

How is the NCUA different from the FDIC?

There has been a lot of discussion in the news about deposit insurance lately. Particularly, you've probably heard a lot about the Federal Deposit Insurance Corporation (FDIC), which oversees the insurance of deposits at most banks across the country. But what sort of protection are you, as a member and owner of Arizona Federal, offered?

Arizona Federal accounts, like all qualifying federal credit union accounts, are insured by the National Credit Union Administration (NCUA) through the National Credit Union Share Insurance Fund (NCUSIF).

The NCUSIF is funded by our nation's credit unions, not the taxpayers, and administered by the NCUA, a federal agency.

You can use the "NCUA Share Insurance Fund Estimator" to determine what level of protection is afforded to your accounts. This tool is located at <http://webapps.ncua.gov/ins/>.

In the meantime, here is a quick reference of insured accounts. **Each credit union member is insured up to \$100,000 in total coverage of their individual accounts including:**

- Share draft accounts (checking)
- Share savings accounts
- Money Market share accounts
- Share Certificates

Additionally, IRA's are insured separately for up to \$250,000. Members' interests in joint accounts and trusts are separately insured allowing many options to increase your insurance coverage. A family of two can receive coverage of up to \$1,100,000. See your branch manager for details, or visit www.ncua.org.

Finally, if you have any questions or concerns about share insurance and your accounts, please don't hesitate to speak with someone at your branch or call Arizona Federal directly at (602) 683-1000.

International Credit Union Day: It Belongs To Me

More than 170 million members in 97 countries rely on credit unions as a viable alternative to for-profit financial institutions. And for 60 years, credit unions across the globe have celebrated International Credit Union Day on the third Thursday in October.

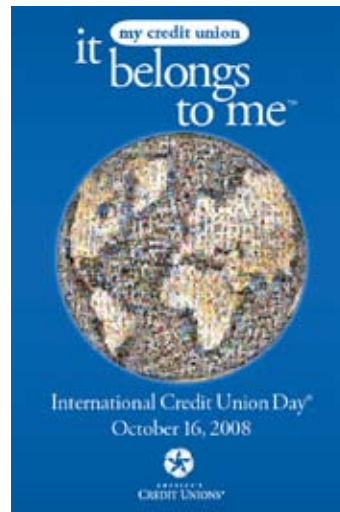
This year's theme, "It Belongs to Me," illustrates the true cooperative spirit of credit unions, reminding us that they were

founded for service and not for profit or charity.

Built on a one member/one vote platform where members vote for their Board of Directors, credit unions have found success both in developed and developing countries. They are recognized as a force of positive economical and social change internationally.

Across the world, credit unions provide their members opportunities to create better lives for themselves and their families.

This year, Arizona Federal will be celebrating International Credit Union Day on October 16. Please help us celebrate by visiting any branch and enjoying a treat on this special day!



Change in terms notice: Safe Deposit Box services

From time to time, updates to our service agreements are necessary to clarify requirements and ensure compliance with regulations. We have updated the Safe Deposit Box Lease Agreement to include reformatting of text and new text to address the following topics:

We added a section to discuss the membership requirement for a primary safe box owner and account ownership requirement for a joint safe box owner. We added a section stating that safe deposit box ownership or access will not be granted to a minor. We added text with regard to multiple safe

deposit box owners having equal ownership and access rights. This section also states that the agents listed in the Member Business Resolution of Authority document are granted access rights to the safe deposit box owned by the business entity. New sections defining right of survivorship and adding a joint owner have been added. Text has also been added to allow the appointment of a deputy and, conversely, prohibit a Power of Attorney.

Please stop by your nearby branch or call us at 602-683-1000 to get your copy of the updated Safe Deposit Box Lease Agreement.

Member Advantage



Vol. 9, No. 4 • October 2008

Feature article: **Puzzled about your next vehicle purchase? Ask MAC!**

Also in this issue: Student loans still available for Spring '09! How is the NCUA different than the FDIC?

Puzzled about your next vehicle purchase? Ask MAC!

If you can't decide if now is the best time to purchase a new vehicle, ask the experts!

A Members' Auto Center (MAC) Consultant can help you decide if now is the right time to trade in your current vehicle.

Whether new or used, our experts are sure to find exactly what you want and need. In addition, using our MAC consultants' expertise will save you time **and** money.

Working with MAC experts to find the car that best fits your needs has never been easier. From a family van to a sports car to a fuel efficient vehicle, whatever

your needs, our experts will help you find a perfect fit. Just tell one of our experts what make, model and color you are

looking for and they will work hard to find your dream car.

