



A Publication for members of Northrop Grumman Federal Credit Union



At 55 Years, NGFCU is serving members better than ever

August 29, 2001, marks the 55th anniversary of the date member-owned Northrop Grumman Federal Credit Union opened for business in Hawthorne, CA, albeit with a shorter name and a much smaller field of membership than it serves today.

Now, at an age when many people are planning to retire, NGFCU has grown into a nationwide organization with a worldwide presence on the web. And

we are always exploring new service channels to give our members the security, efficiency and personal attention they desire. Even at 55, we are stronger than ever.

Having started in 1946 with just a simple savings account, here's some of what your Credit Union offers members today:

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55th Year at 5.5%

Throughout our 55th Anniversary Year, enjoy an extremely low 5.5% annual percentage rate (APR) on the purchase of an automobile when you use certain of our other products and services. From September 5, 2001, through January 4, 2002, you can take out an auto loan at 5.5% APR with 100% financing and terms up to six years, and it will remain at the low 5.5% APR through September 4, 2002. That way you're assured of the same low interest rate throughout our 55th Anniversary Year! On September 5, 2002, our regular variable rate terms and conditions will apply to your loan.

Use at least 5 of these NGFCU services and you will have access to this low 5.5% APR when financing your purchase of a new or used car through January 4, 2002.

- **Electronic funds transfer**
- **VISA ATM/Check Card**
- **Call 24 or *the_Max!***
- **MasterCard**
- **Money Market Account**
- **Another NGFCU loan**

If this makes you think it's a great time to buy a car, you're right! Remember, with a Credit Union pre-approved auto loan, you'll know just how much you can spend and you'll be equipped to make the best deal.

Join in on the NGFCU 55th Anniversary Celebration and apply for your pre-approved auto loan! Simply call a Member Service Representative at 800-633-2848 (Monday-Friday, 7 a.m.-6 p.m. Pacific)★

Different Savings Accounts for Different Purposes:

- Money Market savings offers no-penalty accessibility and a low \$2,500 minimum deposit requirement
- Higher dividends on term accounts from 6 months to 5 years with a \$5,000 minimum deposit requirement and bonus dividends on deposits of at least \$40,000
- IRA account with flexible terms for 1, 2, 3, 4 and 5 years.
- Income Growth Account offering more flexibility and an excellent alternative to the standard term account
- Holiday Club account offering the savings incentive and peace of mind for the holiday shopping season

Checking:

- Fee-free, interest-earning share draft account
- A full array of check styles
- Business checking accounts available
- Visa ATM/Check Card convenient alternative to writing paper checks
- Overdraft protection from Money

Master LOC, Regular Shares and Money Market Account

Internet Service:

- www.norgrumfcu.org offers information about our products and services
- *the_Max!* offers real-time, online account management including free bill payer service

Branch, ATM, Telephone Service:

- Branch offices offer personal service (with no fee) from tellers in six states
- Credit Union Service Center network offers in-branch service in 30 states
- NGFCU ATMs offer deposit and cash services in 12 cities
- CO-OP ATM network offers fee free ATMs in 48 states, Puerto Rico and Canada
- Call Center at 800-633-2848 offers fee-free contact with a telephone service representative
- Call 24 offers 24-hour telephone access to your accounts

Real Estate Loans:

- Caring real estate loan representatives

- Low fees and competitive interest rates on mortgages/first trust deed loans for your primary residence or vacation home
- Home Equity Line of Credit offers economical application and access to money for any purpose



Vehicle Loans:

- Automobile loans offer same low rates for new and used cars
- Discounted auto loan rates for using other value-added Credit Union services
- Pre-approval on loans offers peace of mind and convenience
- Loans for motorcycles, recreational vehicles and boats

**See Page 1 For
Limited-Time Offer
Of 5.5% Auto Loan**

Credit Union business; bagels optional

Transfer money between your accounts while you sip your coffee. Apply for a pre-approved auto loan in your BVDs. Check your balances when a dream wakes you up in the middle of the night. When you sign for *the_Max!* you can do this and more from anywhere with Internet access. Learn more at www.norgrumfcu.org. If you have a Call 24 PIN, you can try it right away. Or for a new PIN, call Member Services at 800-633-2848 (Monday-Friday, 7 a.m.-6 p.m. Pacific)



MasterCard:

- No annual fee and low interest rates offer money saving convenience
- B-2 Image MasterCard spotlights one of the most awe-inspiring aircraft in the world
- Gold MasterCard offers many other value-added services

Money Master Line of Credit:

- Revolving line of credit offers easy access for any purpose
- Overdraft source for checking account helps you avoid embarrassment and fees.★

Home Equity Is Source of Quick Draw Cash

If you are a homeowner, need money now for any purpose or think you might need funds at some time in the next ten years, you should consider opening a Home Equity Line of Credit (HELOC) at NGFCU.

