

You work hard for your money. Why not make your money work for you?

Compare these three ways of managing your money:

1. **Daily Saving:** Save a dollar a day in a jar. After 10 years you'll have \$3,650. Simply saving your money – just not spending it – adds up! But your money isn't working for you yet – and it's neither safe nor protected by insurance.
2. **Weekly Saving:** Once a week, put \$7 in your credit union savings account. This is called a periodic investment. Assume the dividend rates stay fixed at 2.2%.* After 10 years you'll have \$3,650, plus \$429 in interest, totaling \$4,079. Your money is working!
3. **One-time Savings:** Remember that \$3,650 you received at your graduation party? (How could you forget?) Put it in a credit union savings account. This is called a lump-sum investment. (Again, interest rates remain at 2.2%.) After 10 years you'll have \$3,650 plus \$897 in interest, totaling \$4,547.

What causes such a difference in earnings?
Compound interest.

When you leave your money in your account, you earn interest on the interest, as well as on the original amount. That's called compound interest.

In the example, the earnings from periodic investments are about half the earnings from one lump-sum investment. That's because:

- The weekly \$7 investments earn interest on small amounts that slowly get larger;
- The \$3,650 lump-sum investment earns interest on a large amount right from the start.

Of course you'll combine both kinds of investments. Most important? Start today!

**An interest rate of 2.2% is used here only as an example. At the time of this writing, interest rates on savings accounts are much lower; however, in the future, they could be significantly higher.*

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IMPORTANT NOTICE

We may report information about your loan and deposit accounts to credit bureaus. Late payments, missed payments, or other defaults on your accounts may be reflected in your credit report.

This notice is provided in accordance with the Fair and Accurate Credit Transaction Act of 2003 (FACT Act).

1st Quarter Holiday Hours

The Credit Union will be closed in observance of the following holidays:

MARTIN LUTHER KING DAY Monday January 16, 2006	PRESIDENTS DAY Monday February 20, 2006
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Remember you can bank 24 hours a day with your ATM card, Audio Line (Telephone Audio Response), and Home Banking at www.vamilitaryfcu.org.



240 North Helmer Road ■ Battle Creek, MI 49015
269-968-8063 ■ www.vamilitaryfcu.org

HOURS

Monday - Thursday 9:00 a.m. to 5:00 p.m.
Fridays 8:30 a.m. to 5:30 p.m.
(excluding Federal Holidays)

Vision Statement

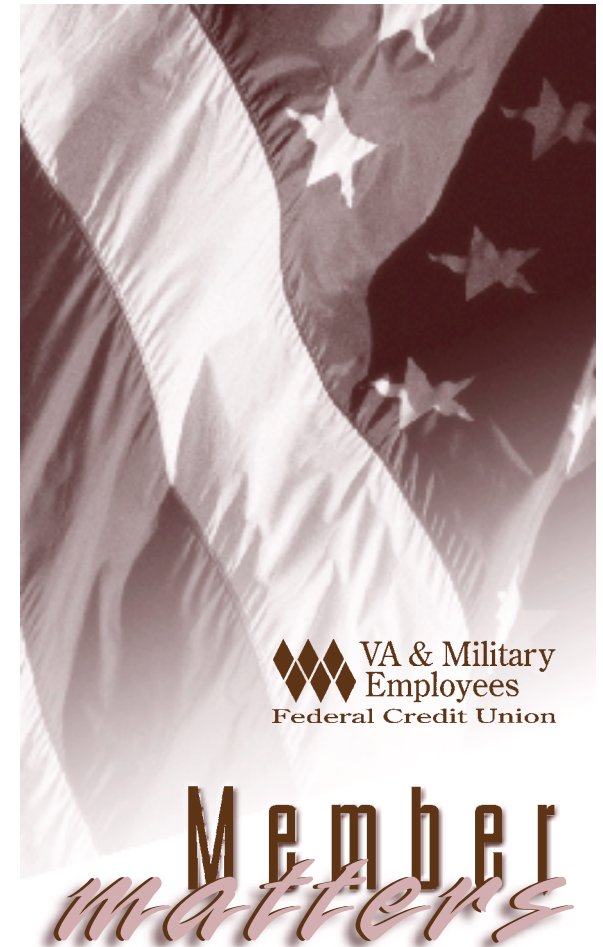
Our Official Family will be committed, dedicated, and progressive to ensure the future growth of our Credit Union. We will continually strive to be the primary financial institution for our valued present and future members by providing state-of-the-art technology, services, and facilities to meet their changing needs.

Mission Statement

VA & Military Employees Federal Credit Union is a not-for-profit, member owned, financial institution. Our goal is to provide friendly, competent, prompt, and competitive services to our members while strengthening the Credit Union's long term financial stability.



AMERICA'S
CREDIT UNIONS™
Where people are worth more than money.™



VA & Military Employees
Federal Credit Union

Member Matters

A QUARTERLY
PUBLICATION FOR
OUR MEMBERS

WINTER 2006

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Message from the President

Dear Members,

I am leaving Michigan, after having lived in this wonderful State all of my life, to live in the beautiful State of Alabama. I leave behind many friends, including those it has been my pleasure to both work with and serve at the VA & Military Employees Federal Credit Union.

