

Service means ... My personal financial information is protected.

We know that when it comes to your personal financial information, privacy is of the utmost importance. That's why we always respect your privacy by adhering to a strict privacy policy. But more than just telling you this, it's important that you know specifically what we're doing to keep our promise to you. Please take a moment to read this article outlining our current privacy policy. At Arizona Federal, service means that we handle *your* personal financial information with care.

General Definitions.

The words "you" and "your(s)" mean every person that signs any Account Card or is authorized to make transactions regarding your account(s), including any account service(s). "We," "us," or "our" means the credit union.

We respect the trust you place in us.

At Arizona Federal, we recognize that our relationships with our members are based on trust. As a member, you trust us with your financial and other personal information, and we are committed to respecting your privacy and safeguarding that information. We pledge to protect your privacy by adhering to the practices described in this section.

1. The Types of Information We Collect.

We only collect information about our members for lawful business purposes, or as otherwise required by applicable law.

We collect information about members from the following sources: (a) Applications for services, other forms and any communications you send to us including electronic messages from which we collect your name, addresses, phone numbers, social security numbers, financial data, birth date, gender and other information; (b) Transactions involving your accounts or services with us from which we collect information such as your name, account number, balance, payment history, parties to your transactions and credit card usage; (c) Consumer Credit Reports from which we collect information regarding your creditworthiness, credit history and account activity; and (d) Market Research Firms that provide us with a variety of information regarding our members such as the number of individuals in a household, home ownership, etc.

You agree that the telephone numbers, street and e-mail addresses provided in your Membership Application and Signature Card, or any other application or communication sent to us, are publicly available and will be used to provide notices, disclosures, statements, other communications (including but not limited to our responses to your e-mail communications) and offers for certain products or services.

Arizona Federal's Website.

Use of our web site or linking to a site we sponsor requires the use of "cookies," which are small pieces of information a website stores on a visitor's web browser to remind the site about the user the next time the site is visited. We do not store confidential or sensitive information through the use of cookies. Our use of cookies enhances our member's online transactions and eases navigation through our website. For certain applications, such as online transactions, cookies are required to help protect the privacy of a member's transactions by, for example, terminating the session if the member forgets to log out. We collect e-mail addresses from members who request electronic services, and from users of our website who choose to provide their addresses. We do not disclose cookie information to nonaffiliated third parties.

2. The Types of Information We Disclose.

We do not disclose any non-public personal information about our members or former members except as permitted by applicable law. To benefit our members, we share the information described in Paragraph 1 within the credit union, and with certain trusted third

parties described in this paragraph, who are obligated to maintain the confidentiality and security of your private information. We use the services of various third parties to assist us in offering financial services to our members. For example, we use the services of third parties for processing transactions using credit cards, checks, check cards, ATM cards and other access devices; for assistance in making loans, loan underwriting; processing loan applications; for appraising collateral and for processing our outgoing mail. We also work with companies that provide financial planning, investment services, extended automotive service contracts, personal and property insurance, credit counseling and retail automobile sales to members.

Fair and Accurate Credit Transactions Act: The credit union may report information about your account(s) to third parties such as credit reporting agencies/bureaus. Late payments, missed payments, insufficient funds transactions or other defaults on your loan and share/share draft account(s) may be reflected in your credit report.

We share information with our affiliate, Western States Financial Group, LLC and Arizona Federal Insurance Solutions, LLC. We may also share information when permitted by applicable law.

3. Security.

We are committed to taking every reasonable precaution to protect individual identifying information that you provide to us. We share non-public personal information about you only with employees who need to know that information to provide products or services to you. We also maintain physical, electronic and procedural safeguards that comply with federal regulations to guard your non-public personal information.

4. Notices and Joint Relationships.

Except where expressly required by applicable law, we will provide all notices to the person (member) listed first on any application, agreement or other relevant document with us. The notice will be mailed to the address noted for said person on the application, agreement or other document. If this person (member) has agreed to receive notices and disclosures electronically, then we can send all such notices and notifications to the email or Internet address provided by said person. All joint owners, borrowers and guarantors agree to the receipt and sufficiency of any notice or notification sent according to this paragraph.

