

THE CU'S NEWS

Read All About It:

- Tax Deductible Home Equity Loans
- Gala 70th Annual Meeting, May 1st

The Quarterly Newsletter for Members of the Atlantic Federal Credit Union

Spring 2005

Connect to Your Accounts...

@NYTIME

Our new Online Banking and Bill Payer systems are getting rave reviews from Members for their ease of use and new features. Renamed @nytime Financial Center, Online Banking is always free to all Members. With it you can:

- View account balances
- View account history
- Transfer funds
- Print copies of cleared checks
- Make cross-account transfers to/from accounts of authorized family members.

@nytime Fast-pay, our upgraded bill payer service, is also easy to use and has a number of new enhancements. You can now receive bills by e-mail, automatically schedule and pay e-bills and schedule e-mail notifications for various account situations.



@nytime Fast-pay continues to be free to Premier Members and is now free to Enhanced Members. Value Members pay \$4.95 per month for unlimited use.

Check out our demo & sign up for @nytime Financial Center and @nytime Fast-Pay at: www.atlfedcu.com.



Things are Looking Up for Savers

Atantic Federal leads the way in responding to rising interest rates with all of our savings products, including Savings Accounts, Money Market Accounts, CDs and IRA CDs.

Our **Rate Riser CD** in particular is a great savings product, especially in this rising rate environment. With a Rate Riser CD, your rate of return can go up, but never down. If the Credit Union raises rates, add to your CD and get the new higher rate on the entire balance for 12 more months. If you think rates may go down, lock in the current rate for 12 more months with an additional deposit.

The Rate Riser CD has a \$5,000 minimum initial deposit and \$5,000 minimum additional deposit. One additional deposit permitted per CD. Regular CDs are available for as little as \$250.

For current rates and descriptions of all our savings products, call Atlantic Federal at 1-800-222-1329, option "1" or log on to www.atlfedcu.com.

CAR LOANS



maybe now would be a good time to finance a more fuel efficient vehicle

If you're buying a new or used vehicle this Spring, before you accept dealer financing you owe it to yourself to speak to us. We can explain the hidden costs of 0% dealer financing incentives. Usually, they don't hold up

to Atlantic Federal loans, especially when coupled with manufacturer rebates (which are almost always in lieu of 0% incentives). Come to the people you trust to finance your vehicle purchase.

continued...



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...continued

New Vehicle Rates
**As Low As: 4%
apr***

Used Vehicle Rates as Low as 4.25% apr*
We'll refinance your existing loan too!
Up to 125% financing with tax, title & extended warranty.



*Ask us about Payment Advantage,
the Credit Union's lease alternative
with payments up to 50% lower
than a conventional car loan.*

*Rates & percentage financing shown are for Premier Members meeting selected credit criteria for up to a 3-year term. Other rates and terms available based on Member Merits status and credit worthiness criteria. AFCU loans not eligible for refinancing.

E-STATEMENTS

Reduce the paper in your life! Sign up for e-statements from the Credit Union. Each month we'll simply e-mail your statements to you. It's fast and easy. To sign up visit our website at www.atlfedcu.com.



MEMBER MERITS

We introduced our **Member Merits Program** to reward Members for using our Credit Union's services – whether it be for savings or borrowing. The philosophy behind Member Merits is that our Credit Union's strength comes from Members who actively use the Credit Union. Every Member is automatically part of the program and qualifies for one of three benefit levels based on their use of Direct Deposit and the combined balances of all their deposits and loans.

Member Merits Rewards include:

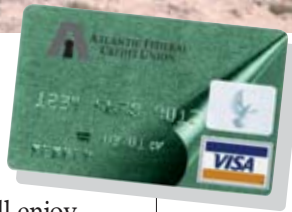
- **Consumer loan discount up to 1/4%.**
- **Courtesy Pay overdraft for Premier and Enhanced Members.**
- **Free @nytime Fast-pay (bill payer) service for Premier & Enhanced Members.**
- **Additional free ATM withdrawals.**
- **Free or discounted Travelers Checks, Money Orders & Official Checks.**

To learn more about Member Merits, visit the Membership section of our website at www.atlfedcu.com or call us at 1-800-222-1329.

BRING OUR VISA *on VACATION* THIS SUMMER



**Get a New Visa® with
Rates As
Low As: 4.9%
apr***
*for both purchases &
balance transfers*



■ **Secure online shopping with Verified by VISA.®**

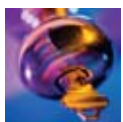
For instant approval, apply for your new VISA® card at www.atlfedcu.com. Or, call

the Atlantic Federal Credit Union for an application. Apply now so you'll be ready for upcoming summer vacation travel expenses.

