

PAPIT FAMO'LU

GOVERNMENT OF GUAM EMPLOYEES FEDERAL CREDIT UNION

FIRST QUARTER NEWSLETTER

JANUARY - MARCH 2007



MESSAGE FROM THE CHAIRMAN

Pedro R. Martinez
Chairman

Dear Members,

As a credit union, we are governed by a volunteer Board of Directors elected by our membership through a democratic process. The board provides strategic guidance and financial insight based on the needs and feedback of our members. At GGEFCU a culture of trust has been established between the Board of Directors, the senior staff and employees. Our mission is to provide value to our members through lower rates on loans and fees, higher rates on deposits, relevant member education and exceptional service. Our employees all understand our mission and do their best to live it each day.

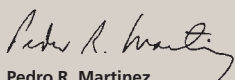
Because credit unions design their business plans around the interests of members, they improve the overall market for all consumers. Banks are forced to provide better rates on loans and deposits in order to compete with credit unions. Without credit unions, banks could unjustly raise rates, making it even more difficult for consumers to improve their financial well-being.

In addition to serving your best interests, we work diligently with local and national government officials to protect your right to affordable financial services.

In year 2007 we pledge to do more to reach out to our communities in many ways. We will support local organizations and their efforts to make a difference in the communities we serve. These efforts respond to basic human needs as well as financial needs. We will volunteer our time and resources to local organizations and offer products that will work to build stronger communities.

Our community outreach team will continue to look for opportunities for us to emphasize consumer education and financial literacy programs by reaching members who can benefit most from credit union services. In addition, we will have strategic responsibility for community involvement, community and educational outreach and our relationship with the Government of Guam Employees, our field of membership and our business partners through our Select Employee Group program.

Since 1962 we have never lost sight of the credit union principal: Not for profit, not for charity, but for service. And with our growth, we continue to make our business decisions with your best interests in mind. We thank you for trusting GGEFCU and always look forward to your comments and suggestions on how we can serve you better.


Pedro R. Martinez
Chairman

COMBATTING IDENTITY THEFT



Multi-Factor Authentication

Armed with little more than a name, a birth date, a social security number, fraudsters are illegally acquiring the identities of unknowing victims. These thieves use their newfound identities to access bank accounts, open credit cards, apply for loans, and even to commit serious crimes. This nightmare may begin when someone steals a checkbook or a wallet, or pilfers personal records from a trash can. Victims can struggle to untangle themselves from this web of fraud for months, if not years. As your credit union, GGEFCU is committed to ensuring your security, along with your peace of mind. That is why, starting February 1, 2007, the way you bank with GGEFCU will change forever.

The first change you'll notice will come when you log in to your Internet Banking account. The new login process is quite similar to the one our Internet Banking members are already familiar with, but the new process involves a few additional steps. Multi-Factor Authentication consists of confirming the authenticity of an individual through more than one method of verification. This is generally accomplished by verifying three separate areas of information: something you are, in the form of identifiers such as a pet's name or an alma mater; something you have, such as a graphical representation of a security token you'll create; and something you know, like a PIN number or a password. Because one of the most common methods of fraud is the false impersonation of individuals during the login process, we feel

these measures are necessary to ensure that our members' funds are appropriately protected. It is our intention to make fraudulent access of our members' accounts as difficult as possible, while keeping your Internet Banking experience as hassle-free as possible. In fact, as part of our commitment to your satisfaction, we will be introducing brand-new Online Bill Pay services in the coming months.

Another change you may notice is the establishment of transaction limits. In order to ensure that your accounts are protected from suspicious activity, GGEFCU will implement a \$2,500 cap on EFT, POS, Debit and Check Card and a cap of \$400 on ATM transactions made within any 24-hour period. However, members may be able to request a conditional increase, dependent on circumstances, through a GGEFCU member representative.

We're proud of our new security measures, designed to help keep our members from falling victim to the increasing threat of identity theft and fraud. These new measures consist of multiple security layers to help prevent malicious account activity, and are considered the best way of protecting sensitive financial information. Plus, as part of our commitment to our member's wellbeing, these new security features require no new hardware or software installations. At GGEFCU, we not only strive for our member's growth and prosperity, but for their safety as well.



Statements in Seconds, Not Days.

RECEIVE E-STATEMENTS INSTANTLY

Just two easy steps and you're on your way to viewing your statements within seconds!

