

# BANNER

ARKANSAS' LARGEST FINANCIAL COOPERATIVE

first quarter/january 2000

## BONUS DIVIDEND is a Cooperative Success Story

It is a success story that over 50,000 individuals can hang their hats on. A bonus dividend of 2.00% APY was posted to each member's Share Savings Account for the fourth quarter of 1999. The bonus dividend, when added to the already high 3.00% yield paid to the Share Savings Account, totals 5.00% APY on a savings account that would earn barely a 1.50% APY in an area bank.

Why, you might ask, would a financial institution that is obviously doing very well financially give money back to its customers? The answer is simple. When banks make a profit, they reward the owners of the bank. Arkansas Federal Credit Union doesn't have customers. We serve members/owners. And our members own the financial institution where they save and borrow. That's the foundation of cooperative business. The members are the owners.

The cooperative concept deserves attention as we move from 1999 into the year 2000.

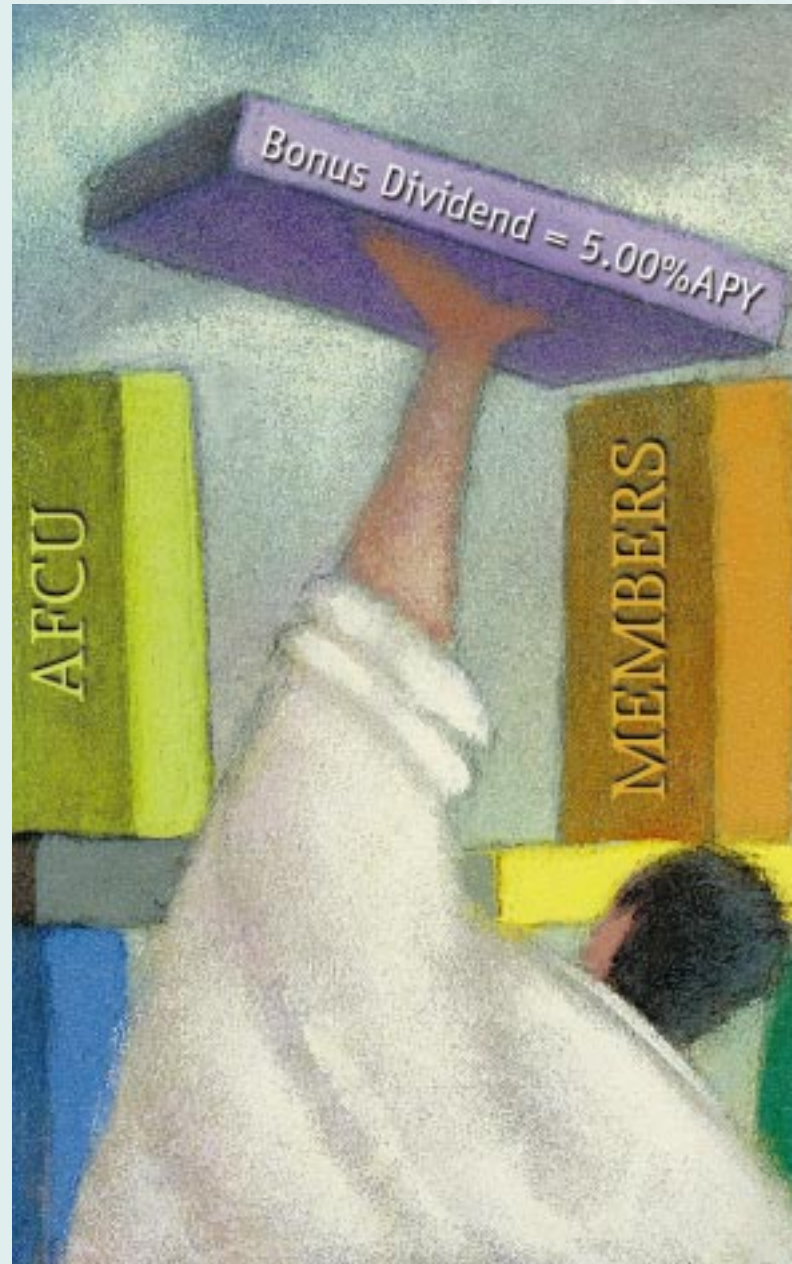
When a bank and a credit union are compared side by side, their similarities are sometimes confusing. Both institutions offer auto loans, checking accounts, and savings accounts. But that is where the similarities end.

