

## MEMBER SERVICES

We are very proud of the level of Member Service that we have continued to provide to you, our member / owner for the past 42 years. Some of the many benefits that we provide to you are:

**CONFIDENTIAL, PERSONALIZED SERVICE** ~ We strive to continue to handle your financial needs quickly and conveniently and pride ourselves on giving you the individualized prompt attention that you deserve and have come to expect at IAEFCU.

**VISA CARDS** ~ We offer both a Classic Visa at 10.9% and a Platinum Preferred Visa at 7.5%. These rates have no gimmicks or hidden rate increases ... just great basic rates you can count on. Our Visa cards come with NO annual fees, NO cash advance fees, and also come with Free Visa Convenience Checks.

**REAL ESTATE LOANS** ~ We offer Fixed Rate Mini Home Equity Loans from \$10,000 to \$100,000, with a streamlined application process to simplify your life. We also have Low Rate Home Equity Loans and Second Mortgages, which give you access to 70% of the equity value that you have in your home. We even pay your closing costs on our Home Equity and Second Mortgages!

**ATMs** ~ Our IAEFCU ATM card is a convenient way to access cash in both your IAEFCU Checking and Savings. You can withdraw cash at any MAC, Cirrus, Star or Honor ATM machines located throughout the US and Europe – over 60,000 locations worldwide.

**DIRECT DEPOSIT / PAYROLL DEDUCTION** ~ is a convenient way to deposit funds into your IAEFCU accounts, pay your loans and start building your savings account. We also accept Government and Pension checks.

**PAT** ~ is our Automated Touch Tone Account Information Service. This service is available to you 24 hours a day, 7 days a week. You can check your balances, check your transactions, transfer funds between accounts, check our Loan, Savings and Certificate rates and obtain other important information wherever you are, whenever you want to.

**LOAN APPLICATIONS** ~ you can now apply for an IAEFCU loan at our website. If you would prefer not to apply online, please give our offices a call. We work hard to make this a simple process.

**FAMILY MEMBERSHIP** ~ Please remember to refer your family and household members for IAEFCU membership. Applications are available at our website, or give us a call.

**\$ FACTS** ~ Since the Credit Union was founded 42 years ago, we have loaned \$84.3 million to our members.

## MEMBER SERVICES

### SAVINGS

Savings Accounts • Checking Accounts  
Holiday Clubs  
IRA Term Certificates  
Share Term Certificates

### LOANS

Personal Loans • Pledge of Savings  
New and Used Vehicles • Boats  
Tax-Payer Loans • Tuition  
Consolidation  
Second Mortgages  
Home Equity Line of Credit  
Mini Home Equity Loans

### SERVICES

Payroll Deduction • Direct Deposit  
Free Notary Service  
VISA  
Audio Response Teller - PAT  
NADA Book  
ATM Cards

### BOARD OF DIRECTORS

A. John Harrison, President  
James P. Brennan, Vice President  
Robert Kramer, Treasurer / Secretary  
Om Bhambri • Regina Kaler  
Gerald Pinola • Manfred Schlarb

### SUPERVISORY COMMITTEE

Diego Franco, Chair  
Virginia Gollin • Ray Maurer • Barbara Orenstein

### CHIEF EXECUTIVE OFFICER

Regina Kaler

Business Hours: Monday-Friday 9:00 AM - 5:00 PM

## INTERNATIONAL AIRLINE EMPLOYEES FEDERAL CREDIT UNION

One Cross Island Plaza, Suite #106  
Rosedale, New York 11422  
Tel: 718 525 5903 • Fax: 718 525 8958  
E-mail [INTLAEFCU@RCN.COM](mailto:INTLAEFCU@RCN.COM)  
[www.iaefcu.org](http://www.iaefcu.org)



## INTERNATIONAL AIRLINE EMPLOYEES FEDERAL CREDIT UNION

## ANNUAL REPORT 2002

	AIR FRANCE
	ARIES INTERNATIONAL, INC.
	AUSTRIAN AIRLINES
	BROOKVILLE PLAZA MANAGEMENT
	BVLGARI CORPORATION OF AMERICA
	CARGO AIRPORT SERVICES, LTD.
	FINNAIR
	INTER-JET SYSTEMS, INC.
	INTER-JET CUSTOMHOUSE BROKERS, INC.
	KLM ROYAL DUTCH AIRLINES
	MINDPEARL U.S., INC.
	SAS SCANDINAVIAN AIRLINES SYSTEM
	SCHENKER INTERNATIONAL
	SWISS INTERNATIONAL
	THAI AIRWAYS INTERNATIONAL

## PRESIDENT'S REPORT

The year 2002 marks our 42nd year of service to the IAFCU community. This past year was noteworthy for the passing of the flame from Barbara Kofler, our General Manager for 18 years, to a distinguished successor, Regina Kaler, who in a few short months has overseen some notable new developments.

