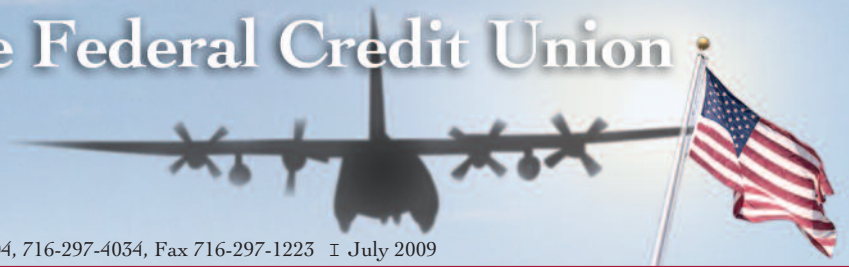


Niagara Falls Air Force Federal Credit Union

"Your Primary Financial Institution"



SUMMER QUARTERLY

www.Niagarafallsafcuc.com | 2420 Olmstead Street, Niagara Falls, NY 14304, 716-297-4034, Fax 716-297-1223 | July 2009

HOME BANKING IS JUST AROUND THE CORNER

Get online, not in line! Life's too short to spend much of it in line. We can't help you at the grocery store or airport security, but we can help you at the credit union. We are in the process of implementing home banking. When we sign you up for online services from the credit union, you can do many of the same transactions from the comfort of your computer. A few clicks and keystrokes can only save you the time and trouble of a trip to the credit union for many transactions. You can check your balances, see what checks have cleared, transfer funds and view your most current statement. Going online also means you can do your finances at 7 AM or 7 PM or anytime 24/7. You're on your schedule, not ours.



Our target date is September 2009. We will keep you updated on our progress. Home Banking is another source of convenience to make life easier and give you more time to focus on the fun things in life.

CREDIT UNION STABILIZATION

To: Members of the
Niagara Falls
Air Force FCU
From: The National
Credit Union
Administration Board
Subject: Credit Union Stabilization



union industry.

These difficult economic times are affecting all financial institutions, including credit unions, particularly in the area of earnings. Your credit union has information available that will clearly detail the impact that the insurance assessment may have had on your credit union's earnings. It will enable you, as member-owner, to get a better picture of the financial condition of your credit union.

It is important to remember that your funds in a NCUSIF-insured credit union are backed by the full faith and credit of the United States Government, up to at least \$250,000 per account.

If you have any questions, please talk to your credit union or visit the NCUA website at www.ncua.gov.

Managers Note: This is being provided to you for informational purposes and does not affect your credit union account.

On January 28, 2009, the Board of the National Credit Union Administration (NCUA) acted to stabilize a part of the credit union system that is under stress due to the dislocations in the mortgage market. These actions resulted in all federally insured credit unions being required to write-off a portion of their deposit in the National Credit Union Share Insurance Fund (NCUSIF), and the assessment of a premium in order to maintain a robust and strong federal insurance fund for credit union members.

NCUA is committed to protecting your funds in a federally insured credit union, and will continue to take all steps necessary to preserve a safe and sound credit

OUR SERVICES

Share (Savings) Account
Share Draft (Checking) Accounts
Holiday Club Accounts
Youth Accounts (\$50.00 Balance)
Scholarship Program
Certificates of Deposit
Money Market Accounts (Monthly Dividend)
Visa Debit Cards & Visa Gift Cards
Money Orders
Certified Checks
Automatic Loan Payments
Wire Transfers
Postage Stamps
Overdraft Loans
ATM Machine-Lodging Bldg. & MEPS Bldg. (FREE TO MEMBERS)
Notary Service
Home Equity Loans (Fixed & Variable)
Voice Response System
Home Mortgages

HOURS AND CONTACT INFORMATION



Office Hours

Monday - Thursday
9:00 A.M. - 3:30 P.M.
Friday 9:00 A.M. - 4:00 P.M.
UTA's 9 A.M. - 1 P.M.

Office Location

2420 Olmstead Street, Niagara Falls, NY 14304
Fax 716-297-1223

Phone Lines

236-2085 298-1533
236-3184 297-4034

VRU

297-4447 297-4448
1-800-795-3912

HOLIDAY CLOSINGS

Fourth of July - Friday, July 3, 2009 • Labor Day - Monday, September 7, 2009

SAVINGS RATES

LAST QUARTER

Dividends are paid quarterly on accounts with an average daily balance of \$250.00 or more.

CERTIFICATES OF DEPOSIT

Minimum balance required = \$1,000.00

Refer to our website (www.Niagarafallsafcu.com) for the most current savings rates paid on all deposit accounts.