*For the first 6 months. Afterwards, the rate will be indexed to The Wall Street Journal prime rate plus a margin based on Member's credit history. Rate quoted is the lowest rate for qualified applicants. Other rates are available and may apply based on credit worthiness.

Pack our low-rate VISA® card with you wherever you go this summer. Besides a sizzling rate as low as 4.9%* apr, you'll enjoy our VISA's® many other advantages:

- **The same low rate on balance transfers as new purchases.**
- **No cash advance or balance transfer fees.**
- **25-day grace period on purchases.**
- **Online account access.**



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EXPANDED FIELD OF MEMBERSHIP

Know anyone who lives, works, worships or attends school in Newark? Tell them they can join Atlantic Federal Credit Union. Atlantic Federal has received approval from the National Credit Union Association (NCUA) to expand our field of membership to include anyone who lives or works in the city of Newark. In addition, 20049960 anyone who worships, volunteers, attends school or regularly conducts business in Newark may also open Credit Union accounts.

Also, we continue to welcome new employee groups into our field of membership from anywhere in the north/central New Jersey areas and will continue to serve all our existing employee groups.

Newark Office Now Open to Serve Membership

Atantic Federal's new Newark branch office is located in the Newark downtown business area across from Washington Park near the IDT building, NJ Performing Arts Center and the Newark Bears Stadium. The branch is on the street level making for fast, easy access. This branch is staffed to handle all your lending and member service needs.

Atlantic Federal Newark Branch

570 Broad Street, Newark, NJ
(enter through main lobby or side entrance on Fulton Street)

Hours: 8:30 am – 4:30 pm on Monday, Tuesday, Wednesday
8:30 am – 5 on Thursday & Friday

(Below) Grand Opening Sweepstakes winner Raquel Batts (left) receives the Grand Prize of a Marriott Hotel package with airfare. Presenting the award is Branch Manager Denise Blanchard.



Above: Exterior of the Newark Office on Fulton Street with Broad Street in the background.

Below: The Grand Opening ribbon cutting. Pictured are (left to right) Fred Beckman, Atlantic Federal CEO/Treasurer; Scott Rekant, NJ Credit Union League Attorney (back); Mike Rodriguez, President, Essex County Hispanic-American Chamber of Commerce; Denise Blanchard, Branch Manager; Chip Hallock, President & CEO, Regional Business Partnership; Bill Kennedy, Atlantic Federal Board President & Rudy May, Atlantic Federal Board Member.



ATLANTIC FEDERAL
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FROM YOUR CEO



Fred Beckman,
Treasurer & CEO

A Word or Two About First Mortgages:

Spring is in the air and that's a time of year when a lot of Members go house hunting. Unless you have a rich uncle (and particularly in the case of home prices in Jersey where you will need a very rich uncle), you'll also be in the market for a mortgage. Flowers aren't the only thing appearing on lawns this time of year....so are "For Sale" signs. Mortgage rates are still at comparatively low levels. I heard a report the other day that the average interest rate for the traditional 30 year fixed mortgage in the past decade was over 9%...hard to believe given the past couple of years of low rates. Chances are that rates will tend to drift upward in the near future based on what the Federal Reserve Bank has been doing of late. So it's still not a bad time to get a mortgage.

What's your options? Well, there's the tried and true 30 year fixed rate mortgage which is still far and away the most popular home financing. As I said previously, these are still at low rates based on history. Your interest rate never changes on this type of mortgage and neither does the combined principal and interest portion of your monthly payment. Of course, property taxes and insurance will cause changes in the total monthly payment as time goes on.

If you want to save some significant interest cost over the life of the mortgage loan (I'm talking tens of thousands of dollars) and you can afford to pay a higher monthly payment, consider a 20 or 15 year mortgage. We offer both here at the Credit Union. The interest rate is even

lower with the shorter repayment term, which also means that more of your payment is applied to principal, thus the quicker payoff. And by reducing the principal portion of your loan faster, you'll also build up equity faster in your home. If you're reluctant to commit to the higher payment associated with a 20 or 15-year mortgage, stay with the 30-year mortgage and consider making extra principal payments when possible.

