

THE CU'S NEWS

Read All About It:
n Six, \$1,000 Scholarships...No Essays Required This Year
n Home Equity Loans: 4% APR

the QUARTERLY NEWSLETTER for MEMBERS of the ATLANTIC FEDERAL CREDIT UNION WINTER 2010

ATTEND *the* GALA 75th ANNUAL MEETING

**Sunday, May 2, 2010
at 1 p.m.**

Pines Manor in Edison, New Jersey

Luncheon / Door Prizes

Election Results / Important Reports
from Management & Directors.



WIN

46" Samsung Flat Screen TV

Or, One of 6 Visa Gift Cards

JOIN US...

Come celebrate Atlantic Federal Credit Union's 75th Anniversary at our Gala Annual Meeting and luncheon on Sunday, May 2, 2010. The event starts at 1 p.m. at the Pines Manor in Edison, New Jersey.

Win a Door Prize, including:

- **46" Samsung Flat Screen Color TV**
- **One of 6 Visa® Gift Cards**
- **Totaling \$1,000**



Please return the RSVP coupon to the right to the Credit Union by April 15, 2010. Acknowledgement of your reservation along with your name badge and directions to the Pines Manor will be sent to you by mail.



OUR HISTORY...

Atlantic Federal Credit Union began in 1935 when a group of Western Electric employees in Kearny, N.J., formed the Wekearnyan Federal Credit Union.

During those early days, Wekearnyan was staffed by Western Electric employees that the company "loaned" to the Credit Union. The focus of services was savings accounts, signature loans and car loans.

continued on next page inside...

ANNUAL MEETING R.S.V.P. COUPON

**Return this coupon by April 15 to: Atlantic Federal Credit Union
37 Market St., Kenilworth NJ 07033 or fax to (908) 245-0680**

YOUR NAME

ACCOUNT NUMBER

JOINT MEMBER'S NAME (IF ATTENDING WITH YOU)

YOUR STREET ADDRESS

CITY

STATE

ZIP

YOUR PHONE NUMBER

Note: You must be the primary or joint owner of an AFCU savings account in good standing to attend the Annual Meeting and luncheon.

...continued

Over the years as the Western Electric company grew, so did membership in the Wekearnyan Federal Credit Union. Several Credit Union employees were hired who were still assisted by a number of Western Electric volunteers.

In 1984, the Kearny facility closed and Western Electric ceased to exist after the U.S. Department of Justice issued a ruling breaking-up the AT&T family of companies.

Faced with this serious threat to its existence, the Credit Union was deter-

mined to forge on and seek other opportunities to expand and grow. We relocated the main office to Kenilworth, N.J. and began to form relationships with other sponsor groups to enlist their employees as Members of our Credit Union.

To reflect this new direction, we also changed our name to Atlantic Federal Credit Union.

Over the years we have added several hundred SEGS (select employee groups) and dramatically increased our products and services.

While many things have changed since our inception in 1935, one thing has remained the same and will continue to be the same in the future:

We are committed to providing Members with the financial products to help improve their personal financial status.

Pictured, left to right: Linda Krupinski, current Credit Union Human Resources Manager, circa 1970's. Western Electric's Kearny Works, where the Credit Union was founded. Jody Midtgard, current Credit Union Loan Manager, circa 1970's.



CREDIT UNION WILL FINANCE YOUR NEW or USED CAR

New Auto Loans as low as 5.25% APR*
Used Auto Loans as low as 5.50% APR*



Atlantic Federal makes it affordable to get the vehicle you want, whether it's a car, truck, SUV or motorcycle. Our loan rates are great and we offer flexible terms with up to 125% financing including tax, 266611 title and extended warranty so you'll have a monthly payment that fits your budget.

Fast pre-approval is available at our website: www.atlfedcu.com.

Did you already get a loan elsewhere? No problem. Refinancing with Atlantic Federal is a great way to reduce your monthly loan payment. Call our Loan Department at 1-800-222-1329.

*Rates and percentage financing shown offered to Premier Members meeting select credit criteria for up to a 3-year term. Other rates and terms available based on Member Merits status and credit worthiness criteria.

Special GM & Chrysler Discounts Through...