5. Modification.

The credit union reserves the right to modify, change or amend this Privacy Policy and Agreement at any time without notice other than as expressly required by applicable law.

6. What Members Can Do To Help.

Protect your account numbers, card numbers, PINs (personal identification numbers) and passwords. In particular, never keep your PIN with your debit card or credit card, as that makes you vulnerable in the event you lose your card or your card is stolen. Use caution in revealing account numbers, social security numbers, etc. to other persons. In particular, if a caller tells you he/she is calling you on behalf of the credit union and asks for your account number, you should beware. Legitimate credit union staff would already have access to that information. It's important that the credit union has current information about how to reach you. If we detect potentially fraudulent use of your account, we will attempt to contact you immediately. If your address or phone number changes, please let us know.

7. Protecting Children.

We do not knowingly solicit or collect data from children and we do not knowingly market to children online. We recognize that protecting children's identities and online privacy is important and that responsibility rests with us and with parents.

Member Advantage



Vol. 7, No. 2 • April 2006

Feature article: Find the Right Fit for Your Future

Also in this issue: Upgrades Mean Convenience
Plan Your Next Vacation for Less!

It's Never Been So Easy to Access Your Home's Equity

You know your home has equity, but how can you get to it when you need it? Arizona Federal offers two easy ways to benefit from the equity in your home.

If you're looking for revolving credit, try our **home equity line of credit (HELOC)**. This variable interest rate loan is like a credit card, letting you use your available credit limit as you need it.

Our **home equity loan** is a one-time amount with a locked in interest rate, which offers you a low, fixed monthly payment.

Arizona Federal has been offering home equity products for over 20 years, and over time our processes have evolved to save you more time and money.

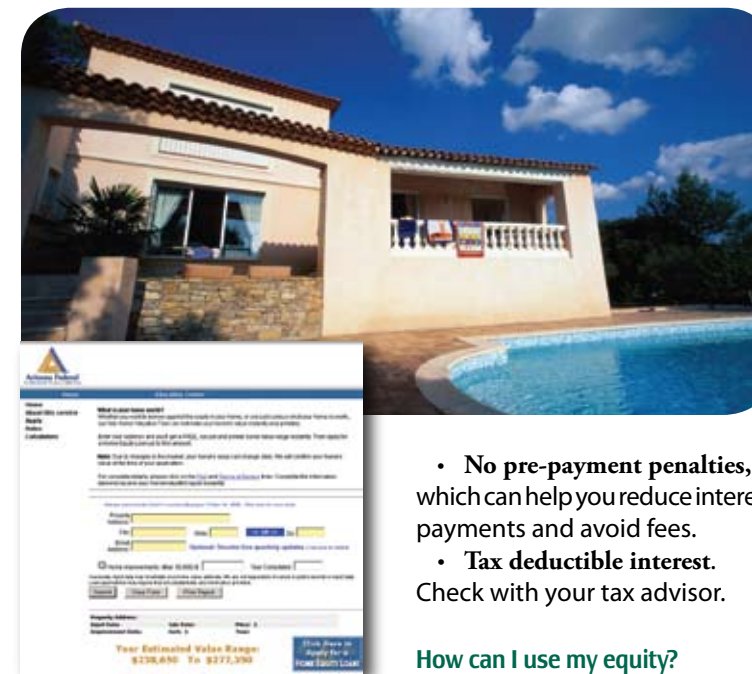
The next evolutionary step in home equity lending is here.

We are excited to introduce **Quick Close**—a new program and process that:

- **Saves you money.** Quick Close eliminates appraisal fees, which means more money in your pocket.
- **Saves you time.** In order to close the loan quickly, Quick Close eliminates many up front, time-consuming processes.
- **Saves you stress.** Our free home valuation tool lets you know how much equity you have.