We expanded our services to members with the introduction of CDs, free checking, money market accounts, and Visa letterchecks. We dropped our CU ATM fee and ran a number of loan specials throughout the year. We welcomed Bvlgari and Inter-Jet Systems employees to our field of membership, and added 208 new members during the year. Our assets and shares grew by 18% with corresponding increases in income, investments and reserves. These are all signs of vigorous growth as well as enhanced services to our members. **Once a member, always a member.**

As the internet becomes more and more important to our members, we have revamped our web site, [www.iaefcu.org](http://www.iaefcu.org) – where you can get membership applications and new loan forms, view your Visa account balance and order checks on line. E-mail is a quick and convenient way of communicating with our staff. We expect soon to offer members on-line banking.

From our 2002 Financial Report opposite, you will see we had a very good year. **Assets** increased from \$21.6 m to \$25.5 m (million). **Members' deposits** amounted to \$17.5m and IRAs \$3.9m. Investments total \$15m, in Government securities and Empire Corporate FCU.

**Membership** including spouses and children increased from 2,411 to 2,442 with 3,876 separate accounts. Significantly, we added 208 new members for the year and closed 177 dormant accounts. **Dividends:** We paid members \$518,583 in 2002.

**Loans:** Our loan/asset ratio stood at 40% at year end, including participation loans to other Credit Unions. Loans to members dropped by \$199,952 in 2002. We wrote off \$37,280 in defaulted loans, and the year end Loan Loss Reserve amounted to \$83,106.

Our financial position is very strong. We added \$248,162 to our reserves, for a capital to asset ratio of 13.9. Strong reserves enable us to grow and respond to members' needs, whatever the economic climate. We keep overhead to a minimum so as to give members better-than-market rates for both loans and savings.

We thank our small but dedicated staff and our many volunteers for our continuing good results.

March 1, 2003

A. John Harrison

## FINANCIAL REPORT

(All amounts in U.S. Dollars)

<b>Balance Sheet</b>	<b>December 31, 2001</b>	<b>December 31, 2002</b>
<b>ASSETS</b>		
Loans to Members	5,630,625	5,430,673
Participation Loans	4,878,239	4,633,627
(Less Loan Reserves)	- 92,630	- 83,106
Net Outstanding Loans	10,416,234	9,981,194
Cash	74,689	15,865
Investments	10,592,080	15,043,676
NCUA Share Ins. Deposit	152,051	176,731
Furniture and Equipment (NET)	54,428	44,496
Other Assets	285,526	266,306
<b>TOTAL ASSETS</b>	<b>21,575,008</b>	<b>25,528,268</b>
<b>LIABILITIES AND CAPITAL</b>		
Accounts Payable	150,594	235,129
Members' Deposits	18,196,259	21,411,291
Reserves	1,934,680	2,058,761
Undivided Earnings	1,293,475	1,417,556
Unrealized Gain on AFS Investments	0	405,531
<b>TOTAL LIABILITIES &amp; CAPITAL</b>	<b>21,575,008</b>	<b>25,528,268</b>

### STATEMENT OF EARNINGS AND EXPENSES INCOME

Interest on Loans	824,672	757,362
Income From Investments	445,360	496,405
Other Income	73,724	62,854
<b>TOTAL GROSS INCOME</b>	<b>1,343,756</b>	<b>1,316,621</b>
<b>OPERATING EXPENSES</b>	<b>448,331</b>	<b>549,876</b>
<b>DIVIDENDS PAID TO MEMBERS</b>	<b>776,425</b>	<b>518,583</b>
<b>NET EARNINGS</b>	<b>119,000</b>	<b>248,162</b>

### DISTRIBUTION OF NET EARNINGS

To Regular Reserve	54,978	124,081
Undivided Earnings	64,022	124,081
<b>TOTAL DISTRIBUTION OF NET EARNINGS</b>	<b>119,000</b>	<b>248,162</b>

### FOUR YEAR COMPARISON

The chart opposite shows trends over the past four years in loans to members, investments, members' savings, and total assets. During this period, the number of members and accounts varied as follows:

	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>
<b>Members</b>	2523	2429	2411	2442
<b>Accounts</b>	3147	3016	3007	3876

