

the Contact

JULY 2004

**NORTHROP GRUMMAN
FEDERAL CREDIT UNION**

A Publication for Members of Northrop Grumman Federal Credit Union

Who *is* getting your money?

Update your beneficiaries today

The correct beneficiary designation on your account is very important. It should be checked from time to time and, if necessary, changed anytime you experience life events, such as the birth of a child, marriage or the death of a loved one.

Your beneficiary designation defines an uncompromising requirement for the Credit Union to transfer your funds on deposit to the most current beneficiaries recorded on your account regardless of subsequent intentions you may have.

That means that if a recorded ben-

eficiary is an ex-wife, ex-girlfriend, or a deceased parent, the funds may only be transferred to the ex-wife or ex-girlfriend (not to your current wife), or the estate of your deceased parent. If there is no beneficiary on record, your funds could be placed in probate instead of going directly to your heirs.

Please take a moment to request a beneficiary form by calling 800-633-2848. We will update our database with the information you send us. If you don't know who you have designated to be your beneficiaries for each of the suffixes on your account, now would

be a good time to make sure they are up to date. You can also send us the following information and provide as much detail as you like. Furnish your Name, Account Number and SS#, and for each beneficiary furnish Name, SS#, and Mailing Address along with the percentage of your funds you want to allocate to each beneficiary. Make sure it totals 100% for each suffix. Sign and date your beneficiary designation form.

To change or update the beneficiaries on your IRA accounts, please call 800-633-2848 to request an *IRA Designation of Beneficiary* form.

Get More Home with a new **3/1** **5/1** ARM

Don't let rising mortgage rates prevent you from buying a home. Fixed rates, adjustable rates, no points, low fees and 30-year terms make it very possible. Even with the slight increase, home loan rates at NGFCU are still very good.

But, if your funds are limited and/or you don't plan to stay in your home more than a few years, consider an adjustable rate mortgage (ARM). These mortgages have the lowest start rates and the lowest initial monthly payments.

In fact, if you don't plan to stay in your home for more than 5 or 6 years, you might want to consider the Credit Union's 3/1 or 5/1 ARM. With the 3/1 or 5/1 ARM, you enjoy many of the benefits of a low-rate 30-year adjustable rate mortgage with the peace of mind knowing that the rate and your payment will remain constant for at least 3 or 5 years. After the initial term of the loan, the rate can go up no more than 1% per year and nor more than 6% for the life of the loan. Your payment will adjust to ensure a 30-year payoff term.

To learn more about the 3/1 or 5/1 ARM, talk to a Mortgage Loan Specialist at 800-633-2848.

The Loan That Covers **EVERYTHING!** The Umbrella Home Equity Line of Credit

If you like the many advantages of the NGFCU Home Equity Line of Credit, now it's even better. If you want to make a large purchase (\$5,000 or more), you can establish a separate suffix number for each advance and a discreet payoff term with a special payment amount. That should make it easier to budget when you want to use your HELOC to purchase a car, pay for a college education, take that long overdue vacation of a lifetime, or just do some remodeling...and do it on your terms. This way you get all

the benefits of a low interest rate, tax-advantaged loan and set the terms that work best for you. Each payoff term must end on or before the original HELOC maturity date.

If you don't have a home equity line of credit, it's easy to apply. In most states the \$650 fee allowance will cover all the origination costs. Take a look at the many advantages of a Home Equity Line of Credit. Call 800-633-2848 and talk to a Real Estate Loan specialist today!

The HELOC is not available in Louisiana.

Is a Vacation Getaway In Your Dreams... But The Cash Isn't?

Need a Vacation Loan?

\$1,500 maximum

12 month term

9.9% Annual Percentage Rate

Even though summer is almost over, there's still time to fulfill your dreams of a magical getaway to a favorite spa or resort. Your Credit Union wants to help you out. You can apply now for an easy to use 9.9% fixed rate Vacation Loan with a budget boosting \$1,500 maximum. With just 12 months to repay, it will keep the interest costs down and make sure you're ready to go again next year! Apply today. Call 800-633-2848.