Now you can see what we see!

One of the best features of Quick Close is the exciting, new **free Home Valuation Tool**, which



How much is your home worth?

Check out our Home Valuation Tool (above) by visiting www.ArizonaFederal.org. It's free and simple to use.

allows you to see the value range of your home just as we see it. There's **no cost** to use it and the valuation is good for up to 60 days from your application. To find out your home's value, simply visit www.ArizonaFederal.org and click on "Find your home's value."

What other benefits are there?

Our home equity products still have all the great benefits you've enjoyed in the past:

- **No fees**—no loan application, loan origination, document preparation or credit report fees.

possibilities include:

- Home improvements
- Debt consolidation
- New or used vehicle
- Emergency fund
- College tuition

What do I have to do to access my home's equity?

It's now easier than it's ever been! Simply visit a branch or call (602) 683-1739. You can even visit www.ArizonaFederal.org and click on "Apply for a loan online." The entire application process only takes about 30 minutes.

What are you waiting for? If you're looking for an easy way to access your home's equity, Arizona Federal is standing by to make it quick and easy—so you can get back to enjoying life.

How can I use my equity?

You have lots of options. Some

- **No pre-payment penalties**, which can help you reduce interest payments and avoid fees.
- **Tax deductible interest.** Check with your tax advisor.

Find the Right Fit for Your Future

Choosing the right pieces to build your financial future can be complicated, but AIG Financial Advisors at Arizona Federal* can assist you. Any member can meet with an AIG Financial Advisor at Arizona Federal free of charge. They offer a variety of products including:

- Life Insurance
- Annuities
- Stocks & Bonds
- Mutual Funds
- 529 Education Accounts
- IRAs & Retirement Planning

Whether you're planning for retirement, needing to save for a child's college education or seeking estate options, the AIG Financial Advisors at Arizona Federal can help you choose the pieces for your portfolio that best fit into your financial puzzle.

*Not NCUA insured - not guaranteed by the credit union - may lose value



Member Advantage

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Branch Locations

Phoenix
15625 S. 48th St.*
12401 N. Cave Creek Rd.*
2650 W. Ross Dr.*
7227 S. Central #1010*
300 W. Jefferson St.
333 N. 44th St.
5151 N. 19th Ave.*
2020 N. 75th Ave. (Inside Wal-Mart)**

Avondale
13055 W. Rancho Santa Fe Blvd.
(Inside Wal-Mart)**

Chandler
1311 W. Chandler Blvd.*
2750 East Germann Rd. (Inside Wal-Mart)**

Gilbert
1675 E. Elliot Rd.*

Glendale
5505 W. Bell Rd.*
5485 W. Northern Ave.*

Mesa
1457 W. Southern Ave.*
4403 E. Broadway*
1125 E. Southern Ave.*

Scottsdale
3396 N. Hayden Rd.*

Tempe
855 W. Baseline*
2700 West Baseline Rd. (Inside Fry's)**

Tucson
2900 E. Broadway, Suite 190
1069 E. Silverlake Rd.

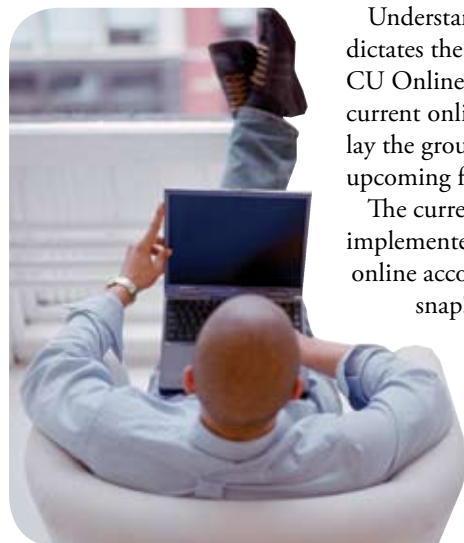
*Saturday hours 9:00 a.m. - 1:00 p.m.
**Saturday hours 9:00 a.m. - 5:00 p.m.