It's easy to do. In two to three weeks, you will have a quick source of funds (up to \$100,000) and then you decide when to take the money you want for any purpose. Because of NGFCU's \$650 allowance on the origination fee, it will probably cost you nothing to start your HELOC and then you pay nothing until you take money out. The repayment plan is 15 years, but you can prepay the loan at any time with no penalty. And because the loan is based on the equity in your home, some or all of the interest may be tax deductible.

Just to make it more attractive, the HELOC rate dropped to a low 6.75% variable rate, as of August 5. NGFCU offers HELOC loans in California, Illinois, Maryland and Pennsylvania. Learn more about the possibilities of using your house to give yourself a very flexible line of credit by calling Member Services at 800-633-2848, or visiting www.norgrumfcu.org/OneBMktg/site/lon/lon_02.html.★

Use HELOC funds to:

- Pay tuition
- Take a dream vacation
- Improve your home
- Pay medical bills
- Consolidate your loans
- Buy a car, truck, boat or RV
- Meet unexpected obligations



NOTICE! Credit Union Closed Oct. 8th

On Monday, October 8, Columbus Day, the NGFCU phone center and all branch offices will be closed for a Staff Education Day. Although Columbus Day is not a holiday for most of our members, as a national holiday for the financial services industry, it is a day when our communication lines with other financial service organizations are down. That allows the Credit Union to set this day aside for staff training with reduced inconvenience to our members.

As always, ATMs, *the_Max!* and Call 24 will be available for your account transactions.

Remember To Note This Date On Your Calendar

We encourage you to mark this date on your calendar as a reminder to conduct your Credit Union business at a branch office or with a phone representative during our regular business hours before or after October 8.★

To: Northrop Grumman Federal Credit Union
Attn: Service Group

YES, I WANT TO KNOW MORE. PLEASE SEND ME:

- | | |
|---|---|
| <input type="checkbox"/> B-2 Image/Gold MasterCard application | <input type="checkbox"/> CALL 24 application |
| <input type="checkbox"/> First Trust Deed Loan application | <input type="checkbox"/> Term Savings Account information |
| <input type="checkbox"/> Home Equity Line of Credit application | <input type="checkbox"/> Auto Loan information |
| <input type="checkbox"/> MoneyMaster Line of Credit application | <input type="checkbox"/> Net Paycheck sign-up form |
| <input type="checkbox"/> Share Draft (checking) application | <input type="checkbox"/> Star System/Cirrus ATM locations |
| <input type="checkbox"/> ATM application (Share Draft Account holders only) | <input type="checkbox"/> PALS sm (Precision Auto Locator System) |
| <input type="checkbox"/> Direct Deposit of Social Security application | <input type="checkbox"/> Family Membership Kit |
| <input type="checkbox"/> Direct Deposit of Retirement application | <input type="checkbox"/> Holiday Account application |

Not necessary to complete if mailing address is on reverse side.

Name _____ Account Number _____
Address _____

Problems? Inquiries?

The Supervisory Committee is charged with the responsibility of continually reviewing the operation of the Credit Union to ensure that it is operating in the best interest of its members. Any questions, suggestions or inquiries should be directed to:

Chairman, Supervisory Committee
Northrop Grumman
Federal Credit Union
P.O. Box 3382
Gardena, CA 90247-7082

Important Telephone Numbers

Credit Union (310) 808-4000
Outside 213 or 310 (800) 633-2848
Eastern Region (800) 634-7075
CALL 24, 24-Hour
Touch-Tone Transactions (310) 327-0682
Outside 213 or 310 (800) 676-3328
To report a lost or stolen
credit union MasterCard (800) 453-4270
CO-OP Network ATM Locations (888) SITECOOP
CU Service Center Locations (888) 287-9475
Internet Access www.norgrumfcu.org

Credit Union Rates

The following is a sampling of most recent rates at time of publication. Please call for other rates and terms. Rates subject to change.