Don't Overdo It with Overdraft Transfers

Overdraft protection provides great peace of mind. If you don't have the funds to cover payments made from your Share Draft account and you have a designated overdraft protection source, the Credit Union transfers funds automatically to cover the shortage from your MoneyMaster Line of Credit, regular share account, or money market account, or these sources on another account in your name.

Overdraft protection from your savings or automatic advances from your MoneyMaster Line of Credit to cover overdrafts are limited by federal regulations to a total of six (6) electronic transfers per month. The Credit Union doesn't charge a fee to automatically cover an overdraft when you have an established source of overdraft protection, but if you hit the maximum number of 6 electronic transfers per month, you risk incurring overdraft charges and the embarrassment of having a check returned for insufficient funds.

It's always a good idea to check your balance by dialing Call 24 at 800-633-2848 or by logging onto *the_Max!* at www.norgrumfcu.org. If you think you're short of cash in your Share Draft account, transfer enough money one time from another source to get you through the month.

Check Hold Guidelines

In its efforts to minimize the risk of fraud and potential losses, the Credit Union is implementing a policy for checks deposited at ATMs and CU Service Center locations. Funds deposited by check at an ATM or CU Service Center will be unavailable for a period of time depending on the age of the account. This hold period will give the Credit Union time to verify the deposit.

Important Telephone Numbers

Credit Union 310.808.4000

Outside 213 or 310 800.633.2848

Call 24 310.327.0682

Outside 213 or 310 800.676.3328

Report a lost or stolen:

MasterCard 800.453.4270

Visa ATM/Check Card 800.554.8969

Find a:

COOP ATM 888.SITE.COOP

CU Service Center .. 888.CU.SWIRL

Problems? Inquiries?

The Supervisory Committee has the responsibility to continually review the functions 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
Box Number 3382
Gardena, CA 90247-7082

Visit us on the Internet at:
www.norgrumfcu.org



Keep In Touch... With Your Account

Now that we're into the summer vacation months, it's a good idea to be aware of all the options available to access your Northrop Grumman Federal Credit Union accounts...remotely.

ATMs – Keep in mind that you may have a limited number of free non-Norteller ATM withdrawals per month. Some members may be subject to a \$1.00 Credit Union charge per non-Norteller ATM withdrawal. That's why it's a good idea to get in the habit of using the Coop ATM network of over 18,000 ATMs in the United States. The Coop ATM Network doesn't charge a service fee. Simply call 888-SITE-COOP and, when prompted, put in the area code and prefix of the landline phone from which you are calling. Site Coop will give you the location of the nearest ATM to that telephone.

CU Service Centers – The CU Service Center network is a network of over 600 Credit Union branches operated by participating credit unions across the United States. At a CU Service Center branch, you can transact most of the business that you would normally do in a Northrop Grumman FCU branch office. Before you travel, log onto www.cuswirl.com for the CU Service Centers along your way. Or, if you're on the road and you need to find a branch office, simply call the CU Service Center locator system at 888-cuswirl.

Call 24 – If you don't have a Call 24 PIN, make sure to get one before you travel by calling the Credit Union at 800-633-2848. That way, when you're on the road, you'll have all the convenience and peace of mind knowing that by calling from any touchtone telephone, including your cell phone, you can make transfers, check balances and check the status of your loans anytime, day or night.