TouchTone 24: (602) 683-1234
(1-800-523-4055)

www.ArizonaFederal.org
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Upgrades Lead to Convenience for You



Understanding that technology dictates the future, we've upgraded CU Online to enhance your current online experience and lay the groundwork for useful, upcoming features.

The current enhancements we've implemented to CU Online make online account management a snap!

The new look takes advantage of a bigger screen size. On a monitor with a resolution of 1280x1024, you can see about

400% more of your account history at once! We've also made the navigation more compact. This gives you more space for your account information—plus, it makes it easier for us to add more features, such as check images, in the future.

Enhancement Central

New enhancements make online banking quick and easy. You're now able to:

- Click on a **link to the loan application** from within CU Online, eliminating the need to leave or open additional screens.
- Enjoy **more options when you order your checks**.

- Find the answer you're looking for quickly with our **FAQs & Email**.
- **Change your mailing address** (through User Options).

You can still click on Account Name to display the history—but we thought it could still be easier, so we added a **View Recent Transactions** link under Account Summary. You can use whichever way you prefer.

If you currently use CU Online, we're sure you'll enjoy the improvements. If you've never tried CU Online, now is a great time to sign up—simply visit www.ArizonaFederal.org to sign up today!

Actively Protecting Your Account

At Arizona Federal, we're constantly evaluating ways to keep our members safe from Internet fraud and identity theft.

That's why we've recently partnered with Cyveillance, a company who constantly monitors the Internet for phishing attempts, pharming attacks and credit card fraud.

Cyveillance works on Arizona Federal's behalf to find and shut down suspicious or illegal online activities as soon as possible. When they detect something, Arizona Federal is then notified so that proper action can be taken.

To learn more about things you can do to protect yourself from fraud, click on the "Tips for Preventing Fraud" button on the righthand side of www.ArizonaFederal.org and feel safer knowing that Arizona Federal is working for you.



The Dictionary

Our quarterly feature focusing on your definitions of service.

The following excerpts are from letters we recently received that explain the way all of us at Arizona Federal are committed to providing service for the way **you** define it:

Not 'just another number' anymore!

My sister convinced me about four years ago to sign up with [Arizona Federal]. At that time I had been with [another financial institution] for about thirty years. I had loans with them up to \$100,000. They gave me the impression after all that time that I was still just a number.

I had a legitimate bankruptcy in 2000. My sister co-signed on a car loan for me, which I paid in full. I now have another car loan with you and a Visa card.

You have always made me feel that you appreciate my business. Everyone that I have dealt with at Arizona Federal has been wonderful. Thank you so much for making me feel like a human being again!

-- K. Youngberg, Mesa, AZ

'The only way to buy a car ...'

I just purchased a new vehicle through Members' Auto Center. I was really dreading the experience. As a single woman, I feel that the attempt to rip me off is always made. This was the first time that I purchased a new vehicle by myself, no husband or boyfriends involved. It was a wonderful experience! I am so pleased with my vehicle!

I was very impressed with **Eric Russell**. He made the experience easy and fun! If I had to go to a dealership, I would have never made the purchase. Eric is a great guy and is very customer service oriented. He got me a great deal on my trade-in and found exactly what I wanted.

I will be sure to tell others about this service—it is the only way to buy a car as a single woman! Thank you so much for this wonderful service!

-- V. Anderjeski, Chandler, AZ

Do you have a service story to share? Mail it to: Arizona Federal, Attn: Marketing Dept./Service Legends, P.O. Box 60070, Phoenix AZ, 85082; or fax to (602) 683-1946, or send an email to: kristin.leabo@azfcu.org, Attn: Marketing/Service Legends.