Invest in America

Through our participation in the "Invest in America" Program, Members are eligible for special discounts on GM and Chrysler vehicles. Most dealers in the northeast are part of the program.

The GM discounts are available for both vehicle purchases and leases. Monthly lease specials are posted on our website. Chrysler discounts are available only on purchases.

By financing at Atlantic Federal - whether with a lease or purchase - you're assured of an affordable loan and great terms without hidden fees.



LOOKING for RETIREMENT SECURITY? CREDIT UNION IRAs ARE *the* ANSWER



Saving for your retirement takes more than luck. By putting your hard earned dollars into insured Atlantic Federal IRAs, you can rest easy knowing that your money is growing tax-deferred, safely and securely.

Even if you have a 401(k) at work, you can still open an IRA every year. And if your 401(k) is primarily invested in the stock market, having some insured, guaranteed IRAs as a balance is a smart strategy in both good and bad times.

Atlantic Federal IRAs are insured up to \$500,000 - \$250,000 by the National Credit Union Administration and \$250,000 by ESI, the largest private deposit insurer in the country...valuable protection many of those who lost their retirement savings in the stock market wish they'd had. No other bank or credit union has higher insurance limits than Atlantic Federal.

AFCU offers both Traditional and Roth IRAs. One difference between the two is the way the contributions are treated for tax breaks in the year you make the contribution. Contributions to a Traditional IRA *may* be tax deductible if you meet certain requirements; Roth contributions are never tax deductible.

Another factor in determining whether to open a Roth or Traditional IRA is the

tax treatment of distributions. Roth IRA distributions are always tax free.

Traditional IRA distributions are generally treated as ordinary income and subject to normal income taxes... although the presumption is that when you're retired you'll be in a lower income tax bracket.

In addition, the Credit Union offers a Basic IRA. It's a liquid account with no minimum balance and no term limits. A Basic IRA is a great account to begin saving for retirement without making a large investment.

You may even have payroll deductions go into a Basic IRA account. And since the account is totally liquid, you can move the money to other IRA investments anytime without any penalty or fees.

As your not-for-profit Credit Union, Atlantic Federal offers great rates on all of our IRA products. Visit our website at www.atlfedcu.com to view rates and terms. Then call our IRA staff at 1-800-222-1329 to help you determine which IRA type is more advantageous for your tax situation. Also, ask for the forms you'll need to open an IRA.

TAX TIP

Why not consider using a portion of your federal and/or state tax refund toward your 2009 IRA.

Facts & Stats About IRAs

- ? Up to \$5,000 Traditional or Roth IRA contribution allowed per individual for 2009.
- ? Catch-up contributions of \$1,000 per individual 50 years of age or older.
- ? Earnings grow tax-deferred.
- ? Contributions may be tax deductible.*
- ? 2009 contributions can be made until April 15, 2010.

* Consult the Credit Union or your tax advisor to see if you qualify.

Convert Your Traditional IRA to a Roth

Beginning January 1, 2010, the modified adjusted gross income restriction of \$100,000 or less has been eliminated for converting a Traditional IRA and retirement plan assets into a Roth IRA.

This means all taxpayers can now take advantage of converting to a Roth IRA.

Our IRA Department Representatives will be happy to 859160 process your IRA conversion.

FROM YOUR CEO



Fred Beckman,
Treasurer & CEO

It's been a challenging year...for just about everyone, from our Members to some of the nation's largest companies...10% unemployment, the ever increasing cost of health care, the difficulty in getting a loan, and some serious doubts about whether we'll actually see real economic recovery in 2010. Financial institutions haven't escaped these difficult times. Hardly a day goes by where I don't read that another bank has failed somewhere in the country...particularly hard hit are the small to mid-size community and regional banks. When people are out of work, they understandably have a difficult time making loan payments. And too many delinquent loans can make life real difficult for lenders.

Well, I'm here to tell you that your Atlantic Federal Credit Union is doing just fine, thank you very much! We continue to make sufficient net income to maintain a very strong capital base. Since we are a not-for-profit financial cooperative, our primary goal is to provide the very best in services and products to our Members. It would be easy enough to make more earnings – all we would have to do is drastically cut the interest rate we pay on Member deposits. But that's not what we're all about, so with our strong capital we don't have to worry so much about earnings – we'd rather spend our time thinking of ways to care for our Members' banking and financial needs. So rest assured, we're not going anywhere!