These are the numbers you need to carry with you:

Credit Union:	800-633-2848
Coop ATM locator:	888-SITE-COOP
CU Service Center locator:	888-CU-SWIRL

To: Northrop Grumman Federal Credit Union attn: Call Center

YES, I want to know more about these products/services:

- | | | |
|---|---|--|
| <input type="checkbox"/> Share Draft (checking) | <input type="checkbox"/> Touchtone Phone Acct Mgmt | <input type="checkbox"/> Home Equity Line of Credit |
| <input type="checkbox"/> Term Savings Account | <input type="checkbox"/> Visa ATM/Check Card | <input type="checkbox"/> Auto Locating Services |
| <input type="checkbox"/> Holiday Club Account | <input type="checkbox"/> MoneyMaster Line of Credit | <input type="checkbox"/> Direct Deposit of Social Security |
| <input type="checkbox"/> IRA Accounts | <input type="checkbox"/> Auto Loan Pre-Approval | <input type="checkbox"/> Direct Deposit of Retirement |
| <input type="checkbox"/> Internet Acct Mgmt | <input type="checkbox"/> First Mortgage Loan | <input type="checkbox"/> Membership |

To: 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"/> Life Insurance |
| <input type="checkbox"/> 401(k) Plan* | <input type="checkbox"/> Property/Auto Insurance |
| <input type="checkbox"/> Mutual Funds* | <input type="checkbox"/> Long Term Care Insurance |
| <input type="checkbox"/> IRA Rollovers* | <input type="checkbox"/> Medicare Supplement |
| <input type="checkbox"/> Reducing Taxes* | <input type="checkbox"/> Retiree Dental/Vision Coverage |
| <input type="checkbox"/> College Funding* | |

Send this section to:

**Northrop Grumman FCU
Box Number 47009
Gardena, CA 90247-6809**

My Account Number is _____

*Securities offered through Linsco/Private Ledger Member NASD/SIPC - Stocks, bonds, mutual funds, annuities and other investments available through Linsco/Private Ledger are not deposits in Northrop Grumman FCU, are not insured by the NCUA, 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.

Who's Going First... You? or your Money?

With all of the changes taking place in the market, every investor needs to be concerned with how well – or poorly – their current retirement plan is performing. You should ask yourself:

- Will I be able to retire with the income I need and deserve?
- Can I make Uncle Sam's cut of the pie smaller?
- Does my current plan have the flexibility I need to withstand ALL possible changes in the economy?

If you are unsure if you have the funds to last a lifetime, it is important to visit one of our branches and speak with a professional wealth advisor. By doing so, you can learn how to potentially keep taxes at a minimum, which means more of your money can work for you instead of someone else. Our wealth advisors can also give you suggestions so you don't outlive your income.

To find out if your money is going before you are, please call 800.200.1121 for a complimentary Retirement Funding Analysis.

The financial consultants of The Gensler Group are registered representatives of and offer securities through Linsco/Private Ledger Member NASD/SIPC. Not NCUA Insured P No Credit Union Guarantee P May Lose Value P Credit Union is not affiliated with Linsco/Private Ledger

Time is Running Out

3.9%/4.9% APR* Auto Loan

You may only have a few more days to lock in a low 3.9% or 4.9% Fixed Rate Auto Loan on a new or used vehicle. As interest rates are presumed to increase in the coming days or weeks, the Credit Union will be forced to respond to market influences and raise its auto loan rates along with everyone else.

Considering the high price of gasoline as you take to the roads this year, it might be a good idea to enjoy the summer in a more fuel efficient vehicle that will save money at the pump. You can save even more when you make your purchase with the Credit Union's money-saving 3.9% or 4.9% fixed rate vehicle loan.

The rates are the same whether you choose a new or a used vehicle. With the 3.9% fixed rate, take up to 48 months to repay, or with the 4.9% fixed rate, you have up to 72 months to repay. If you are paying a higher interest rate on a vehicle you have financed elsewhere, call us to lower your payment and/or shorten your term. Before you go shopping, be prepared with an NGFCU pre-approval. Call 800-633-2848, today!

**Annual Percentage Rate. Rates subject to change without notice.*

PRSRRT STD
U.S. POSTAGE
PAID
NORTH HOLLYWOOD, CA
PERMIT NO. 8

Box Number 47009
Gardena, CA 90247-6809