Credit unions are not-for-profit financial cooperatives. Members pool their savings to loan to one another. Members elect a volunteer board of directors to represent the

membership and to set policy or guidelines for the credit union as a whole.

This cooperative structure is the foundation by which Arkansas Federal Credit Union has operated since it was chartered in 1956.

It is, therefore, appropriate for all members/owners of our credit union to enjoy the product of a very good financial year - a bonus dividend. It is with great excitement and a strong sense of responsibility that we carry the cooperative torch into the next 100 years. We invite you to explore all that your credit union has to offer you and your family. Service to members - that's what we're all about. 





## From the desk of H. C. Klein, *President/CEO*

After 32 years in the credit union industry, 30 of those years with Arkansas Federal Credit Union, Bettyann Hawk, Senior Vice President/Administrative Support, has announced her intent to retire April 28, 2000.

Bettyann started working for the credit union when it was located in the basement of the barracks at Little Rock Air Force Base. Over the years, her work in the credit union has brought her very close to members and employees alike. She has had an active role in the credit union industry here at home, in Arkansas, and nationally. She has carried the credit union message to the halls of Congress to protect credit unions from attacks by the banking community.

She has had a profound effect on the credit union movement in Arkansas through her work as a director on the Arkansas Credit Union League Board, and she has served numerous terms on the Arkansas Central Federal Credit Union Board of Directors.

I would like to invite members, former employees, and friends of Bettyann to visit her over the course of the next four months. Her office is on the second floor in the administrative area of our headquarters in Jacksonville. We want Bettyann to know how much she is appreciated.

As president/CEO, I want to ensure that there will be a smooth transition within our senior management team. Bettyann's retirement obviously leaves a key position open.

That smooth transition is assured as we have hired Dennis Gibson to be our Senior Vice President/Operations. Dennis will work with Bettyann on a daily basis through her retirement date - April 28th. We'll tell you more about Dennis and his strong financial background in a future issue of the Banner.

The announcement of Bettyann's retirement prompted us to give a lot of thought to the organizational structure of our management team. Effective January 1, 2000, our senior management team will be made up of Bettyann Hawk, Senior Vice President/Administrative Support; Bill Williams, Senior Vice President/Service Delivery; Dennis Gibson, Senior Vice President/Operations; Don Cypert, Senior Vice President/Finance; Janie Warner, Vice President/Human Resources; Lorraine Baisdon, Vice President/Marketing; and Scott Sims, Vice President/Information Systems. Upon Bettyann's retirement in April, we will retire her title of Senior Vice President/Administrative Support. I am confident that these organizational changes will make our credit union better and will prepare us for future growth. Bettyann, the members, volunteers, management and staff of Arkansas Federal Credit Union wish you the best in all your future endeavors. Thank you for dedicating your work-life to the credit union movement. We honor you and will miss you. 🇺🇸



H.C. Klein, President/CEO

BOARD OF DIRECTORS

Phillip B. Boudreaux, *Chairman*  
Art Williams, *Vice Chairman*  
Fred Van Driesum, *CFP, Secretary*  
Robert Batton, *Treasurer*  
Garold L. White, *Director*