To those Members who take advantage of our "courtesy pay" overdraft protection service...new Federal Reserve Bank rules take effect July 1, 2010 that specifically address courtesy pay programs as they relate to debit card usage and automatic teller (ATM) transactions. While the complete details are beyond the scope of this newsletter, the primary change involves a switch from our current practice of automatically enrolling Members to one where the Members must notify us that they want to participate in the program, known as "opting in." There will be more communication with the Members in the coming weeks regarding this issue. For those of you who did not read my article in the Fall Newsletter, I decided to repeat some excerpts regarding our program as follows:

There are three primary methods used by consumers for making payments for goods and services...writing a check, using the increasingly popular debit card or using electronic bill payment thru an online banking account. If there are insufficient funds available to "cover" the payment, the consumer's financial institution honors the payment anyway and assesses a fee for doing so. We also provide this service at the Credit Union, and we call our product "Courtesy Pay." When a Member is enrolled in the program, our Courtesy Pay feature and the fee we charge for it is a last resort. First, we give the Member the choice of electing to have us "tap" existing and eligible savings accounts to cover overdrawn checking accounts (by law, this can be done up to 6 times a month); or they can first choose to utilize a pre-approved overdraft line-of-credit loan to cover the shortage, assuming the Member otherwise qualifies for the loan...if you select the loan as a first choice, then available savings accounts are next in line as a source to cover overdrafts with the same six-transfer

limit. Once these resources are depleted, then and only then will we use the Courtesy Pay feature to honor an overdraft item and for which we will assess a \$25.00 fee per paid item. If you don't want to participate in this overdraft protection program, simply let us know. (Note – this part will change with the new rules – you'll have to let us know if you want to remain in the program or we will have to automatically delete you). Also, there are Courtesy Pay limits based on your Member Merits status.

We have money to lend...and there's nothing we'd rather do than loan money to every qualified Member applicant out there who wants to take advantage of our low interest rates to buy a home, car, or to consolidate and pay off other high interest loans you may have with other financial institutions...speaking of which, we will also refinance your existing car loan with another bank. And there's no hassle to do it – just give our loan department a call.

As for interest rates...my guess is that we will continue to see low rates well into 2010 and possibly into the first half of 2011...great news for borrowers, not so great for savers. As usual, we try very hard to keep our savings rates at or near the highest in our market area as well as nationally and I believe we are successful, at least from the feedback we get from Members.

Happy Birthday to Us!!! Your Credit Union will be 75 years young in 2010...come join us for a very special annual meeting in May...see details on the first page of this Newsletter.

I hope you had a safe New Year celebration and that you have a warm and comfortable winter...except yours truly, of course - you'll find me on the ski slopes.

Fred Beckman

HOME EQUITY LINE of CREDIT RATES STILL VERY LOW

Rates as
low as: **4.0%**
APR*

Even though now is a time to be frugal, there are some expenses that simply can't wait - like college tuition payments or fixing a leaky roof or faulty heating system.



An Atlantic Federal Home Equity Line of Credit can be the smart alternative to reaching for a high-interest credit card. Our rates are still at historic lows. Interest is usually tax deductible too.**

* Annual percentage rate. Based on 80% loan to value. Variable rate based on the prime rate plus or minus an index which is determined depending on loan to value & adjusted quarterly or semi-annually. Loans limited to NJ and PA owner occupied 1-2 family dwellings. ** Consult your tax advisor.

HELP for PAYING HOLIDAY EXPENSES

Rates as
low as: **9.65%**
APR*

Loans up to \$10,000

Overwhelmed with holiday expenses and other bills? Consolidate your bills with a Credit Union Personal Loan and have just one monthly payment. You'll save on interest charges with our low rates.

*Annual Percentage Rate. Rate shown is for Premier Members meeting selected credit criteria. Other rates are available based on Member Merits status and credit worthiness criteria.

SCHOLARSHIPS for HIGH SCHOOL SENIORS



Graduating high school seniors who are Members of Atlantic Federal are invited to apply for a 2010 Credit Union Scholarship.

