



Credit Union News

International Airline Employees Federal Credit Union

3rd Quarter 2005

INSIDE THIS ISSUE

- 44TH Annual Meeting
- We welcomed two new SEGs
- Board of Directors
- CU Holiday Closings
- Summer Office Hours
- Annual Meeting (cont.)
- Loan Application
- Debt Consolidation Loans
- Who can join?
- Current Rates

Turkish Airlines and Emirates

Welcomed to Field of Membership. See Page 2

COLLEGE BOUND

Sign up your sons and daughters now for an IAEFCU VISA CARD!

IAEFCU Mission Statement:

Our Financial Institution was founded on the principles of:

- Confidential, personalized service
- Low loan rates and high savings rates
- Education of our members in building financial security
- Conservative management to preserve our members' assets
- Promoting a cooperative work environment for our employees.

IAEFCU 44TH ANNUAL MEETING

On a warm June 7th evening, 107 member-owners came to La Maganette Restaurant in mid-town Manhattan for the 44th Annual Meeting of the International Airline Employees Federal Credit Union. During the reception and buffet dinner, long-time friends and former colleagues caught up with each other and we welcomed new and younger members into our credit union family.

During dessert and coffee, President A. John Harrison officially called the meeting to order. He acknowledged Turkish Airlines and Emirates as new Select Employer Groups (see related article above or below) and noted the addition of John Gebhard as Chief Operating Officer.



Supervisory Committee Report: Diego Franco, Chair, reported that the Committee's annual audit of member's accounts found no discrepancies. Our independent audit likewise showed everything to be in good order. The regulatory NCUA examination last summer, which gauges a number of factors including Capital adequacy, Asset quality, Management, Earnings and Liability management, resulted in a CAMEL Rating of ONE, the highest category, just as in the previous year.

Treasurer's Report: Bob Kramer commented on our Financial Report for 2004. Assets were up from some \$26 to \$29 million. We have kept loan rates low and CD rates high and in the present rising interest rate environment, we continue to monitor our competitive position closely. In fact we increased interest rates on CDs twice in the last quarter and rely on our web site to keep members informed. We also have a bump up provision on our 1-year CD so that members will not feel locked in. Furthermore we do not rely on fees and late payment penalties to generate income as do many banks and credit card companies. In fact we exist as a non-profit financial organization dedicated to the service of our members and are pleased to note continued, steady growth in membership and assets.

CEO's Report: Once again we have had a banner year. We've had a challenging past year as have all Financial Institutions, with the steadily increasing Prime and Fed Funds rates. However, we've worked very hard to keep our operational costs low in order to give you, the member well above market average Dividend Rates on our Savings and CD accounts and low rates on all of our loans. This is something of which we are all very proud.

Great rates are only part of the reason why our membership continues to bank with us. Another reason is superb member service and support. Two of our support staff are with us tonight: Sonja Flagg, Operations Supervisor and Yvette Simeon-Colquhoun, Member Service Representative.

The newest team member is John Gebhard, our Chief Operations Officer. John comes to us from California and has many years of Credit Union experience both at the executive level as CEO of Oakland Airport Federal Credit Union and at the volunteer level as a director and supervisory committee member. John also has an airline background, having worked in various capacities with World Airways.

Continued on page 3...

Debt Consolidation Loans

All wound up about your bills? Unwind with a credit union Debt Consolidation Loan. Break free of high-interest bills. If you can't afford to pay off your debts, do the next best thing—consolidate them with an International Airline Employees FCU Debt Consolidation Loan! The rate on our Debt Consolidation Loans is much lower than the rates you'll find with many other institutions' credit cards and retailer financing packages. But savings isn't the only benefit one of these loans can provide. You could also enjoy the convenience of writing just one check per month.

Let us help you bring your bills under control. Call or stop by the credit union today to apply for an International Airline Employees FCU Debt Consolidation Loan.



Place Stamp Here

INTERNATIONAL AIRLINE EMPLOYEES FEDERAL CREDIT UNION
One Cross Island Plaza, Suite #106
Rosedale, NY 11422

Who is eligible to Join IAEFCU?

If you are already a member of IAEFCU you can continue your membership for life. Your immediate family members (spouse, children, siblings, parents, grandparents, stepchildren, step siblings, and adoptive relationships) are also all eligible to join our credit union. Your "household" members (defined as persons living in the same residence maintaining a single economic unit) can join the credit union too. You can also join the Credit Union if you work for, or are a retiree of the following companies:

- Air France
- Emirates
- Scandinavian Airlines System
- Aries International Inc.
- Finnair
- Schenker Inc.
- Austrian Airlines
- Inter-Jet Systems, Inc.
- SN Brussels Airlines
- Brookville Plaza Management, Inc.
- Inter-Jet Customhouse Brokers, Inc.
- Swiss International
- Bvlgari Corporation of America
- KLM Royal Dutch Airlines
- Thai Airways International
- Cargo Airport Services, LLC
- Kuwait Airways
- Turkish Airlines
- Club ABC Tours
- Mindpearl US, INC.