News & Notes

Free Education Seminars in April

Four free member education seminars will be held this quarter presented by BALANCE:

- **Ten Steps to Financial Fitness (presented in Spanish)**
Monday, April 24; 6-7:30 p.m.
Financial success is not always dependent on income. From developing a spending plan that works to setting goals and weighing insurance needs, this presentation covers the core concepts necessary to develop and maintain personal financial control.
- **Credit Reports: Solving the Mystery (presented in Spanish)**
Tuesday, April 25; 6-7:30 p.m.
This seminar provides an overview of credit bureaus, credit scoring and the Fair Credit Reporting Act as well as specific guidance on disputing inaccuracies, improving the credit score and dealing with identity theft and fraud.
- **The Golden Years: Planning for Retirement (presented in English)**
Wednesday, April 26; 6-7:30 p.m.
Participants in this workshop will learn how to harness the power of time, how investments can be used to reach long-term goals and how inflation and taxes will impact their retirement dollars.
- **Credit Reports: Solving the Mystery (presented in English)**
Thursday, April 27; 6-7:30 p.m.
See above description.

The seminars presented in Spanish (Monday and Tuesday) will be held at the Friendly House at 802 S. 1st Avenue in Phoenix. The seminars presented in English (Wednesday and Thursday) will be held at Arizona Federal's Operations Center at 333 N. 44th Street.

Space is limited; please register online at www.ArizonaFederal.org or call (602) 683-1032—for Spanish, call (602) 683-1396—at least seven days prior to the date to register.

Plan Your Next Vacation for Less!

Have you been putting off taking the family vacation of a lifetime because of the cost? We have exciting news for you! Arizona Federal partners with Get Away Today Vacations™ to offer members **discounted rates on vacation packages**.

Get Away Today Vacations has helped more than 2 million people enjoy vacations to Disneyland® and beyond. They can even help you save up to 50% on your next family vacation. Enjoy great vacation packages to destinations like **San Diego, Universal Studios, Hawaii and Orlando**.

Ask for a brochure at your Arizona Federal branch or visit www.getawaytoday.com to learn more about their great vacation packages.

When booking through Get Away Today Vacations, a portion of your vacation is donated back to local charities in your community. Call Get Away Today at 1-866-349-8747, or visit their website to book your vacation today!

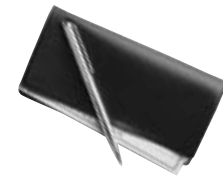


May is Direct Deposit Month

Along with other financial institutions across the nation, Arizona Federal is celebrating Direct Deposit Month this May.

When you have your payroll or government-issued check deposited directly to your account, you don't have to wait in line to deposit your funds.

So why wait? If your company offers direct deposit, sign up today! Just give your payroll department your account number (from a voided check) and Arizona Federal's routing/ABA number: **322172797**. To have your Social Security check deposited, contact the Social Security department at 1-800-772-1213. It's that easy!



Annual Meeting Set for April 26

The 2006 Annual Meeting will be held on Wednesday, April 26. Winners of the Board of Directors election will be announced. If you would like to attend this business meeting, please call Arizona Federal's Marketing Department at (602) 683-1032 for more information.

Holiday Schedule

All Arizona Federal branches will be closed on the following dates:

- **Memorial Day**
Monday, May 29, 2006
- **Independence Day**
Tuesday, July 4, 2006

For your convenience, branches with Saturday hours will be open on Saturdays during these holiday weekends.

Have You Checked Your Couch Cushions?

Did you know that over \$10 billion dollars in loose change is sitting in homes across America not earning a nickel of interest?

During the week of April 10-15, we invite you to participate in Arizona Saves' annual "Save Your Change Week." The purpose of this week-long event is

to draw attention to the large amount of change in everyone's home and car, and to increase awareness about saving money.

Start looking for all of your loose change and make a deposit in your Arizona Federal account so it can start working for you!

Arizona Saves' is an Arizona non-profit organization that builds self-sufficiency, reduces dependency on community resources, reverses the trend of high credit debt and empowers Arizonans to reach their financial goals through healthy money management.

For information on Arizona Saves' programs and services, please call (602) 246-3500.



Roll Your Change Week
April 10-15, 2006