- 1 Visit www.ggefcu.com
- 2 Click on **CU Web Branch** and follow the sign-in procedures.

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CREDIT UNION AND YOU



A MESSAGE FROM THE PRESIDENT/CEO

John Arroyo
President/CEO

Dear Valued Member,

2007 will be an exciting year for the island of Guam as our economy sees the very first signs of military buildup. It will also be an exciting year for our credit union, which has some unique programs and services we plan to introduce in the coming months.

You can expect to see progress at the Tamuning and Harmon branches as we expand these two facilities to better serve your needs in the most efficient and pleasant way.

We take the security of your identity and account as seriously as you do. The credit union has always taken advantage of the saving in time and effort that online financial transactions offer our members. But to ensure your personal transactions remain safe and private, the credit union is introducing the latest technology - Multi Factor Authentication. The steps are only a little different from the procedure you are used to, but bring the huge benefit of peace of mind, and allow for continued efficient management of your account over the Internet, without the fear that outsiders will access your personal information. Please take a few moments to read how the new access will work. It will be introduced on February 1.

For the same reason we will begin to limit the amount on daily EFT and ATM transactions (For more information see Combatting Identity Theft article on the first page of the newsletter). Members may not be aware how easily a completely unknowing person can illegally obtain personal and financial information - like credit cards and access to checking accounts. It's as easy as stealing a wallet or check. As your credit union and as part of heightened measures to ensure members safety when it comes to identity theft, GGEFCU implemented this cap on transaction amounts. Rest assured, if members need to make transactions over this limit they may call a GGEFCU member representative for verification and approval for a temporary increase depending on the circumstance for a short period of time.

Also, please take a little time in the coming months to get to know the new product offerings we will be bringing you. The aim is to offer something exciting for each of our members - from the youngest on up - to meet the variety of needs we know that life brings through the years. It's hard to believe that our credit union will celebrate its 45th birthday in the months ahead. But as the organization matures, we are no less active and innovative, as you will see in the coming months as a variety of exciting improvements and products are unrolled.

Our organization has always looked to its members to serve our community by stepping forward, and the membership has always responded. Please read the article about the elections in this newsletter; the board will need three members to serve on behalf of the membership.

Please join us too to cast your vote in the elections on April 18. I look forward to seeing you there.

In the meantime, from the management and staff I wish you all a Happy New Year with your family and friends.

John Arroyo, President/CEO



GGEFCU 2007 ANNUAL MEETING AND ELECTION OF OFFICERS ANNOUNCEMENT

The GGEFCU Nominating Committee will be accepting nominations for the Board of Directors and Credit Committee. The Board of Directors are volunteers who set the future direction of the Credit Union with regard to the wishes of the membership. The Members of the Credit Committee performs quality control to strengthen the credit union's loan underwriting process and documentation. There are three (3) positions available on the seven (7) members of the Board and three (3) positions available on the five (5) members of the Credit Committee. Those interested may obtain a nomination packet at the Credit Union Maite Office at 121 Robat Street Maite, Guam begin-

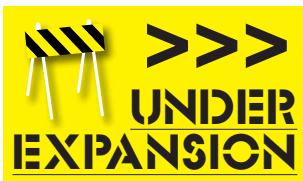
ning Thursday, February 1, 2007. All nominations must be submitted by Thursday, March 15, 2007 by the close business day at 5:00 PM.

The Annual Meeting and Election of Officers will be held on Wednesday, April 18, 2007. The member's meeting will convene at the GGEFCU main office in Maite at 8:30 AM. Voting will be held at all three (3) locations in Maite, Tamuning and Harmon from 9:00 AM - 6:00 PM. The Annual Meeting will re-convene at the Tasi Ballroom, Hotel Nikko Guam at 7:00 PM the same day. Any member interested in running for these positions and for all other inquiries pertaining to the election, please contact the nominating committee at 479-8211 or 477-8736



The first annual GGEFCU's Big Boys Toys Expo was held on October 21 and 22 was the biggest and best lifestyle event of the year, bringing out more than 5,000 individuals over the two day event. It was a jam packed weekend with fun and excitement for the whole family! Never before has an event seen so many interactive exhibitions, headlined by the giveaway of the ultimate big boy's toy - the 2006 Nissan Titan No Fear Edition, the Micronesia Mall turned into the largest shopping zone for boys and their toys. It was two days of action, entertainment, and shopping at the best Big Boys Toys show ever! Congratulations to all the winners and we'll see you next year!

