

Liberty Horizons

★ A QUARTERLY PUBLICATION FOR MEMBERS OF LIBERTY SAVINGS FEDERAL CREDIT UNION ★ Fall 2010 ★

President's Message

Dear Members:

All of us at Liberty Savings Federal Credit Union appreciate the trust that you have in us. We realize that we have a responsibility to you and to your families and we take that responsibility very seriously.



I write to you today in order to bring your attention to some very important information that is contained in this mailing.

1. Privacy Notice

Liberty Savings FCU is committed to protecting your privacy. Enclosed you will find our new Safe Harbor Privacy Notice.

2. Relationship Pricing Program

We want to reward our most loyal members for giving us the opportunity to serve them. LSFCU is a full service financial institution. We are more than just savings accounts. So, please review the enclosed brochure which outlines the criteria that must be met to qualify for one of our new Relationship Pricing tiers. The idea is simple – we want to be your PRIMARY financial institution. We are honored to have your savings accounts but we'd love to have your checking accounts, VISA accounts, mortgages, auto loans, and retirement accounts as well! We want to be your financial resource! If you qualify for any of the new Relationship Pricing tiers, your account will be automatically upgraded. You do not need to do anything! We will take care of it for you.

3. Account Fee Schedule

The enclosed brochure highlights the changes to our fee schedule. These changes will become effective on November 1, 2010. You'll notice that we have eliminated some fees altogether and lowered others. Other fees have had to be introduced or adjusted upward to reflect the current economic climate and the rising cost of doing business. Don't worry too much about that though! By taking advantage of our new Relationship Pricing program, you can avoid many of the fees!

4. Our new Home Loan Program

With mortgage rates at record lows, now may be the perfect time for you to take advantage of our new Home Loans program. With low rates, low closing costs, and superior service – we will be able to find the right loan for you!

As you can see, we at LSFCU continue to provide the most innovative and beneficial programs and services to you and your families. As we approach the Holiday Season, allow me to extend my personal best wishes to all of you. Thanks again for the privilege of serving you.

Warmest Regards,

James J. Miller, Sr.
President/CEO



HUDSON ONE "VIP" PROGRAM

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*5 Exciting new ways to profit
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- 1.** Spend five minutes with a Member Service Representative to be approved for a new Visa® or an increase in your existing Visa® with Liberty Savings Federal Credit Union.
- 2.** Find your high interest rates credit cards or loans.
- 3.** Complete the Balance Transfer Form to transfer a balance to your Liberty Savings FCU Visa® account. No transfer fee!
- 4.** E-mail, mail, fax or bring in your completed form so we have it no later than October 18, 2010.
- 5.** Get 5% on the transferred balances until October 10, 2011.



Visit www.LSFCU.org to download an application or come in today and meet with a Member Service Representative

THE TRUTH ABOUT 0% FINANCING!

We've all seen the ads. Tempting, aren't they? But before you start thinking this is the perfect way to finance a new vehicle, take a closer look at the details. As the saying goes, if it sounds too good to be true, it probably is.

Understanding the Motives

Automobile companies offer 0% financing for one reason: they are desperate to sell a car! Sales are sluggish, inventory on the lot is aging, and factory production must be scaled back - which could mean layoffs. No one wants that! Hence the "perfect" offer - 0% financing!

Beware the Pitfalls!

- **Qualifying.** Read the fine print. In order to qualify for this low rate, you must have a perfect credit history - no history of late payments, defaults, or an excessive amount of outstanding credit. You may also be required to make a large down payment.
- **The Term.** The loan term may be extremely low at 24 months. This results in a significantly higher monthly payment since the vehicle must be paid off entirely within the loan term.
- **Default Rate.** If you make one late payment for any reason, the interest will accrue at 19% APR (Annual Percentage Rate) retroactive back to the initial date of the loan.
- **Fees.** Many times there are "origination" and other fees to obtain 0% financing, and there are penalties for paying off the loan early. There are no such fees or penalties for most credit union auto loans.
- **Higher Cost.** Since the automobile company isn't making any money on interest, they must make up the difference by raising the sticker price. You will end up paying full MSRP sticker price - or more! It also means no haggling over the price. You are also not eligible to take advantage of dealer rebate - which usually leads to a lower payment even if you finance at a higher interest rate.

Before you sign anything that offers 0% interest, CALL YOUR CREDIT UNION FIRST so we can do a comparison for you. You will be surprised at what you learn - it will cost you MORE with 0% financing.



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LIBERTY SAVINGS
★ Federal Credit Union ★



NCUA

Five Corners Service Center

666 Newark Avenue, Jersey City, NJ 07306

Greenville Service Center

1590 JFK Boulevard, Jersey City, NJ 07305

North Hudson Service Center

108 48th Street, Union City, NJ 07087

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