Then there is the Adjustable Rate Mortgage, commonly referred to as an ARM. Rates are initially lower with an ARM than with a fixed rate mortgage, which means the monthly payment is lower, which means a borrower may qualify for a larger mortgage. We offer 1, 3, 5, 7 and 10-year ARMs. That refers to the number of years in which the loan has a fixed rate before it adjusts to a new rate annually thereafter. The amount of the adjustment (up or down) is tied to the yield on certain government bonds, usually the 1-year Treasury bill. However, the interest rate cannot increase more than 2% at each adjustment and not more than 5% over the life of the loan. Frankly, in a period of relatively low interest rates such as we have now, ARMs may not be the best choice. To some extent, it depends on how long you plan to stay in the house.

As for Home Equity Loans:

Iroutinely have the Loan Department survey other financial institutions in our general area to determine the competitiveness of our loan rates. Almost without exception, nobody is close to our 4.75% for an 80% loan-to-value home equity line of credit loan. This rate will become effective May 1, 2005. I promise you this - we will continue to have among the very lowest, if not the lowest, home 20014460 equity rates anywhere.

If you don't have your home equity loan with Atlantic Federal, refinance with us...it will cost you nothing to do it. Most lenders tie their home equity rate to the prime rate, so essentially every time the Federal Reserve Bank raises short-term rates (a very common occurrence lately), these lenders raise their home equity rate immediately by a similar amount. We only adjust our home equity rates every

six months (on May 1 and November 1), so regardless of how much rates may rise, you know ours will stay the same for that period of time.

Identity Theft

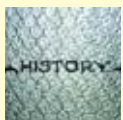
We follow a list of policies and procedures to protect our Members' identity. But protecting from identity theft starts at home. Here are some tips from the U. S. Federal Trade Commission:

- **Don't give out personal info on the phone, via the mail or over the Internet unless you've initiated the contact or are sure you know with whom you're dealing, like your Credit Union!**
- **Guard your mail and trash from theft. Deposit outgoing mail in post office collection boxes or at your post office, not in an unsecured mailbox. Remove mail from your box promptly.**
- **Tear or shred your charge receipts, copies of credit applications or offers, insurance forms, physician statements, check and Credit Union statements, and expired charge cards.** (Shredders for home use don't cost very much and can be purchased at any office supply store, Wal-Mart, etc.)
- **Keep your Social Security card in a secure place and give your SSN only when absolutely necessary.**
- **Limit the identification information and the number of credit and debit cards that you carry.** (All you need is your Atlantic Federal credit and debit cards.) Before revealing any identifying information (for example, on an application), ask how it will be used and secured, and whether it will be shared with others.

Well, I think I'm out of space. Too bad, I have lots more to talk about. And I will, in the summer edition of The CU's News. Until then, use your Credit Union for all its worth. We're the best deal going, I guarantee it.

Cordially,

Fred Beckman
CEO



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SCHOLARSHIP DRIVE...

Participate in a great day of golf, prizes, food & fun at the...

9th Annual Credit Union Scholarship Golf Outing

Help us raise money for the Credit Union's annual college scholarships for graduating high school seniors who are Members or the children or grandchildren of Members. All Atlantic Federal Credit Union Members and their guests are invited to play.

Gambler Ridge Golf Club, Cream Ridge, N.J. ext. 7A, NJ Turnpike

Monday, August 1 / Shotgun start at 1 pm

\$100 per golfer. Includes: 18 holes of golf, cart rental, prizes, lunch & buffet dinner.

To reserve your spot, call 1-800-222-1329, ext. 509. Any number of players may register. Even singles- we'll put you in a foursome!

RAISE YOUR STANDARD of LIVING WHILE YOU LOWER YOUR TAXES

Do Both When You Finance Spring's Things with a Home Equity Loan



With rates as low as 4.75%* apr, a Home Equity Line of Credit is probably the most convenient and low-cost way to afford what you want most. So, use an Atlantic Federal Home Equity Line of Credit for:

- Additions & Remodeling
- New & Used Cars, Trucks & SUVs
- New & Used Boats & RVs
- Spas, Patios, Decks

■ Siding, Roofing, Windows & Insulation

■ Landscaping & Paving

- Home Theatres
- Tuition & Housing
- Weddings
- Travel
- Debt Consolidation

4.75%* apr

Rate through October 2005 and applies to current, outstanding balances and new advances.

Interest is usually tax deductible too.**

*Annual percentage rate effective May 1, 2005. Based on 80% loan to value. Other rates for higher loan values. Variable rate based on the prime rate plus or minus an index which is determined depending on loan to value & adjusted bi-annually as the prime rate changes. Loans limited to NJ & PA owner occupied 1-2 family dwellings. ** Consult your tax advisor.