**International Airline Employees Federal Credit Union
Loan Rates Effective 4/1/05**

Loan Type	Max. Amt.\$	Term	Rate/APR%
Personal	15,000	60 mos	8.75%
	10,000	48 mos	8.25%
	5,000	24 mos	*7.50%
Share-secured	Amount on deposit	72 mos	5.25%
VISA Classic	10,000	Revolving	10.90%
Visa Platinum	15,000	Revolving	9.80%
New Cars	100% financing	36 mos	*5.75%
		48 mos	*6.00%
		60-72 mos	*6.50%
New Cars	80% financing	36 mos	*5.50%
		48 mos	*5.75%
		60-72 mos	*6.25%
Used Cars	NADA Book	36 mos	*6.00%
		48 mos	*6.25%
		60 mos	*6.75%
Boats	80% financing	72 mos	10.25%
		10 Years	10.75%
Tuition	15,000	48 Mos	8.35%
Tax Payer	8,000	24 mos	7.80%
Debt consolidation	5,000	48 mos	8.50%
Home Equity Line of Credit	5-year draw; no closing fees	15-year repayment; one year adjustable	**Prime rate
Second Mortgage	No closing fees	15-year repayment; one year adjustable	**Prime rate
Mini Home Equity (fees apply)	100,000	1 - 5 years	6.50%
	100,000	6 - 10 years	7.00%
	100,000	11 - 15 years	7.25%
(no fees)	100,000	1 - 5 years	7.00%
	100,000	6 - 10 years	7.25%
	100,000	11 - 15 years	7.50%

* With automatic payments, .25% higher if not on automatic payment.
 ** Home Equity and Second Mortgage Loans: No Fees, except state-required mortgage tax, if applicable.
 Prime rate 5.50% as of 3/15/2005.

Prospective Dividend Rates – As of 2/25/05

Account	Terms	APR	APY	Credited
All Share Savings & IRA Share Savings Accounts	\$100 - \$5,000	1.244%	1.25%	Quarterly
	\$5,001 - \$50,000	1.492%	1.50%	
	\$50,001 +	2.133%	2.15%	
Holiday Clubs	\$5+	1.75%	1.750%	Annually
Interest Checking*	\$500 +	1.00%	1.005%	Monthly
Basic Checking**	No minimum	0%	0%	
Money Market Checking***	\$2,500 +	1.50%	1.510%	Monthly
All Regular Share & IRA Certificates	6 Months	2.820%	2.85%	Quarterly
	1 Year****	3.309%	3.35%	
	2 Years	3.796%	3.85%	
	3 Years	4.038%	4.10%	
	4 Years	4.232%	4.30%	

* Interest Checking has a minimum balance requirement of \$500.00 to avoid a \$3 monthly fee.
 ** Basic Checking has no minimum balance fees.
 *** Money Market checking has a minimum balance of \$2500.00 to avoid a \$3 monthly fee.
 **** Bump-Up CD: One member-initiated rate increase to current 1-Year CD rate during term of the CD. Applies to new CDs only.
 Dividend Rates are calculated on simple interest, day of deposit, day of withdrawal. Fees or other conditions could reduce earnings.
 APY is calculated as of 4/1/05. Penalties may apply for early withdrawal of funds.

All rates are subject to change without notice.

We welcomed two new SEGs (Select Employee Groups) this quarter: Turkish Airlines and Emirates.

Turkey is a paradise of sun, sea, mountains and lakes that offers the vacationer a complete change from the stress and routine of everyday life. From April to October, most places in Turkey have an ideal climate that is perfect for relaxing on sandy beaches or enjoying the tranquility of mountains and lakes.



Turkey also has a magnificent past and is a land full of historic treasures from 13 successive civilizations spanning 10,000 years. Even if you spend only a short time in Turkey, you can see much of the great past.

Turkish Airlines plans to increase its route network and profitability by adding a number of new destinations, simplifying its pricing structure and by increasing the number of flights on certain routes. It is expected that the fleet size will be above 101 aircraft by the time the 51 aircraft ordered in July of 2004 are delivered and several older models retired, making **Turkish Airlines** not only one of the largest carriers in Europe, but also one of the youngest fleets.