CREDIT APPEALS BOARD

Dale Duell, *Chairman*  
Pat Hudon, *Member*  
Leo Miller, *Member*

SUPERVISORY COMMITTEE

Jerry E. Spratt, *CPA, CFE, CGFM, CFSa, Chairman*  
Robert Rodgers, *CPA, Secretary*  
Don Greene, *Member*  
William Sprinkle, *Member*  
Jay Simmons, *Member*  
Kristy Vest, *CPA, CFSa, CIA*  
*Internal Audit Director*

MANAGEMENT

H. C. Klein, *President/CEO*  
Bettyann Hawk, *Senior Vice President/Administrative Support*  
Dennis Gibson, *Senior Vice President/Operations*  
Bill Williams, *Senior Vice President/Service Delivery*  
Don Cypert, *Senior Vice President/Finance*  
Janie Warner, *Vice President/Human Resources*  
Lorraine Baisdon, *Vice President/Marketing*  
Scott Sims, *Vice President/Information Systems*  
Terry Vick, *Air Force Base Branch Manager*  
Michele Mosley, *Little Rock Branch Manager*  
Patricia Fuquay, *West Little Rock Branch Manager*  
Mark Allen, *North Little Rock Branch Manager*  
Brenda Sharp, *Fort Smith Branch Manager*  
Carol St. John, *Mortgage Loan Manager*  
Joan Davidson, *Account Research Manager*  
Don Whiddon, *Collection Manager*  
Angela Heard, *Purchasing Manager*  
Karen Smith, *Electronic Funds Transfer Manager*  
Helen Johnson, *Accounting Manager*

### Mission Statement

*Arkansas Federal Credit Union is a financial cooperative dedicated to being the primary financial institution for all members by providing quality services while maintaining a strong financial foundation.*

# Throw Back Your Bank Checking Account and Get Hooked on Checking At Arkansas Federal



Your credit union is making a checking offer you won't be able to resist. Close your existing bank checking account, then open a checking account with Arkansas Federal, and we'll buy-back your unused bank checks for 5¢ each, up to \$10.00. This isn't some big fish story, but the real deal. With an Arkansas Federal Checking Account, members enjoy two types of overdraft protection, worldwide ATM access, preauthorized payments, Internet Branch Account Access and Internet Bill Payment, a VISA Check

Card and Touch Tone Teller access...all without a monthly service charge.

Your credit union's "catch of the day" is a checking account designed to maximize your budget. Our checking account offers convenience, access and no monthly service charge.

Get hooked on checking at Arkansas Federal and open your account today. Visit new accounts in any branch, or just call the Telephone Branch at 501-982-1000 or 800-456-3000. 🐟

**throw back**  
your old bank checks  
and land up to  
**\$10**  
in your AFCU checking account

**RATE WATCH**

<b>6.00%</b>	
Share Savings	3.00%
I.R.A. Savings	3.00%
Special Savings	2.25%
Money Market	4.12%
91-day Certificate/IRA	4.75%
Jumbo 91-day Certificate/IRA	5.00%
182-day Certificate/IRA	5.65%
Jumbo 182-day Certificate/IRA	5.90%
1-year Certificate/IRA	5.75%
2-year Certificate/IRA	6.00%
<b>5.90%</b>	
New Car/Truck/Van	
24 months or less	5.90%
25-36 months	6.40%
37-48 months	6.90%
49-60 months	7.40%
61-72 months	7.90%
73-84 months	8.40%
Used Car/Truck/Van	
(Current & 1 yr. old models)	
24 months or less	5.90%
25-36 months	6.40%
37-48 months	6.90%
49-60 months	7.40%
61-72 months	7.90%
Used Car/Truck/Van	
(2, 3, 4 and 5-year old models)	7.40%
E-Z Home Equity	9.90%
Generous Home Equity	9.90%
Conventional Home Equity	7.90%
	or 9.90%
	or 9.90%
<b>11.90%</b>	
Visa Credit Card	11.90%
New/Used motorcycle, boat and RV	7.40%
Share Pledged (savings)	6.00%
Personal Signature	13.90%
1st Mortgage (VA 30-year)	8.579%
8.250% + 0% discount + 1% org. fee	
Based on \$100,000 loan + 2.00% funding fee financed	