ATLANTIC FEDERAL
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OPENING DOORS

YOUTH MAKE a DIFFERENCE



Want It...Save It...Get It!

That's the theme of this year's National Credit Union Youth Month. Today's youth spend \$150 billion each year on designer clothing, food, games, toys, collectibles and more. The desire to "get it now" can overpower learning how to save for things they will need in the future.

To help the youth in your family, we invite you to open a Credit Union account for your child or teen and get:

2 Free Gifts:*

- 1) A Credit Union mouse pad.
- 2) A copy of the 24-page, full-color **Guide to Money** - for high school & college-age Members or a Credit Union activity book for younger Members.

Some tips to help the youth in your family develop good habits:

- Open a Savings Account at Atlantic Federal for your child. *Help your children set savings goals.*
- Use Atlantic Federal's online calculators to show children how money grows when it earns dividends.
- Graduating high school seniors are invited to open a free checking account and get a MasterMoney® Debit card.

*while supplies last.





ANNUAL MEETING REMINDER

Sunday, May 1, 2005, 1 p.m.
at the Pines Manor, Edison, N.J.

Luncheon/door prizes. Call the Credit Union for reservations only if you haven't already sent in an RSVP coupon.

New Debit & ATM Cards Coming Soon

In late summer we plan to issue new cards to all Members who currently have a Credit Union ATM or MasterMoney® Debit card. We will advise you of the details in the summer CU's News.

Vacation with a Personal Loan:

Rates as low as 9.65% apr*

Need some extra funds to finance a summer getaway? Use a Personal Loan to finance your vacation. Borrow up to \$10,000 with a Personal Loan and take up to 5 years to repay.

*Annual percentage rate. Rate shown offered to Premier Members and includes a discount for automatic payment. Other rates and terms available.

Save Now for Next Year's Vacation

Open a Vacation Club at the Credit Union to save for your next vacation or any other purpose. If you have payroll coming in to your account, we can transfer the weekly amount of your choosing right into the Vacation Club. Or you can mail in deposits. You may also set-up automatic transfers via @nytime Financial Center.

All accounts earn interest.
Make withdrawals @nytime.

Vacation Clubs Mature

Vacation Clubs will mature on June 14. All proceeds from your Club will be transferred to your Savings Account. Make withdrawals at an ATM, via QuickDraw, faxing us a withdrawal request or stopping in any of our branches. You will be automatically enrolled for next year's Vacation Club unless you notify the Credit Union.

\$ 25 - \$100 Rewards

Find your Account Number in this issue of The CU's News & call: (908) 245-1750, ext. 512. \$25 will be added to your Share Savings Account. \$100 will be added if you have an active Checking Account.

Holiday Closings:

Monday, May 30
for Memorial Day

Monday, July 4 for
Independence Day



ATLANTIC FEDERAL
CREDIT UNION
OPENING DOORS



Phone: (908) 245-1750 / Fax: (908) 245-0680

Kenilworth: 37 Market Street
Kenilworth, NJ 07033

Hours: M-F 8 am till 5 pm / Thurs. till 6:30 pm
Sat. 9 am till Noon

Newark: 570 Broad St., Newark, NJ 07102

Hours: M-W 8:30 am till 4:30 pm / Thurs. & Fri. till 5 pm

Princeton: 29 Emmons Dr., Bldg. A-30
Princeton, NJ 08540

Hours: M-F 8 am till 4 pm

Elizabeth: Trinitas Hospital -
210 Williamson St. Elizabeth, NJ 07201

Hours: M-F / 9 am till 4 pm

Serving Only Verizon Wireless Employees:

Bedminster: 180 Washington Valley Rd. 3rd Flr.
Bedminster NJ 07921

Hours: Tuesdays & Fridays 8:30 am till 4 pm

Morristown: 250 James St. Morristown NJ 07960

Hours: Mondays, Wednesdays & Thursdays 8:30 am till 4 pm

Orangeburg: 2000 Corporate Drive
Orangeburg NY 10962

Hours: Monday - Friday 9:30 am till 2:30 pm

Warren: 30 Independence Blvd.
Warren NJ 07059

Hours: Monday - Friday 8:30 am till 3 pm

- Web Site - www.atlfedcu.com
- E-mail for Member Service - info@atlfedcu.com
- E-mail for IRAs & CDs - reneel@atlfedcu.com

Quick Draw - (908) 245-0404

Or press 1 after calling the C.U.'s main number.