Nissan Winner/Top Photo/Left to Right: Enzo Turrini, Location Sales Manager, Nissan Auto City; John Arroyo, President, GGEFCU; Theresa Sison, winner of the 2006 Nissan Titan No Fear Edition; Matt Quinata, Board of Director GGEFCU; Carlos Bordallo, Board of Director GGEFCU; Gener Deliquina, Vice President/Chief Financial Officer GGEFCU.
Plasma Winner/Bottom Photo/Left to Right: Carlos Bordallo, Board of Director GGEFCU; Matt Quinata, Board of Director GGEFCU; Marilyn Santos, winner of the Uttam's Plasma City 42" plasma TV; John Arroyo, President GGEFCU; Gener Deliquina, Vice President/Chief Financial Officer GGEFCU.



As part of our goal to provide a more efficient and pleasant banking experience, stay tuned for more information in the coming months on your Tamuning and Harmon Branch development progress. We look forward to continuing to better serve your financial needs in 2007!

We've got a clamp for those post holiday bills.

Ask us about GGEFCU's Bill Consolidation Loan.

You had a wonderful holiday with family and friends. But now those bills are filling your mailbox. Let GGEFCU simplify your life and save you money with a **Bill Consolidation Loan**. Combine all your outstanding debt into one loan and keep track of one payment a month. With our low rate of **8.99% APR*** you'll be paying a lot less interest! Call us today at 477-8736 or visit any of our member centers.



*APR (Annual Percentage Rate). Rate expressed is accurate as of the date of this publication. Rates are effective 09/16/06 and range between 8.99% APR to 17.99% APR with terms up to 60 months. Rates are determined by the Asset Liability Committee (ALCO) and is subject to change without notice. Rates are based on each member's credit history, amount financed and term requested. Call 477-8736 or contact us at www.ggefco.com. Direct Deposit highly recommended. Subject to credit approval. Certain conditions apply.

GGEFCU CHRISTMAS CLUB...

A CLUB for ALL SEASONS

Does the room start spinning when your first credit card bill arrives from your recent holiday spending spree and you realize the real cost of that bag you purchased for mom?

It's at these moments that many people make an earnest New Year's resolution that next Christmas will be largely credit-card free. But if you're like most people ...

Well, say hello again to a solution available to GGEFCU members – the GGEFCU Christmas Club Account. It's simplicity itself -- a sweet, innocent and charmingly old-fashioned notion that really works.



GGEFCU's Christmas club account is very basic: You put aside a little bit of money on a regular basis, it adds up during the year and you get that money in a lump sum on a set date – just before Christmas. Fund it via direct deposit with money deducted from your paycheck starting now, and over the next 12 months you won't miss what you never had. Call or visit our member centers for more information on taking a big load off this year's holiday bills!



IMPORTANT TAX INFORMATION

The Credit Union will not be issuing Tax Form 1099 – INT. In lieu of 1099 – INT, December Statements can be used for reporting Interest Income. Form 1098 for Home Equity, Construction and Mortgage loans will be mailed separately. GGEFCU's Federal Identification Number (FIN) is 96 000 1016. Please contact our Call Center at (671) 477-8736 for any questions.

THEY'RE WORRIED ABOUT SAVING THE WORLD.



NOT ABOUT SAVING FOR COLLEGE.

Traditional/Roth & Coverdell ESA as high as:

IRA	12	MONTH TIME SHARE	4.75% APY*
IRA	24	MONTH TIME SHARE	4.55% APY*

APY=Annual Percentage Yields are subject to change without notice. Yields are effective 12/22/06. Rates may vary depending on amount of investment and terms. Penalty will be assessed for early withdrawals. Fees may reduce earnings. Other restrictions apply.



Your funds are federally insured up to \$250,000 by the National Credit Union Administration.