## special services schedule

Initial membership	\$5.00	American Express gift check	\$2.50
Overdraft share transfer	\$2.00	Transaction history since last statement	\$5.00
Excessive savings withdrawal (account 1, 2 and 5-over 4/month)	\$5.00	Card replacement	\$5.00
ATM card with savings only	\$5.00	Rush card replacement	\$15.00
Non-sufficient funds	\$20.00	Account research — \$15.00/hour with a minimum charge of	\$5.00
Stop payment request	\$15.00	Abused account closure	\$25.00
Lost/stolen credit card	\$15.00	Open/close membership (within 90 days)	\$15.00
Document copy	\$5.00	Express delivery	\$15.00
Statement copy	\$5.00	Collection item — Incoming	\$5.00
Temporary checks	\$2.00	Outgoing (plus direct expenses)	\$5.00
Check printing (and up depending on style ordered)	\$9.55	Levy/garnishment request	\$25.00
Internet Branch		Loan over limit	\$15.00
Account Access (one time)	\$5.00	Loan late payment — over 7 days late 20% of interest due	\$15.00
Bill Payment (one time)	\$5.00	with a minimum charge of	\$15.00
Bill Payment (monthly)	\$4.95	Safe deposit box rental	
(with an AFCU VISA...FREE)		3x5x24	\$15.00
ATM network transaction	\$1.00	3x10x24	\$25.00
Member deposit item returned/NSF	\$15.00	5x10x24	\$35.00
Inactive account 1 yr.(per qtr.)	\$5.00	10x10x24	\$70.00
Missing address (per qtr.)	\$5.00	Wire rate (outgoing)	\$12.00
Credit Card Debt Liquidation Report	\$10.00	Overseas	\$30.00
Cashier's check	\$3.00	Wire rate (incoming)	\$5.00
Money order	\$1.00		
Traveler's cheques — \$100 @	\$1.00		
Traveler's cheques for 2 — \$100 @	\$1.75		

Rates effective as of printing. Savings rates are declared for the previous quarter, and dividends paid quarterly. Money Market and Certificate Account dividends paid monthly. Rates subject to change without notice. Contact a Credit Union employee for information on applicable fees and terms. All savings rates APY; all loan rates APR. Property for mortgage loans must be located in the state of Arkansas. FHA & Conventional mortgage loans also available.

# Stash Your Cash


## in a Higher Yielding Credit Union Account

Take advantage of the higher yielding accounts available through your membership in Arkansas

Federal Credit Union. Money Market Checking, Share Savings, Certificate Accounts - we have an account to fit your saving needs. Let us help you design a savings plan to meet your personal financial goals. Whether it's for the short-term or the long-term, your hard-earned dollars will work even harder in a higher yielding credit union account.



We've done the rate shopping for you!

Rates effective as of a telephone survey conducted on December 22, 1999. AFCU's Savings rates are declared for the previous quarter, and dividends are paid quarterly. AFCU's Money Market and Certificate Account dividends paid monthly. Rates subject to change without notice. Contact a credit union employee for applicable fees and terms. 

Savings Account	
Arkansas Federal Credit Union	3.00% APY
Regions of Little Rock	1.61% APY
First Arkansas Bank and Trust	1.76% APY
Community Bank of Cabot	2.01% APY
Mercantile Bank of Little Rock	1.00% APY
Pulaski Bank and Trust	1.51% APY
Bank of America of Little Rock	1.00% APY
Superior Federal of Little Rock	2.01% APY

182-Day Certificate	
Arkansas Federal Credit Union	5.65% APY
Regions of Little Rock	4.60% APY
First Arkansas Bank and Trust	4.35% APY
Community Bank of Cabot	4.45% APY
Mercantile Bank of Little Rock	4.15% APY
Pulaski Bank and Trust	4.80% APY
Bank of America of Little Rock	4.60% APY
Superior Federal of Little Rock	5.60% APY