MAC experts work to **get you the best deal possible** — they do

all the bargaining for you! In addition, they provide the convenience of making your test drive available

at your nearest Arizona Federal location. Gone are the days of driving around from dealership to dealership! And with today's rising gas prices,

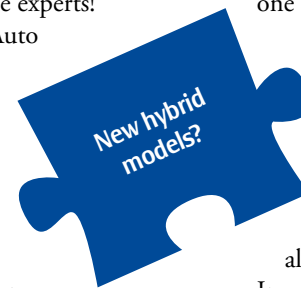
driving around the Valley isn't very economical.

Also, when you purchase your next vehicle through MAC, you'll receive a 0.50% APR* discount on your car loan. **Could it get any better than convenience and affordability?**

Make sure to stop in to your nearest Arizona Federal branch to speak with one of our MAC experts today. Or get more information by visiting www.membersautocenter.com or calling (602) 683-1060.

MAC is a service we provide to you as a valued member and we hope that you find it as easy and convenient as many of our other members have!

*Annual Percentage Rate



Driving a fuel efficient vehicle gets even more economical

Being environmentally friendly is not the only reason for buying a fuel efficient vehicle. In fact, with today's rising gas prices it's more of an economical matter than ever before. If you're thinking of purchasing a vehicle, Arizona Federal's new Fuel Efficiency Discount makes it even more cost-effective.

Our new discount offers a 0.25% APR* mark down on loans for fuel efficient vehicles, which get at least 34 mpg, city or highway, as certified by the

Environmental Protection Agency. We also offer a 0.50% APR discount on motorcycle loans.

Plus, since October is Members' Auto Center (MAC) month, make sure to speak with one of our experts about what they have available and what would best fit your needs. When you purchase your car through MAC you get a 0.50% APR discount on your Arizona Federal auto loan, which can



be added to the Fuel Efficiency Discount for a total reduction of 0.75% APR!

Now is the time to take advantage of this offer. As a

member of Arizona Federal we strive to make your financial decisions as easy as possible. The Fuel Efficiency Discount does just that by making it affordable to purchase an environmentally friendly vehicle — and with your new car you will also be spending much less at the pump!

To apply for a loan call (602) 683-1000 or visit www.ArizonaFederal.org.

*Annual Percentage Rate

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*VAP = Volunteer Achievement Program designee

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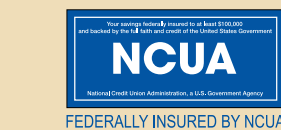
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News & Notes

Account verification requests

To comply with regulatory requirements, Arizona Federal has contracted Clifton Gunderson, LLP to perform the annual member share and loan balance confirmation. In October, Clifton Gunderson will mail confirmation letters to selected members asking that they confirm the accuracy of their balance information contained in the letter. This confirmation process contributes to the safety and soundness of the credit union's operations.

Hale Scholarship award winner

Arizona Federal and 100 Black Men of Phoenix awarded **Naim Shamsid-Deen** and **Ryan Evans** the annual Michael Hale Scholarship award. This \$2,000 scholarship was established by Arizona Federal in recognition of the contributions made by Michael Hale, Arizona Federal's former president and CEO, who also served as chairman of 100 Black Men of Phoenix's Mentorship Education Network (M.E.N.). Receiving this scholarship will allow the outstanding student to pay for college expenses that might otherwise be a barrier to enrollment.

Board of Directors nominations available

The annual nominating process to fill three positions on Arizona Federal's Board of Directors is now underway. Current Arizona Federal members may apply for nomination to the Board of Directors by submitting an application package. All applications for nomination will be reviewed by the nominating committee, and selected candidates will be interviewed. Nomination applications must be received by November 2, 2008. You may request an application package in any Arizona Federal branch or by calling the Marketing department at (602) 683-1032.

Check out our competitive deposit rates

Have you checked out Arizona Federal's deposit rates recently? We offer competitive rates on all of our deposits such as checking, savings, money market and share certificates. If you are looking for a viable option in which to deposit your money, whether it is long term or in a more accessible short term account, that offers a great return on your deposit, make sure to speak to a branch consultant today! Remember, we are **your** credit union and are here to offer services that best fit your financial needs. Now is the time to take advantage of the deposit rates we have available to you, so make sure to stop by your local branch today. If you have questions about our current deposit rates please call (608) 683-1000 or visit www.ArizonaFederal.org.

Holiday schedule

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

- **Columbus Day - Monday, October 13, 2008**
- **Veteran's Day - Tuesday, November 11, 2008**
- **Thanksgiving Day - Thursday, November 27, 2008**
- **Christmas Eve - Wednesday, December 24, 2008 after 1 p.m.**
- **Christmas Day - Thursday, December 25, 2008**
- **New Year's Day - Thursday, January 1, 2009**

Protect yourself from fraud during the holidays

The holiday season is an opportunity for thieves to prey on shoppers wrapped up in the season's chaos. It's during this season that people make the majority of their purchases, whether online or at a store, and it can be difficult to keep track of all of them.

