

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 the following outline of 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 email 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 email 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 email 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 affiliates, Western States Financial Group, LLC and Arizona Federal Insurance Solutions, LLC.

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.

8. Beware of Phishing Scams.

"Phishing" scams are official-looking email that appear to have come from your credit union, bank, credit card company, etc. These email messages usually state something is wrong with your account, and request you to verify your private and confidential information. These messages are fraudulent. We will not contact you by email with a request to verify your information or to inform you that you have a problem with your account. You should delete any such emails — never reply to them and never follow their instructions.

Member Advantage



Vol. 8, No. 2 • April 2007

Feature article: **Mortgage options to fit your needs**

Also in this issue: Top 10 reasons to use CU Online
Tips to reduce your auto insurance
from The Arizona Group

Mortgage options to fit your needs ... guaranteed!

There's no doubt ... it's a buyer's market right now!

With an assortment of mortgage options from Arizona Federal and anxious sellers waiting for an offer, now's the perfect time to purchase your new home.

At Arizona Federal we understand the excitement of purchasing a new home, as well as the questions that come with the process. To help you answer those questions, our Home Loan Consultants will walk you through the process, answer all your questions and help you find the perfect loan for your needs. Plus, with our *Fast. Easy. Home.* program, your home loan process



will be fast and affordable. Check it out:

Fast. Easy. Home. guarantees

- **Get a same-day loan decision.** We promise not to waste your time. Call us now to get pre-approved and we'll give you an answer today — or we'll pay you \$250. As a matter of fact, we often

give pre-approval loan decisions within 20 minutes.

- **Get the best price.** We promise not to waste your money. We'll beat any lender's rate and fee combination by \$100 or we'll pay you \$500.*

- **Close on time.** We promise to get you to closing. We'll meet your requested closing date or reduce your interest rate by 1/8 of one percent for the life of your loan.**

Get started today!

Contact a Home Loan Consultant at (602) 683-1295 to help you purchase the home of your dreams today. Curious about how much you can afford or what your monthly payment will be? Simply visit us online at mortgage.ArizonaFederal.org

to learn more about the variety of available mortgage products. With the click of your mouse you'll have the answers you need — day or night!

Arizona Federal can help you find the mortgage to fit your needs ... guaranteed.

*A member must provide a complete, system generated Good Faith Estimate, listing a specific lender's name, that is dated the same day as the rate quoted by us. If such Good Faith Estimate indicates an equivalent or lower interest rate and closing costs package, for the same loan program that is offered by us and we have verified the accuracy of the rate and fees listed then we will have the option of beating that lender's total loan costs by \$100 or paying the member \$500 when they close with that lender and provide us with a copy of the signed Note and Final HUD-1 Settlement Statement.

**Approved, conventional, purchase loans only using our preferred closing agent. Closing date must be mutually agreed upon between member and credit union, and member must provide all required documentation.

More locations means more convenience and value for members

Arizona Federal is committed to returning value to our members throughout the year. In addition to new products and competitive rates, new branches in convenient locations are another way that we stand by our commitment.

We recently opened two new branches. **Located just west of 16th Street on Southern Avenue**, our newest stand-alone branch brings the service

you expect from Arizona Federal right to your neighborhood. **Inside the new Wal-Mart at 35th Ave and Southern Avenue**, our Laveen In-Store offers the convenience of banking where you shop!

These new branches bring the total number of Arizona Federal locations to 25 throughout the Valley and Tucson.

Stop by one of these new branches the next time you're in

the neighborhood!

Not going to be near your usual branch? Visit ArizonaFederal.org to find a different Arizona Federal branch, a surcharge-free ATM or shared branch location anywhere in Arizona and the rest of the country!



Members of the Chamber of Commerce and employees of the Laveen In-Store branch celebrated their grand opening with a ribbon-cutting ceremony on February 10.

Member Advantage

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*VAP = Volunteer Achievement Program designee
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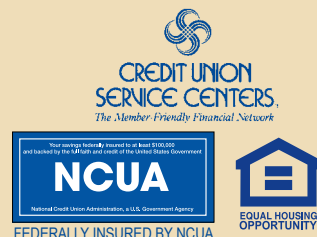
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Looking for a new or pre-owned vehicle? Here's how Members' Auto Center, our simple auto buying service, works:

Ready You tell a Members' Auto Center consultant about the vehicle you're looking for.

Set He'll find the car and get you a great price.

Go He'll bring the car to you at a branch. He can even help you with Arizona Federal financing.

It's that easy! Visit a branch to speak with a Members' Auto Center consultant today. Don't have time to get to a branch? Then call (602) 683-1000 or visit MembersAutoCenter.com to learn more.

Top 10 reasons to use CU Online

How Arizona Federal's online banking feature can make your life better

#10 – Helps cut glue out of your diet. With FREE Bill Pay, you can pay anyone with a US address, pay recurring bills (utilities), one-time bills (landscaping), pay fixed amounts (rent) or variable amounts (electricity), all from the comfort of your computer. No stamps. No envelopes. No licking required. (The recommended daily allowance of glue is pretty low, so you won't miss it.)

#9 – Gives your bloated mailbox some relief. Stop overloading your mailbox with so much mail. Sign up for Online Statements. You'll receive your month-end and Visa® statements securely online and sooner than mailed statements—plus, there's no chance of mail theft. Plus, your statements for the past two years are organized by date so they're easy to find.

