impact of women's business leadership, and award recipients are selected based on their professional excellence, dedication to improving the lives of others in the community, and helping others realize their full leadership potential. Washington Financial is proud to sponsor the Athena Awards as well as other events hosted by the Washington County Chamber of Commerce.



WashFin awards 10 local scholarships

Congratulations to the recipients of Washington Financial's 2014 Scholarship Fund Program! The Bank commends this year's recipients for their academic achievement and community dedication. Together, these students logged more than 1,500 hours of community service. Their time and effort has benefited many worthwhile organizations such as Habitat for Humanity, Washington Area Humane Society, Boy and Girl Scouts of America, and local hospitals.

Each recipient was awarded a one-year renewable scholarship for a maximum of four consecutive years. Since the inception of Washington Financial's Scholarship Fund Program, more than \$481,000 in scholarships have been awarded to local students. To learn more about Washington Financial's scholarship opportunities, please visit the Charitable Support page of our website or your local guidance counselor.



Savannah Ammons
Washington graduate to attend Washington and Jefferson College



Rachel Rozak
Canon-McMillan graduate to attend the University of Pittsburgh



Andrew J. Grosso
Peters Township graduate to attend Virginia Tech



Amy Russell
McGuffey graduate to attend Western Michigan University



Alexa Kostyak
Trinity graduate to attend Washington and Jefferson College



Haley Sutton
Chartiers-Houston graduate to attend Otterbein University



Kaitlin McCracken
Bishop Canevin graduate to attend Washington and Jefferson College



Antonio "Tug" Tatano
Chartiers-Houston graduate to attend Pennsylvania State University



Kyle Gregory Mottola
Peters Township graduate to attend the University of Dayton



Olivia Vanistendael
Peters Township graduate to attend North Carolina State University

Loggin' in...

Getting to your internet or mobile banking application



John Clayton
Senior Vice President
Community Banking

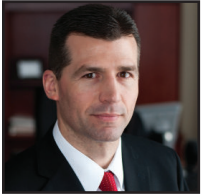
Over the past several months, you have no doubt seen numerous articles in this publication regarding the multitude of safeguards the Bank has installed to protect your privacy and thwart identity theft.

We're very proud of these efforts and they have been very effective for our customers.

These safeguards have come at a price, though. The log-in procedure for both internet banking and mobile banking is very complex! We have learned that many of our clients log-in relatively infrequently and they sometimes need assistance. And that's fine... when we're open. Our branches and internet specialists are always happy to assist! But what about nights, Sundays, holidays? How do customers get a little help then?

Our solution has been to create a little laminated card, a "cheat sheet," that shows each step in the log-in process from A to Z. These cards are available in all of our branches from the managers and our customer solutions specialists. They are also available on the mywashingtonfinancial.com website. It's just another way for us to make your financial life a little easier to navigate and to express our appreciation for your business.

Retirement planning tips for 50-somethings



Robert B. Vettorel
LPL Registered Representative
Senior Vice President
Washington Financial
Wealth Management Division



Entering your 50s and behind in your retirement planning goals? Don't fret. You've still got time to get your financial plan back on track. There are many steps that older investors can take to better prepare themselves financially for retirement. Here are six tips that may help you make the most of your financial working years.

1. **Catch up.** If you have access to a 401(k) or other workplace-sponsored plan, make the \$5,500 catch-up contribution that is available to participants aged 50 and older. Note that you are first required to contribute the annual employee maximum, \$17,500 for 2014, before making the catch-up contribution.

2. **Fund an IRA.** Investors aged 50 and older can contribute \$6,500 annually (the \$5,500 annual contribution plus an additional catch-up contribution of \$1,000). An investor in his or her 50s who contributes the maximum amounts to both a 401(k) and an IRA could accelerate retirement savings by more than \$25,000 a year.

3. **Consider dividends.** If you do not have access to a workplace-sponsored retirement plan, or you already contribute the maximum to your qualified retirement accounts, consider stocks that offer dividend reinvestment.¹ Reinvesting your dividends may help you grow your account balance over time.

4. **Make little cuts.** Consider how you can trim expenses while continuing to enjoy life. Some suggestions for quick savings: Eliminate or reduce premium cable channels that you do not watch, memberships that you do not use regularly, and frequent splurges on dining out or coffee runs. An extra \$100 a month saved today could make a big difference down the road.

5. **Review strategies for postponing retirement.** You may be able to learn new skills that could increase your marketability to potential employers. Even a part-time job could reduce your need to deplete retirement assets.

6. **Don't give up.** Many pre-retirees falsely believe that there is nothing they can do to build retirement assets, and as a result, do nothing. Remember that you control how much you invest, and in many areas, how much you spend. Make a plan and stick with it.

How much will social security pay?