However, considering the high risk of fraud and what this could mean for you and your family, it's very important that you are aware of the potential hazards and what this could mean for your finances.

It's vital to keep an eye out for suspicious charges or activity on your cards as well as for emails, junk mail and phony phone calls that may lead to a stolen identity. Surely, the last thing anyone needs during the busy holiday season is to be part of a phishing or smishing scam.

A **phishing scam** is when an email is sent to you claiming to be from a financial institution. It usually has a link that will take you to a site that looks like your institution's website. It's an attempt at obtaining

personal information such as credit card numbers, passwords and account numbers.

Smishing is a form of fraud that uses text messaging to gather information from unsuspecting cell phone users.



It is very similar to phishing with the exception that text messages are used in place of emails.

It's important to note that Arizona Federal never requests private information either through email or text

messaging. If you do receive a questionable email, please forward that to ReportFraud@ArizonaFederal.org.

If, in the unfortunate event that you do fall victim to identity theft, your consumer account already has IDSafeChoice, a **free** identity theft recovery service. For additional piece of mind you can add proactive protection, called IDSafeChoice PLUS, for less than \$7 a month.

If you're interested in learning more call us at (602) 683-1000 or visit www.ArizonaFederal.org and look for the "Protect your account" icon.

Our Holiday Skip is back

Arizona Federal will be offering our annual Holiday Skip program beginning in November for eligible loans. For more information please go to www.ArizonaFederal.org or visit your closest branch.

Federal student loans are still available for the spring semester

As financial aid awards continue to be issued for the 2008 fall semester and 2009 spring semester you may find yourself wondering what lender you should choose for your student loans.

At Arizona Federal, we strive to provide as many services to our members as possible; affordable federal student loan products are just another of these convenient options. **As the only credit union in the Valley making student loans available and with over 20 years of experience doing so,**



you can be assured that we're providing you with the best options possible.

Our student loan programs offer low, fixed interest rates that are federally guaranteed. Applying is quick and easy – just make sure to use our lender code, 830168, when you're filling out your financial aid forms.

For more information about Arizona Federal's student loan products or to apply for a student loan, call (602) 683-1219 or email our Student Loan Department at studentloans@azfcu.org.

Free education seminars

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

- **Wednesday, October 22**
Financial First Aid (presented in English)
at 333 N. 44th St. in Phoenix
- **Thursday, October 23**
Psychology of Spending (presented in English)
at 1125 E. Southern Ave. in Mesa
- **Monday, October 20**
Building a Better Budget (presented in Spanish)
at 802 S. 1st Ave. in Phoenix
- **Tuesday, October 21**
Solving the Mystery of Credit Reports (presented in Spanish)
at 802 S. 1st Ave. in Phoenix



All seminars will be held from 6:00 p.m. to 7:30 p.m. Space is limited; please register online at www.ArizonaFederal.org or call (602) 683-1556 at least seven days prior to the seminar date.

BALANCE provides financial counseling services in all aspects of personal finance and credit—plus, it's free for Arizona Federal members. Learn more about BALANCE at www.balancepro.net.

Class of 2009 and 2010: Planning for college? Start here!

Fall is the time to begin thinking about college, especially if you or a family member is in high school. Check out the great information and resources provided by Arizona Federal on the Student Loans site at www.ArizonaFederal.org. Here you will be able to get information on:

- Planning for college
- Paying for school
- Scholarships and grants
- Financial aid 101
- And more

This information is also provided in Spanish!

Convenient business loans tailored for your needs

At Arizona Federal we strive to offer our members services that they can use in all aspects of their lives, be it personal or professional.

Our member business services provide benefits that cater specifically to your business needs. We offer a variety of loans for titled collateral, commercial vehicles and other purposes along with commercial real estate. *(Some application and closing fees may apply.)*

- Our Member Business Visa Platinum offers ScoreCard Rewards™ that can be combined with the Rewards on your Member Business check card.
- Never worry about overdrawing your checking account. Our Member Business Visa Platinum offers you the convenience

of overdraft with no cash advance fees.

- Small Business Administration (SBA) loans are available to help meet your needs.

Our member business loans provide a viable, tailored option

for all business owners, whether you have a small catering company or a booming landscaping service.

By simply being a member-owner you are able to enjoy the benefits of the many services we offer, including our competitive loan rates!

Make sure to visit www.ArizonaFederal.org or call (602) 683-1000 for more information on how we can help you with all of your business needs.