#8 – Puts a teller window in your bedroom. Transfer funds, make Arizona Federal loan and credit card payments, open share certificates, request stop payments, request a wire transfer, apply for a loan, reorder checks, pay your bills, check your statements and more while sitting in bed eating cereal.

#7 – More connections than Sky Harbor Airport. If you can

connect to the Internet with a modern browser, you can access your account — and you don't have to stand in line and be x-rayed. (Creepy.)

#6 – Saves your cell phone minutes for that special someone. You don't need to call to check your account balances or transfer funds. Do it yourself online and save those cell phone minutes for that special someone in your life. You know the one.

#5 – Gives you a reason to use that fancy money management software you bought. You can export your account information into money management programs like Quicken® or Microsoft Money®.

#4 – Turns the tables on overdrafts so you can catch them off guard. Set up email notifications to tell you when your account dips below a certain level to help you avoid overdrafting.

#3 – Keeps you from getting lost. You can update your mailing

address, your email address and your phone number online so you don't fall through the cracks and get lost.



#2 – Better than a Magic 8 Ball. Ask questions and get answers securely with our Answer Center feature.

#1 – Keeps you and your personal information safer. Those who eliminate paper bills, statements and checks, and replace them with online banking alternatives, are at a **10.4% reduced risk of becoming a fraud victim.** (2006 Identity Fraud Survey Report completed by Javelin Strategy and Research, January, 2006).

If you aren't already taking advantage of all CU Online has to offer, visit ArizonaFederal.org today and sign up!

Plan your next vacation for less with Get Away Today!

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 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 purchase 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!



News & Notes

Free education seminars in April

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

- **Identity Theft (presented in Spanish)**
Monday, April 16; 6-7:30 p.m.
A shredder will be given away at this seminar!
- **Drive Away Happy: Auto Buying Tips (presented in Spanish)**
Tuesday, April 17; 6-7:30 p.m.
- **Identity Theft (presented in English)**
Wednesday, April 18; 6-7:30 p.m.
A shredder will be given away at this seminar!
- **Drive Away Happy: Auto Buying Tips (presented in English)**
Thursday, April 19; 6-7:30 p.m.



The seminars presented in Spanish will be held at the Friendly House at 802 S. First Ave. in Phoenix. The seminars presented in English will be held at Arizona Federal's Operations Center at 333 N. 44th Street.

Space is limited; to register or find out more about these free seminars, visit ArizonaFederal.org or call (602) 683-1556.

Annual Meeting set for April 25

The 2007 Annual Meeting will be held on Wednesday, April 25. The results 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.

Tips you can use: How to reduce your auto insurance premium

As an established local agency, our insurance partner, **The Arizona Group**, offers a full range of personal and commercial insurance services, including auto insurance. Here are some tips from them to keep your auto insurance affordable. These discounts could significantly affect your insurance premium.

• **Arizona Federal membership.** The Arizona Group represents insurance companies which will discount their standard rates for members of the credit union.

• **Auto club and professional organizations.** Some insurance companies offer auto insurance discounts if you're a member of AAA or similar organizations. Also, you should check with your employer to see if there are any group insurance rates through your company.

• **Multi-car.** Many insurance companies provide generous discounts up to 15 percent if you have multiple cars on your policy. This reduces the insurance company's administrative costs.

• **Long-term customer.** More insurance companies are offering discounts of 5 to 10 percent if you stay with them at least 5 years.

• **Claims-free customer.** If you have been insured with the same insurance company for at least 3 years and have not experienced any losses, inquire about a claims-free customer discount.

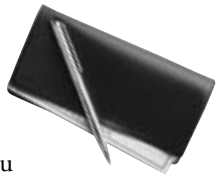
• **Defensive driving discount.** This can save you 10 percent on most of the major coverages under your auto policy, such as liability, medical payments and collision coverage. Defensive driving courses can cost as little as \$20, and the discount normally applies for three years.

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!



Holiday schedule

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

- **Memorial Day**
Monday, May 28, 2007
- **Independence Day**
Wednesday, July 4, 2007

For your convenience, branches with Saturday hours will be open on the Saturday before this holiday weekend.

Shred-a-thon at three branch locations

Protect yourself from identity theft by bringing documents with your personal information to our Shred-a-thon on **Saturday, April 28 from 9 a.m. to 1 p.m.** at one of the following locations: 1125 E. Southern in Mesa, 5151 N. 19th Avenue in Phoenix and 1505 E. Southern in Phoenix. Secure shred bins will be located outside each location. **This service will be provided free of charge courtesy of the Arizona Center for the Blind and Visually Impaired.**



• **Good student discount.** Statistics show that good students tend to be more reliable than students with marginal grades, leading to better driving decisions. Therefore, many states allow a 5 to 10 percent discount if your student driver makes good

grades, usually an overall "A" or "B" average in high school or college.

• **Home/car discount.** Many insurers offer discounts of 10 percent or more if they provide both your homeowners and personal automobile insurance. This can lower your costs on both policies.

• **Auto safety features.** Most insurers recognize that owners with cars containing safety features may have fewer accidents and reduced injuries. Many insurers encourage drivers to purchase cars with antilock brakes by giving small discounts for these safety features. Other insurers give discounts for vehicles with airbags and daytime running lights.

Ready for an auto insurance quote? Give The Arizona Group a call today at (480) 892-8755.