LOAN RATES

***All Rates advertised as low as*

Shared Secured – 4.40% (24 Months)

Unsecured Personal – 8.45% (24 Months)

Overdraft Line of Credit – 17.9%

Home Equity – 5.99%

Vehicle Loans (*Auto, Trucks, Motorcycles, RV's, Mobile Homes, Air Planes, Boats*)

New Vehicle – 4.99% (60 Months) Until 9/1/09

Used Vehicle – 5.99% (60 Months) Until 9/1/09

*(** Interest rate determined by credit score)*

UPDATE YOUR INFORMATION

Have you moved or changed your phone number? Over the next several months we will be asking all members to update personal information. We need current addresses for sending statements and important tax information. Keep your account information safe by being sure it is going to your address and not the new occupants of your old house. Also current phone numbers are much needed for activating debit card renewals. Stop by or call.

CREDIT REPORT MYTHS (Bankrate.com)



(1) Canceling credit cards boosts your score

Open accounts spell available, potential debt, so better to close them, runs the legends. But experts agree that most creditors want to see at least two or three pieces of active credit to prove you can manage debt responsibly.

(2) Credit scores are locked in for six months

Fair Isaac Corp.'s models are dynamic, meaning that your FICO score changes as soon as data on your credit report change. "When we calculate a score, for all intents and purposes it then goes away and is recalculated the next time someone pulls your file," says Watts.

(3) Checking my credit report harms my standing

The reporting agencies distinguish between soft and hard pulls. When Target calls to check before issuing its line of credit, the agencies chalk that up as a hard pull and it counts against your score. Personal requests and credit counselors – if they do it correctly—fall under soft pulls, which do not reflect negatively on the evaluation. Using a company that promises credit reports as a perk can turn this myth into a self-fulfilling prophecy. Citizens must go directly to the three bureaus if they want a soft pull.

(4) All credit reports are the same

Way wrong. These days most creditors across the country do report their information to all three major agencies: Equifax, Experian and TransUnion. And

because they are separate companies, the speed in which they update records isn't necessarily equal. Additionally, the agencies use inquiry activity to update your address, phone numbers, employment status and the like. Typically most creditors pull only one company's report, so it's possible that one may not have your most current address.

(5) A divorce decree automatically severs joint accounts

The judge may have rubber-stamped your plans to divide credit card, car and house payments, but that carries absolutely no legal weight with the creditors themselves, says Sweet, vice president of public education for Experian. Divorcing parties must contact the creditors and either close current accounts or have the booted name sign a letter of consent for this action. And assuming certain debts isn't a unilateral decision on your part, creditors typically do a credit check on your name and if they don't deem you financially stable to assume that debt, they won't agree to remove the other person.

(6) Bad news comes off in seven years

Some of it does. Chapter 13 (reorganization of debt) disappears seven years from the filing date. But if you file Chapter 7 bankruptcy (exoneration of all debt) the window is 10 years from the filing date.

HOW DO I GET MY CREDIT REPORT? (Bankrate.com)

What you need to know by Katie Doyle.Bankrate.com

Your credit history affects your life in many ways. It impacts the rate of interest you pay on most loans and credit cards, your car insurance payment and whether you can get a mortgage loan. Many people have at least one mistake in their credit histories. You should review your report at least once a year to be sure it's accurate and to check for identity fraud.

There are three ways you can get your credit report:

(1) Online. Go to AnnualCreditReport.com, the only authorized source for consumers to access their annual

credit report for free. You can also combine reports and various monitoring services by paying fees at various Web sites, including Equifax, Experian and Transunion.

(2) By phone. Call (877) 322-8228.

(3) By mail. You can complete and mail the Annual Credit Report Request form to the address on the form.

The law requires only that you be provided a free report from each of the credit reporting agencies each year, which does not include your credit score. You can order your score online or by phone. Prices vary but typically are below \$15.

f.y.i.

Attention Debit Card Users – All members with credit union debit cards should always keep the credit union informed of your current phone numbers. If fraud is detected you will be called by Falcon Fraud protection. If Falcon can not verify suspicious activity – Falcon will block your cards.

We have a new design for our Debit Cards. Upon renewal, your new card will have a white background with a flying flag. Our credit union name and plane logo should be stamped across the top.

All 107th membership that have not yet received a Niagara Falls Air Force FCU debit card will be issued new cards effective June 30, 2009. If you did not receive any paperwork in the mail leading up to this deadline, please contact the credit union as soon as possible.

Loan Policy Update – All new members/co-borrowers must be a member of the credit union for 90 days in order to apply/co-borrow for a loan.

Reminder 2009 Graduates – Applications are available for eligible seniors who are planning to continue his/her education. Please complete and return with a letter of acceptance before August 1. Winners to be contacted by phone.

Congratulations to Roger Rozon, (Board Member) as a recipient of the Excellence in Government Award and his nomination as the Air Force Times Airman of the year for 2009. Roger has been a great asset to our Board of Directors for many years.

We are continuing our new & used car sale
New car rates as low as 4.99% (60 month term) and used car rates as low as 5.99% (60 month term). Applications are on-line at www.Niagarafallsafcu.com for pre-approvals.