Approximately 40 employees work in Westbury, NY, with several more at JFK and O'Hare in Chicago. **Turkish Airlines'** website, at <http://www.flyturkish.com/index.html>, will certainly whet your appetite for visit to Turkey.

Dubai-based **Emirates** is one of the fastest growing airlines in the world and has received more than 250 international awards for excellence since its launch in 1985. With the recent addition of new routes to Shanghai, Glasgow, Vienna, New York and Christchurch, **Emirates** now serves 77 destinations in 54 countries in Europe, the Middle East, the Far East, Africa, Asia, Australia and New Zealand.

In December 2003, the first of 28 ultra-long-range Airbus 340-series aircraft joined the **Emirates** fleet. These spacious four-engine planes can travel over 14,000km without refueling--allowing **Emirates** to fly non-stop from Dubai to Australia, Japan or North and South America. The Airbus double-decker A380 will be joining the fleet by October 2006. **Emirates** has 45 of these advanced aircraft on order.

Since its inception, **Emirates** has deliberately marketed itself to travelers who like to fly in comfort, wherever they are sitting. But it is in First Class that **Emirates'** innovation stands apart. On the A380, for example, First Class will offer private cabins with a full shower and space for dressing. Visit their website to see these innovations in action: <http://www.emirates.com/index.asp>.

About 120 employees are supervised and/or paid from Emirates' New York office at 55 East 59th Street. There is also a reservation office located in Mineola, NY.

International Airline Employees Federal Credit Union

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Rosedale, NY 11422
TEL (718) 525-5903
FAX (718) 525-8958
Audio Teller (718) 525-8198
e-mail: intlaefcu@rcn.com
website: www.iaefcu.org

BOARD OF DIRECTORS

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



Summer office hours:

M-Thurs 9 – 5 and Friday 9 – 1.
(These hours in effect though Labor Day)

Credit Union Holiday Closings:

Please note that we will be closed in observance of the following holidays in the upcoming months:

July 4, 2005	Independence Day
September 5, 2005	Labor Day
November 24 & 25, 2005	Thanksgiving
December 26, 2005	Christmas Day Observance

...Continued from page 1

IAEFCU 44TH ANNUAL MEETING

COO's Remarks: John Gebhard spoke briefly about his background with World Airways and credit unions on the West Coast, and his work with Regina at Oakland Airport FCU, going back many years. He is now actively engaged in expanding membership and recruiting Select Employee Groups.

President's Report: John Harrison referred members to the printed Annual Report 2004 which everyone got on arrival, and went on to comment on the new Bankruptcy law recently enacted by Congress after years of lobbying by the banks and credit card industry. The new law drastically limits the ability of debtors to file under Chapter 7 to wipe the slate clean of past debt. Over 1.5 million bankruptcies each year result from catastrophic medical expenses, job layoffs and divorce. This overlooks the fact that many credit card issuers have been indiscriminately pushing cards on many with very weak credit histories and doubtful abilities to repay or to use credit responsibly. In fact, some credit card companies bump up interest rates on outstanding balances as soon as there is a late payment, which can then trigger similar bumps for other debt owed by the card holder, such as a mortgage, department store card or auto loan.

IAEFCU does not play these games with our members. We have no excessive, hidden or suddenly imposed late fees or bump up interest rates. What you see is what you get. After all, we are a mutual voluntary support financial agency with a role in educating our membership in the responsible and prudent use of credit.



IAEFCU Board of Directors
(Left to right) Bob Kramer, Regina Kaler, Manfred Schlarb, John Harrison, Om Brambri, Jerry Pinola, Jim Brennan.

That's our mission and that's our promise to you, our members.

The President then called for questions on any of the reports. There being none, he then called for a resolution approving the acts of the Directors over the past year, which was duly proposed and carried.

The President conducted the election for board vacancies. The Nominating Committee recommended a candidate for each vacancy and the President asked for further nominations from the floor. There being none, the President asked the Secretary to cast one Ballot for the list as presented, which was done. The President declared the nominees, Regina Kaler, Robert Kramer and Gerald J. Pinola duly elected to three-year terms. The President noted that Om Bhambri and John Harrison will continue for one-year terms, and that James Brennan and Manfred Schlarb will continue for two-year terms.

Regina Kaler and John Gebhard then proceeded to the distribution of door prizes.