If you're counting on Social Security to provide you with a secure retirement, think again. Social Security benefits only account for less than half of today's retirees' income. Longer life expectancies and the aging of the population will put an increasing burden on the Social Security system, making your own retirement funding more important than ever.

Shares of Aggregate Retirement Income

For all people age 65 and older:	
Social Security Benefits	37%
Pensions	18%
Earnings	30%
Asset Income	11%
Source: Social Security Administration, <i>Fast Facts and Figures About Social Security</i> , 2012	

The exact amount of your Social Security benefit will depend upon the number of years you've been working and the amount you've earned. You can obtain an estimate of your benefits at the Social Security Administration's online estimator. You can also call the Social Security at (800) 772-1213 and request form SSA 7004, the "Request for Personal Earnings and Benefit Estimate Statement." Complete the form and send it back. You will receive a personalized estimate of your benefits, plus a statement showing your annual earnings.

Social Security benefits currently represent 37% of the aggregate total income of Americans aged 63 and older, according to the Social Security Administration. For future generations of retirees, Social Security may represent a much smaller percentage of retirement income.

¹Investing in stocks involves risk, including loss of principal.

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Not a bank deposit | Not FDIC Insured | Not insured by any federal government agency | No bank guarantee | May lose value

Revitalizing local downtowns



O.H.I. Ice Cream Distributors, Inc. marks the first business to take part in the WCCED's Main Street Loan Program. Pictured are Tim Jankowski and David Minor of O.H.I. with Dan Reitz and April Cacia of WCCED at the construction site of O.H.I.'s new facility.

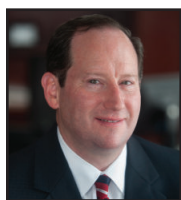
The Washington County Council on Economic Development (WCCED) launched a new loan program to help revitalize five downtowns in Washington County. WCCED's Main Street Loan Program will encourage business growth and job creation in the downtowns of Washington, Monongahela, Bentleyville, Donora, and Charleroi. The communities impacted by this loan program suffer from extensive vacancies and contain the poorest census tracts in Washington County.

"With the assistance of the County Commissioners and Washington Financial, we have the funding to advance business development and generate jobs in areas that need it most," said Dan Reitz, WCCED Executive Director. "We are so appreciative to have supporters that share our vision and passion to re-invest in our downtowns."

The WCCED shares a long history with Washington Financial, and Reitz credits his Relationship Manager, Jim Medved, for his accessibility and quick decision-making. "Developing this program was quite an extensive process, and Washington Financial followed me through it all," said Reitz. "When we were ready to launch, Washington Financial didn't hesitate. They said 'We're here to help you,' and that's what sets them apart."

For more than 20 years, the WCCED has invested in numerous start-ups and small, growing business ventures, helping to create or maintain more than 3,000 life-sustaining wage jobs in our region. Through the Main Street Loan Program, for-profit business owners can borrow up to \$250,000, provided they meet the program's requirements. More information on the Main Street Loan Program can be obtained by contacting the WCCED at (724) 225-8245.

Important legislation pending



Bill King
Senior Vice President
Business Banking

Business owners have long known to keep one eye peeled on government, be it local, state, or federal. The summer of 2014 is shaping up to be no time to take a vacation from this practice. Recently, the U.S. House of Representatives has made it clear that a re-authorization of the Export-Import Bank, the official export credit agency of the federal government that was formed in 1934, is very much up in the air. Meanwhile, at the state level, lawmakers are debating the pros and cons of a "severance tax" that would be paid by drillers based on the value of natural gas taken from Pennsylvania wells.

The outcome of both of these pieces of legislation could have long term consequences to local business owners. Smaller businesses that supply such large corporations as Boeing and Caterpillar, for example, could feel the effects of lower exported goods if the Ex-Im Bank loses its charter and, consequently, overseas sales. Likewise, smaller businesses could feel the effects of a severance tax should such a tax negatively impact statewide natural gas drilling activity.

Legislators will have a tough job over the next few months working through issues like the future of the Ex-Im Bank and taxes on natural gas drillers, to name just a couple. Smaller business owners have just as tough a job trying to guide their companies in the wake of legislation that does not always have the needs of small business owners first and foremost. Business owners that are still grappling with how or if to provide employees with healthcare benefits can attest to the need to pay attention to what's happening in Washington, Harrisburg, or more locally.

CONTACT US

BRANCH OFFICES

Washington	(724) 222-3120
Mall Plaza	(724) 229-7600
Crown Center	(724) 223-8000
Tylerdale	(724) 225-9100
Hickory	(724) 356-2900
Canonsburg	(724) 745-2417
McMurray	(724) 941-4275
Valley Brook	(724) 941-8430

LOAN CENTERS

McMurray	(724) 942-2301
North Hills	(724) 940-4450
Latrobe	(724) 537-6358

info@mywashingtonfinancial.com 



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