I have resigned my post as President of the Board of Directors, which was the most difficult part of this move. The VA & Military Employees Federal Credit Union is the finest organization I have ever had the pleasure of being a part of. It would not be great without the extraordinary staff. Even though there have been some staffing changes throughout the years I have been on the Board of Directors, the quality of the staff always remained superior. The friendship and service offered our members are, without question, the most professional in the business.

The membership is just as outstanding. The membership of our Credit Union has shared our vision and values, and always supported the leadership direction for growth and improvement.

I find it hard to say "good bye", but I leave you in very capable hands. Your current Board of Directors and Leadership are the very best and will continue to serve you well. Thank you all for having allowed me this most wonderful opportunity.

God Bless you all during this Christmas Season and forever.

With My Greatest Respect,
Sue Ellen Ormanovich

It's On the House!

Not long ago, consumers turned to home equity loans mostly to fund such projects as remodeling the kitchen or building a deck. **Not anymore.** Today, people borrow against their home equity to consolidate debt and to pay for medical bills, college tuition, cars, business start-ups – as well as home improvements.

VA & Military Employees Federal Credit Union offers a Line of Credit Home Equity Loan to its' members. A line of credit is a revolving credit that can be tapped as needed, up to a maximum amount, over a typical term of 5 years. The interest rate is variable, tied to the prime rate, and thus can climb later.

Low rates are one reason for soaring popularity of lines of credit over other forms of borrowing. An added plus is that the interest paid is usually tax deductible.

A major use of home equity lines among credit union borrowers is to consolidate debt. Members want to get rid of their high-interest-rate credit cards and have a better cash flow – and get the tax deduction.

Come see Denise or Shannon at the VA & Military Employees Federal Credit Union to qualify for a Home Equity Loan or give them a call at 269-968-8063.

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70th Annual Meeting

Our 70th Annual Meeting will be held at the Credit Union on:

Thursday ■ January 19, 2006 ■ 5:15pm

Cookies and punch will be served, and it will be a "business only" meeting. Please call the Credit Union at (269) 968-8063, to make reservations.

We will celebrate our 70th anniversary at our **Annual Hot Dog Roast** which is held in August. Look for the specifics in our next newsletter!

Account Update

We recommend that you periodically verify that the owner information on your account is accurate. Contact a Member Service Representative to verify that your beneficiary and/or joint owner name(s) are listed correctly.

Avoid Unnecessary Delays!

If you are planning on having your income tax refund electronically deposited to your account, contact the Credit Union. We will provide you with the correct account number format and the routing and transit number for the Credit Union.

Preapproval Makes Car Shopping Easy

Take charge of vehicle shopping and you'll be in the driver's seat. Visit us before you shop and you'll be more prepared for the adventure. By getting preapproved for a loan before you shop, you'll know exactly what you can afford and what price range to tell the dealer you're looking for.

We're here for all your auto financing needs. Stop by VA & Military Employees Federal Credit Union or call (269) 968-8063 today.

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Once a Member, Always a Member

When life brings you the challenge of relocating, there's one thing you won't have to worry about – finding a new credit union. No matter where you go, you can stay with us. That's because of our "once a member, always a member" policy. In addition, online banking access makes it even easier to stay on top of your account status.

You Could Be A Winner!

If you would like to recognize a member in our newsletter, write a short article on the member and submit it to the VA & Military Employees Federal Credit Union. If your article is selected for publication in our newsletter you and the outstanding member will each win a \$25.00 gift certificate at Meijer's.

Online Banking Conveniences

VA & Military Employees Federal Credit Union loves to see your smiling face. But when you don't have time to visit us in person, how about visiting us online? Online banking can save you time. You'll no longer have to wait at an ATM to check your balance, and you can view your accounts anytime – not just during branch hours of operation. You'll be able to check your balance, view transaction records, transfer money between accounts, and communicate with VA & Military Employees Federal Credit Union via e-mail.

As long as you have access to the Internet, online banking allows you to contact us from anywhere. It's especially convenient for members who aren't always in close proximity to the credit union – those who travel a lot or are away from home – maybe in college dorm rooms.

VA & Military Employees Federal Credit Union has years of experience helping members manage their money and protecting their members' privacy and safety, so security and confidentiality play a leading role in our online banking service. We have highly sophisticated encryption procedures in place to prevent unauthorized users from reading confidential information, and following some simple guidelines can also help ensure your safety.

How to play it safe:

- Choose strong passwords of six to eight characters with a combination of upper and lower case letters, numbers, and symbols and keep them to yourself.
- Change passwords frequently.
- Keep personal identification numbers (PINs) to yourself.
- Don't leave account numbers lying around where others can see them.
- Don't ignore security messages--your Internet screen will indicate whether or not you're operating in a secure environment. An "https" – "s" meaning secure – and a padlock indicate a secure connection.
- Install a personal firewall and antivirus software.
- Update antivirus definitions and system patches regularly.
- Contact the credit union if you have any problems or concerns.

Visit us on the web @ www.vamilitaryefcu.org

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