Money Market	
Arkansas Federal Credit Union	4.12% APY
Regions of Little Rock	1.76% APY
First Arkansas Bank and Trust	1.76% APY
Community Bank of Cabot	2.27% APY
Mercantile Bank of Little Rock	2.00% APY
Pulaski Bank and Trust	1.80% APY
Bank of America of Little Rock	1.50% APY
Superior Federal of Little Rock	2.27% APY

# ARKANSAS FEDERAL'S ANNUAL MEETING DRAWING NEAR

The Nominating Committee has selected the two incumbents, Phillip B. Boudreaux and Robert Batton, for the two positions open on the AFCU Board of Directors.

According to the credit union's bylaws, nominations for vacancies may also be made by petition. Any member wishing to be considered for the positions open on the board and who missed the nominating process may come by any AFCU branch or call the Telephone Branch at 982-1000 or 800-456-3000 to request a petition for nomination. A member must obtain a minimum of 75 signatures of Arkansas Federal Credit Union members. The petition must be returned to the secretary of the board by February 7, 2000. 🇺🇸

## HOLIDAY CLOSINGS!

*Martin Luther King, Jr. Day*  
Monday, January 17, 2000

*President's Day*  
Monday, February 21, 2000

### **Robert Batton** *(Incumbent)*

#### **Current Occupation**

Municipal Judge for the city of Jacksonville since 1977

#### **Education**

Juris Doctorate from the University of Arkansas;  
B.B.A. from the University of Miami, Florida

#### **Activities**

Arkansas Federal Credit Union Board of Directors member since 1988;  
Arkansas Bar Association; Pulaski County Bar Association

#### *Why are you seeking re-election to the AFCU Board of Directors?*

In the 13 years that I have served as a volunteer on the Board of Directors, my educational and legal experience have helped me contribute greatly to the strong decisions made by the board. I feel that I have a lot more time and talent that I can personally contribute through another three-year term."



### **Phillip B. Boudreaux** *(Incumbent)*

#### **Current Occupation**

Legislative Attorney with the Arkansas Legislative Council

#### **Education**

Bachelor of Science in Business Administration from the University of Arkansas; Juris Doctorate from the University of Arkansas at Little Rock.

#### **Activities**

Currently serving as Chairman of the Arkansas Federal Credit Union Board of Directors; Former Chairman of the AFCU Supervisory Committee; Staff Judge Advocate of the 39th Enhanced Infantry Brigade, Arkansas Army National Guard; past President of the National Guard Association of Arkansas; Executive Board, Arkansas Baptist State Convention.

#### *Why are you seeking election to the AFCU Board of Directors?*

"As Chairman of AFCU's Board of Directors, I have committed myself to ensure the safety of each and every deposit placed in our trust and that will continue to be my commitment as a member of the Board of Directors. I am dedicated to the credit union movement and have worked hard to educate myself about credit unions by completing all courses of the Volunteer Achievement Program, having received the Bergaengren, Raiffensien and Filene Awards. My goals for AFCU have always been to assure it is a safe and accessible depository which pays you a competitive interest rate; assure that it is responsive to your loan needs, large or small, at competitive interest rates; assure it provides a pleasant and comfortable work environment for its employees, pays a competitive wage and offers opportunities for advancement; and assure its continued growth and expansion in a thoughtful manner. I pride myself on being a conscientious, concerned, accessible and responsive member of the Board of Directors". 🇺🇸



# Important Income Tax Reporting And Refund Information

Each year during tax time, your credit union prepares certain IRS reporting forms for your use in filing personal tax returns. The forms that will be mailed by January 31, 2000 include IRS Forms: 1099, 1098, 1099R, and on May 31, 2000, the IRS Form 5498.