Virginia Gollin - \$25.00
Myriam Zwierzinska - \$50.00
Toril Lundstrom - \$75.00
Angela Schlossmacher - \$100.00
Laura Mauritsen: 2 Swiss Tickets
Kathleen Chevannes: 2 SAS Tickets
Annemarie Laidlaw: 2 SAS Tickets
Laura Caruso: 2 Finnair Tickets
Sam Martine: 2 Kuwait Tickets
Sonja Flagg: 4 Tickets to Empire State Observatory courtesy of NEXT STOP NEW YORK.



Practically nobody left without one sort of gift or another, and everyone got the CU's gift of a magnifying ruler, balsa glider and chocolates. The meeting adjourned at 9:15 PM.

LOAN APPLICATION

International Airline EFCU
718-525-5903 • intlaefcu@rcn.com (e-mail)

① Apply via our website by entering **www.iaefcu.org**

② Complete the loan application below and fax to (718) 525-8958

③ Complete the loan application below, fold, tape and drop in the mail or hand it into our Loan Department.

MEMBER Account #	Amount Requested	Purpose of Loan	Collateral
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PROOF OF INCOME REQUIRED.

NOTICE: Married Applicants may apply for a separate account. Check the appropriate box below to indicate the type of credit for which you are applying.

- Individual Credit:** Complete Applicant section. Complete the Co-Applicant section as follows: (1) Information about your spouse if you live in a community property state (AZ, CA, ID, LA, NM, NV, TX, WA, WI) or (2) If your spouse will use the Account.
- Joint Credit:** Provide information about both of you by completing Applicant and Co-Applicant sections.

I am applying for type of loan or credit:

- Personal New Auto Used Auto
- Share - Secured Debt Consolidation
- Visa® Card Other _____

Applicant (If additional space is needed, please use a separate sheet of paper. All income must be listed if it is to be considered.)

Last Name		First	Middle	Social Security #
Street Address		Apt. #	City	State
Employer		Employer Address		Start Date
Position	Notice: Alimony, child support, or separate maintenance income need not be revealed if you do not choose to have it considered. Other Source: _____ \$ _____ Per _____			<input type="checkbox"/> Gross Monthly Income <input type="checkbox"/> Net Monthly Income \$ _____
Home Phone ()	Work Phone ()	<input type="checkbox"/> Own <input type="checkbox"/> Rent	Monthly Payment	Mother's Maiden Name

Co-Applicant (If co-applicant is not a spouse, use separate application except for VISA.)

Last Name		First	Middle	Social Security #
Street Address		Apt. #	City	State
Employer		Employer Address		Start Date
Position	Notice: Alimony, child support, or separate maintenance income need not be revealed if you do not choose to have it considered. Other Source: _____ \$ _____ Per _____			<input type="checkbox"/> Gross Monthly Income <input type="checkbox"/> Net Monthly Income \$ _____
Work Phone ()	Home Phone ()	<input type="checkbox"/> Own <input type="checkbox"/> Rent	Monthly Payment	Mother's Maiden Name

Please Sign Here (Both signatures required for Joint Credit)

A consumer credit report may be required in connection with this application and with any renewals, updates or extensions of any new credit extended as a result of this application. The Credit Union is relying on what you stated in this application and you acknowledge that everything you have stated is true. If a credit card is issued to you and you use the card (or its account number) or authorize its use, you agree that such use will constitute your agreement to the terms of the cardholder agreement that you receive from the Credit Union.

Applicant Signature	Date	Co-Applicant Signature	Date
X _____		X _____	

For Debt Consolidation Loans, list the loans you wish to pay off:

Name of Creditor	Present Balance	Monthly Payments
1.	\$	\$
2.	\$	\$
3.	\$	\$

The information about the cost of the card described in this application is accurate as of 03/05. This information may have changed after that date. To find out what may have changed, call or write to us at the number or location listed above.

Annual percentage rate for purchases	Grace period for repayment of the balance for purchases	Method of computing the balance for purchases and cash advances	Minimum Finance Charge	Transaction fee for purchases	Annual Fee	Other Fees
10.90%	25 days	Average Daily Balance (including new purchases)	\$0.50	None	None	Late Payment Fee.....\$10.00 Return Check Fee.....\$15.00
9.80%						

New York residents may contact the New York state banking department to obtain a comparative listing of credit card rates, fees and grace periods by calling 1-800-522-3330.

Application for Credit Disability Insurance

Check if Credit Disability Insurance is desired. The Credit Union will disclose the actual cost of this voluntary insurance to you. Yes, I want Credit Disability Insurance No, I don't want Credit Disability Insurance

Signature	Date
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FOR CREDIT UNION USE ONLY

Approved Declined

Credit Limit _____

Credit Card Account # _____

Loan Officer Signature _____