SAVINGS RATES

Account	Min. Bal.	APY*	
Money Market	\$2,500	3.30%	Lower rates apply if balance falls below the minimum shown
6-Month Term	\$5,000	3.56%	A penalty may be imposed for early withdrawal
1-Year Term	\$5,000	3.62%	
2-Year Term	\$5,000	3.93%	
30-Month Term	\$5,000	4.07%	Rates change weekly
3-Year Term	\$5,000	4.22%	
4-Year Term	\$5,000	4.48%	Call for current rates
5-Year Term	\$5,000	4.75%	

A .25% bonus dividend will be applied to all term accounts \$40,000 & over

LOAN RATES

New & Used Vehicles	Variable Rate	Fixed Rate	Fixed Rate	Fixed Rate
	Up to 6 yr.	4yr.	5yr.	6 yr.
80%	6.75%	7.25%	7.50%	7.75%
90%	7.25%	7.75%	8.00%	8.25%
100%	7.75%	8.25%	8.50%	8.75%

Auto Loan Rates may be discounted up to 1%. Call for details.

MasterCard MoneyMaster

Variable	12.50% APR	12.00% APR
Fixed	15.75% APR	16.00% APR

Loan limits of \$500 to \$25,000, no annual fee. Total of MasterCard and MoneyMaster Line of Credit may not exceed \$25,000.

Real Estate Loans

First Trust Deed Loan

Available in the states of: California, Texas, Florida, Washington, Oregon, Pennsylvania, Georgia, Maryland, Virginia, Illinois, Alabama and Washington D.C. For Current Information, call (800) 633-2848

Home Equity Line of Credit — 6.75% APR Variable Rate

\$650 fee allowance. Up to 15 years financing. 90% of Appraised Value less balance on 1st Trust Deed. \$100,000 maximum line amount. Primary residences (1-4 units). The Home Equity Line of Credit rate index is the index in effect at the time of funding and remains in effect for the term of the loan (including loan advances). Available in California, Maryland, Pennsylvania & Illinois only.

* APY - Annual Percentage Yield • APR - Annual Percentage Rate

Flight Plan Financial Services, Inc.

A wholly-owned subsidiary of Northrop Grumman Federal Credit Union

YES, I am interested in learning more about securing my own financial future.

Please send me information on the following:

- | | | |
|--|--|---|
| <input type="checkbox"/> Retirement Planning | <input type="checkbox"/> Reducing Taxes | <input type="checkbox"/> Living Trusts |
| <input type="checkbox"/> IRA Rollovers | <input type="checkbox"/> Mutual Funds | <input type="checkbox"/> Life Insurance |
| <input type="checkbox"/> Long-Term Care | <input type="checkbox"/> College Funding | <input type="checkbox"/> Savings and Investment Plan 401(k) |
| <input type="checkbox"/> Medicare Supplement | <input type="checkbox"/> Dental Plans | |

* Securities are offered through LINSICO/PRIVATE LEDGER,
Member NASD/SIPC

Send your request to FPF, Box 1119, Hawthorne, CA 90251

Name _____ Phone Number _____

Address _____

City _____ State _____ ZIP _____

I would like to discuss my choices with FPF. Please call me at: _____

More for Members, Flight Plan Financial Services

Flight Plan Financial Services, Inc., a wholly owned subsidiary of NGFCU, offers a variety of products and services to members. These services include brokerage and investment opportunities, dental, life, long-term care, home and property insurance for members of all ages and Medicare supplement insurance for members currently receiving Medicare.

Brokerage & Investment

Brokerage and investment services are offered through Linsco/Private Ledger (LPL)*, a registered broker/dealer and member of NASD and SIPC. Mutual funds, annuities and other investments are available through Flight Plan and LPL Registered Investment Advisors. For more information, call our LPL Credit Union Investment Center at 800-200-1121.

Dental Insurance

Flight Plan, through its subsidiary, Dental Service Center, offers two dental plan options that reduce annual out-of-pocket expenses for routine and emergency dental services. For more information, call 888-293-4903.

Long-Term Care and Term Life Insurance

Employer-provided group insurance programs do not cover every need or situation. Flight Plan has developed individual Long-Term Care and Term Life insurance plans for which you are eligible to apply. This specialized insurance is an important element to consider as you plan for your long-term health care needs. For more information on Long Term Care, call 888-287-8810; for Term Life Insurance call 800-582-7488.