## Tax Refunds by Direct Deposit

The quickest, safest, and easiest way to get your IRS tax refund delivered



to you is through IRS Direct. If you are one of the millions of taxpayers eligible for direct deposit of your tax refund, the IRS will transmit your 1999 tax

refund directly to your credit union Share Savings Account.

Members requesting the IRS to direct deposit their income tax refund can use the 24-Hour Touch Tone Teller or Internet Branch Account Access to confirm deposit of their refund to their Share Savings Account. Once deposited, Touch Tone Teller Access Code 27 or the Account Access transfer button can be used to transfer the refund to your checking account or any other account or loan you choose. 

## New Managers Spotlight



**Helen Johnson**  
Accounting Manager


Helen Johnson has been named manager of AFCU's corporate accounting area. In her new job, Helen is responsible for all accounting activities, accounts payable, investment tracking, and financial report preparation for the credit union. She brings 25 years of accounting experience to her new position. Most recently, Helen was with Cleveland Electric Company in Little Rock. She holds a Bachelors of Science degree in Accounting from the University of Arkansas at Little Rock. She also holds an Arkansas CPA certification.

Angela Heard was recently named Purchasing Manager and will head the credit union's support services and bulk mail activities. Angela brings eight years of purchasing experience to her new position. She holds a Bachelors of Science degree in business administration from the University of Arkansas at Pine Bluff (UAPB). For the last eight years, Angela has worked as a research assistant in the UAPB graduate program.



**Angela Heard**  
Purchasing Manager

## Keep your account active!

Inactive accounts are defined as accounts that have less than \$200 on deposit and have had no activity (deposits, transfers, loans, etc) over a 12-month period. To cover the costs of upkeep on an inactive account, a \$5 per quarter fee is charged. You can avoid this charge by simply keeping your account active. 

# ATM Cards

## in an Instant!

By now, members have their new automatic teller machine (ATM) card and personal identification number (PIN) that were recently reissued. On December 20, 1999, your old ATM card expired - it is no longer valid. So be sure to destroy your old card (has numbers beginning with 582...) and use the new card (has numbers beginning with 641...) that was recently issued.

### We live in a 15-second world.

We want our fries in 15 seconds. We want our microwaved meal in 15 seconds, and we want our ATM cards in 15 seconds!

Instantly issued ATM cards are a reality at your credit union. In our Air Force Base (Jacksonville), Little Rock, and North Little Rock Branches, we have the technology available to make and activate ATM cards instantly! There is no waiting period for a card mailed from an out-of-state plastic card company. The average wait for an ATM card from an area bank is 8 days. Most banks will tell you it depends on the mail!

Don't like your PIN? If you would like to change the personal identification number (PIN) you use with your ATM, VISA Check or VISA Credit Card, just visit one of the branches listed above to instantly change your PIN to a number you choose. You can also order an ATM card by visiting our Fort Smith, Camp Robinson, or West Little Rock Branches. Your card will be issued and mailed from our headquarters the same day, and you get to choose the PIN! 🇺🇸



## DO YOU NEED BUDGETING HELP? ARE YOU HAVING SERIOUS DEBT PROBLEMS?



If you or someone you know is having a financial problem, Consumer Credit Counseling Service (CCCS) may be able to help. CCCS is a non-profit organization offering free or low cost financial counseling to help you solve your financial problems and avoid future difficulties. No one is ever turned away. CCCS has established a part-time office

in the credit union's Air Force Base Branch; located in Jacksonville. Linda Tucker, a CCCS counselor, is available for appointments on Tuesdays from 9:00 a.m. to 5:00 p.m. To make an appointment with Linda, call 501-982-7009. Counseling sessions are private and the information exchanged during the appointment is confidential. 🇺🇸

# Touch Screen

# Teller Enhances Service

Members who visit credit union branches located in Jacksonville, Little Rock, West Little Rock, North Little Rock, Fort Smith, and soon Camp Robinson will find new and enhanced service available through the Touch Screen Teller.