Our scholarship program is run in conjunction with the N.J. Credit Union League's statewide program. Six - \$1,000 scholarships will be awarded at the state level. Three scholarships will be awarded to students attending 4-year colleges or universities and three scholarships will be awarded to students attending technical schools or community colleges.

Applicants are judged on academic performance and community involvement. There will not be an essay this year. Instead, the writing portion of the SAT or ACT exams will be considered.

The top three graded applicants from Atlantic Federal who do not win at the state level will receive \$1,000 awards from Atlantic Federal.

To qualify for the competition:

1. Student must be a high school senior graduating June 2010.
2. Student must be a Member of the Credit Union in good standing. Or, the student may open an account at the time of applying for the scholarship.

All Atlantic Federal Members' children, step-children or grandchildren may open accounts. Also, anyone who lives, works, worships, attends school or volunteers in Newark is eligible.

Scholarship entries are due April 2. Go to Atlantic Federal's website at www.atlfedcu.com or call the Credit Union for an application.

Members Get Special Discount on TurboTax



Members can do their taxes for free with TurboTax Online® Free Edition which includes:

- A step-by-step interview with special help for first-time users.
- Saves you time by accurately importing personal and financial data.
- Gets you the biggest refund you deserve fast - in as few as 8 days with convenient direct deposit.

A 15% discount off standard TurboTax pricing is available to Members who use the paid versions.

This year TurboTax can be accessed inside @nytime Financial Center. If you're not already an @nytime Financial Center user, visit www.atlfedcu.com to sign up. Click on the "@nytime Financial Center" box on the top right of the home page. First-time users should enter their @nytime Teller PIN as their initial password.



WARNING - Phishing Scam Alert

Atlantic Federal has received reports of fraudulent e-mails seeking VISA credit card information. The e-mail advises the cardholder that an unsuccessful attempt was made to use his or her card at a foreign ATM. The e-mail contains a link purportedly so the cardholder can "review an electronic report" for the card.

If you receive such an e-mail, please ignore it, as it is fraudulent and is not being sent from VISA. If you have any questions regarding this matter, please call Member Services at 1-800-222-1329.

Rewards- \$ 25 - \$100

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 a Checking Account which had activity in the past 30 days.

Deadline to claim your reward is February 12, 2010.



ATLANTIC FEDERAL CREDIT UNION

"Service Excellence All the Time"



Atlantic Federal supplements the federal NCUA insurance with an additional \$250,000 coverage from ESI, the nation's leading private insurer.

Phone: (908) 245-1750

Toll Free: 1-800-222-1329

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., Suite 127, Newark, NJ 07102
Hours: M-W 8:30 am till 4:30 pm / Thurs. & Fri. till 5 pm

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

Hours: M- W 9 am till 4 pm / Thurs. till 6 / Fri. till 5

Serving Only Verizon Wireless Employees:

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

Hours: Tuesdays & Fridays 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, Wednesday, Thursday 8:30 am till 4 pm

Web Site - www.atlfedcu.com

E-mail - info@atlfedcu.com

@nytime Teller - (908) 245-0404

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

CREDIT UNION HOLIDAY TOY DONATIONS

Your Credit Union's staff coordinated 2009 Holiday Gift Drive for the benefit of area residents. Toys and coats donated by Members and staff were forwarded to local organizations.

The Credit Union made an additional donation to the Drive.

Pictured, right, is the Kenilworth staff presenting toys to Evelyn Smith, administrative assistant at Cerebral Palsy of North Jersey (center of group, holding package).



Above, left, Denise Holmes, branch manager of the Credit Union's Newark office gives donated toys to Elizabeth McClendon of Catholic Charities of the Archdiocese of Newark. Right, Denise gives a check to Aliya Onque and Cynthia Anderson of Apostles' House, a non-profit social service to homeless & at-risk families in Newark.

Right, the Elizabeth office also participated in the Gift Drive. Pictured, front row, left, making the presentation of toys & coats is Vanessa Delgado, branch manager of the Elizabeth office. To the right of Vanessa is Toni Harrell, a Trinitas Youth Case Manager. Back row, is Barbara Johnson, a Supervisor of Youth Case Management Services for Trinitas & Ricardo Jackson, another Trinitas Youth Case Manager.



HOLIDAY CLOSINGS

Monday, January 18 for Martin Luther King Day Monday, February 15 for President's Day