Medicare Supplement Insurance

While Medicare was never designed to pay all health care costs, many retirees are faced with the reality of paying a good portion of those costs out of

their own pockets. And, with increasing deductibles, co-payments and other out-of-pocket costs, having a Medicare Supplement is more important today than ever. Flight Plan has leveraged the buying power of 30,000+ members who are retired or at retirement age to help you gain access to a special Medicare Supplement Insurance Plan. For more information, call 800-749-6983.

Auto and Home Insurance

Flight Plan selected Civil Service Employees Service Group (CSE) to provide members with an opportunity to purchase auto and property insurance at group rates. These coverages are available in California, Nevada, Arizona and Utah.

- Auto insurance provides protection against a wide range of perils. Discounts are available for multicar, good driver, good student and senior drivers as well as other

specialized discounts for those who qualify. Also, a multipolicy discount applies when members choose CSE to protect both their autos and homes.

- Property coverage offers various protection levels for home and condominium owners, as well as renters and boat owners.
- Umbrella insurance provides comprehensive liability coverage for additional protection.

Members deal directly with CSE employees for sales and service through an insurance service center that specializes in handling Northrop Grumman Federal Credit Union. For a free quote on the coverage you want, call them toll-free at 888-CSE-1220.★

Mutual funds, annuities and other investments available through Flight Plan Financial Services and Linsco/Private Ledger are not deposits in Northrop Grumman FCU, are not insured by the NCUSIF, nor are they obligations of, or guaranteed by Northrop Grumman FCU. Such investments may fluctuate in value and are subject to investment risks, including loss of some or all of the principal.

Auditors find NGFCU in superb health

Examiners from the National Credit Union Administration (NCUA) looked at financial records and operations at Northrop Grumman Federal Credit Union in June and awarded it the highest possible rating along with a commendation for efficient operations.

NCUA audits are performed about every year to 18 months at healthy credit unions. Their goal is to test a credit union's financial stability, fulfilling the administration's charter to regulate and monitor the performance of federally chartered credit unions. Their stringent standards strengthen the ability of the National Credit Union Share Insurance Fund, the strongest insurance fund of its kind in the nation, to offer unmatched security for members' deposits.

In completing their audit, examiners looked at how well Northrop Grumman Federal Credit Union adheres to its own processes and procedures in such areas as loan and collateral documentation, loan servicing including collection activities, making investments, and general accounting. They also verified compliance to federal regulations and, this year, added a test of "Information Systems and Technology."

This new test reflects the increasing popularity among all credit unions of electronic services. The auditors examined the processes and found that NGFCU's electronic services, such as Call 24, *the_Max!*, ATMs and the Visa ATM/Check Card, among others, provide the highest level of transaction security and protection to members.★

Back to School? Money is Ready Education: Expense or Investment?



Whether you're focused on the immediate challenges of preparing for the new school year or distracted by the controversy over tax relief for private school tuition, it's clear that education is an important element in ensuring an abundant and productive future. The time and money we spend on education is probably the most important investment we make in our own lives and in the lives of our children.

But as the demand for knowledgeable people continues to grow in this information age, so does the cost to pre-

pare each student for a career. There are updated computers, new software, a cell phone, books and clothes to buy. If your kids are college-bound, there's the cost of transportation, room and board, tuition, and more. You might be ready to head back to school yourself and need money to cover your own expenses.

You may not be prepared in the short term to deal with all these expenses but your Credit Union may be able to provide you with some support: a convenient, accessible, flexible and, in

some cases, tax-advantaged revolving line of credit. Take a look at some of the options we have available.

■ Our MasterCard is convenient, has affordable repayment terms, no annual fee and offers your choice of a variable or fixed interest rate.

■ Our Money Master Line of Credit is easy to use, has affordable repayment terms and costs you nothing until you use the funds.

■ Our Home Equity Line of Credit is easy to apply for, has flexible, affordable repayment terms, may offer some tax advantages and, as of Aug. 2001, has a low variable interest rate of 6.75%*.

Don't let your ability to cover short-term expenses outweigh the benefits of a long-term investment in education. Call 800-633-2848 (Monday – Friday, 7 a.m. – 6 p.m. Pacific) or visit us at www.norgrumfcu.org for more information about how your Credit Union can help.★

**Rates subject to change without notice.*

Each member credit union federally insured to \$100,000 by the National Credit Union Administration, a U.S. Government Agency



Box Number 5011
Hawthorne, CA 90251-5011



Important Notice
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PRRST STD
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