For many years, car pricing information has been the focal point of this computer display, commonly called a kiosk. But the Touch Screen Teller offers a whole lot more!

Members sign on using their member number and Touch Tone Teller access code to get current account balances and account history. Members can also transfer money from one credit union account to another. Information on all credit union services is available and car pricing is also updated on a monthly basis.

All of this information is free from the Touch Screen Teller. If you need assistance using the kiosk, just ask any credit union employee. We'll be glad to give you a demonstration! 🇺🇸



# Notice of Changes to Credit Life and Disability Insurance

Members who currently have credit life and/or disability insurance on their loans should take note of some changes that have been made to the credit life and credit disability insurance coverage.

Effective January 1, 2000, the maximum loan amount that can be insured under the credit life and disability insurance plans is increased to \$75,000. The maximum monthly benefit for disability insurance is

increased to \$1,100 and the eligibility and termination age for disability insurance has been increased to age 70. One other change worth noting, the maximum duration a loan can be insured has been increased to 180 months. All of these changes, including increases in maximums, are effective for members with AFCU's VISA Credit Card, too. 🇺🇸

# AFCU Info

## LOCATIONS

- Air Force Base Branch**  
2424 Marshall Rd., Jacksonville
- Little Rock Branch**  
1001 West Capitol Ave.
- West Little Rock Branch**  
301 N. Shackelford Road (at Markham)
- North Little Rock Branch**  
4848 North Hills Boulevard
- Camp Robinson Branch**  
Bldg. 5400, Camp Robinson Canteen\*
- Fort Smith Branch**  
1301-C South Waldron Road
- Telephone Branch**  
P.O. Box 9, Jacksonville, AR 72078-0009
- Shoppette ATM Facility**  
Building 1996, Arnold Dr. & 2nd St.  
Little Rock Air Force Base
- Base Exchange ATM Facility**  
Building 940, Arnold Drive  
Little Rock Air Force Base
- Donaghey Building South ATM Facility**  
7th & Main, First Floor  
Little Rock
- State Capitol ATM Facility**  
First Floor Lobby  
Little Rock

## BRANCH HOURS

Mon.-Thurs. 9 a.m.-5 p.m.  
Fri. 9 a.m.-6 p.m.  
\*Closed from 1:00-2:00 p.m.

## TELEPHONE BRANCH

Main Number: 501-982-1000  
Fort Smith Members: 501-782-1000  
Toll-Free Services: 800-456-3000  
FAX Number: 501-982-FAXX  
TDD Number: 501-982-8732

## 24-HOUR TOUCH TONE TELLER

501-982-AFCU (2328) or  
toll-free 800-982-AFCU (2328)

## INTERNET BRANCH

[www.afcu.org](http://www.afcu.org)

To locate the ATM closest to you, call any of the following ATM network locator numbers:

**AFFN®**  
800-662-AFFN

**pulse®**

**THE EXCHANGE**  
800-237-ATMS

**CIRRUS**  
800-4-CIRRUS

**AMERICAN EXPRESS**  
800-CASH NOW

**MPACT.**  
800-52-MPACT

## (501)982-1000 EXTENSION NUMBERS

- Telephone Branch .....Ext. 582#
- Account Research Department
- Account question/problems .....Ext. 583#
- Collection Department
- Past-due loans/Repossessions for sale .....Ext. 141#
- MEMBERS Financial Service Center .....Ext. 114#
- AnswerLine .....Press 5
- Phone-A-Loan .....Press 6

NOTE: Should you not make a selection, your call will be answered by a Telephone Service Representative.

**Arkansas Federal CREDIT UNION**  
Arkansas' Largest Financial Cooperative

The Banner is the official quarterly publication of Arkansas Federal Credit Union. Comments and suggestions should be addressed to:

Marketing Department  
Arkansas Federal Credit Union  
P.O. Box 9  
Jacksonville, AR 72078-0009