SHARE RATES

Share Programs	APY
IRAs: Time Share Traditional, ROTH & Coverdell ESA	
12 months	4.75%
24 months	4.55%
36 months	4.50%
48 months	4.45%
60 months	4.40%
IRAs: Jumbo Time Share Traditional, ROTH & Coverdell ESA	
12 months	4.80%
24 months	4.65%
36 months	4.60%
48 months	4.55%
60 months	4.50%
CU Share Savings (minimum \$5 processing fee; \$25 min. to establish account)	1.30%
CU Time Shares* (minimum \$500 required to earn dividends)	
3 months	3.55%
6 months	4.60%
9 months	4.65%
12 months	4.75%
18 months	4.50%
24 months	4.55%
36 months	4.50%
48 months	4.45%
60 months	4.40%
CU Jumbo Time Shares* (minimum \$100,000 required to earn dividends)	
3 months	3.88%
6 months	4.65%
9 months	4.70%
12 months	4.80%
18 months	4.70%
24 months	4.65%
36 months	4.60%
48 months	4.55%
60 months	4.50%
CU Advantage Free Checking	0.75%
CU Club Accounts	1.80%
CU Money Fund Plus (minimum \$2500 required to establish account)	
\$2,500 to \$49,999.99	2.45%
\$50,000 to \$99,999.99	3.15%
\$100,000 to \$199,999.99	4.00%
\$200,000 and over	4.50%

*All rates are expressed as Annual Percentage Yields and are subject to change without notice. Yields are effective December 22, 2006. Minimum amount required to open the following accounts are: CU Time Shares \$500.00, CU Jumbo Time Shares \$100,000.00, IRA \$25.00, CU Money Fund Plus \$2,500.00. Early withdrawal penalties apply. Applicable fees may reduce the earnings of the accounts. Products and services offered and available for qualified members.

Loan Programs	New APR
CU At Home**	now available
1st Mortgage	now available
Construction	now available
Refinance	now available
Home Equity	now available
Personal Loans	as low as 8.99%
Line of Credit	as low as 8.99%
Shared Secured Loans	as low as 2% above dividend rate
New Motorcycle Loan	as low as 7.99%
Used Motorcycle Loan	as low as 9.99%
New Auto Loans	as low as 4.99%
Used Auto Loans	as low as 5.99%
Discount Auto Loan	1% less on your loan***

*APR = Annual Percentage Rate. Rate as of December 22, 2006, Financing for up to 84 months. 100% financing available only to approved buyers. Auto loans up to five model years or newer. Autos purchased within the last 6 months may be considered as new Auto. Rates and conditions are determined by the Asset and Liability Committee (ALCO) and are subject to change without notice. Subject to credit approval. Certain restrictions apply, call 477-8736 or contact us at www.ggefco.com. Direct deposit payment highly recommended.

**Specific loan programs may have qualifying areas; such as income, credit, loan to value ratios, length of employment, property type, etc. Rates and program guidelines are subject to change without notice. There is no guarantee that all loans meeting published guidelines will be approved. Certain restrictions may apply. Call 477-8736 for more details.


***Discount Loan Program: You must have a minimum of \$5,000 loan balance on your current loan and provide printed proof of current APR. Minimum Rate = 4%, Maximum Rate = 18%.

The GGEFCU 2007 Fee Schedule for:

- CU Advantage Checking Account
- CU Share Savings Account
- ATM Service
- CU ATM – Member Withdrawal
- Debit/Check Card Service
- Wire Transfer
- CU Web Branch

...is included as a separate insert to your January 2007 Member Statements. You may also download it from our website at www.ggefco.com or visit our member centers for more information.

Member Service Denial Policy:
The Member Service Denial Policy is a policy designed to provide a friendly, comfortable and safe atmosphere for both employees and its members. To review the policy in its entirety please visit one of our convenient locations.



OTHER PRODUCTS AND SERVICES

CU Express Card
Member Telephone Services/CU Web Member Center
Online Banking at ggefco.com. Click... Connect... Done.
Free AMEX Travelers Checks
CU Direct
CU Express Drop Box
Notary Service

Available at all member center locations. Please call ahead. Notaries are not attorneys and cannot give advice concerning legal matters.

ATM LOCATIONS

 <p>Circle K Stores</p> <p>Agat Airport Road Anigua Barrigada Cabras</p> <p>Dededo Malojloj Ocean Vista Sinajana Ypao</p> <p><small>The "Circle K" brand and logo are owned by Alimentation Couche-Tard, Inc. SPPC is an official franchisee of Circle K Stores.</small></p> <p>GovGuam Agencies Guam International Airport Guam Memorial Hospital</p>	<p>Agana Shopping Center <i>2 Locations - across Pay-Less entrance & next to MPULSE store</i></p> <p>Guam Premier Outlets <i>Fiesta Court</i></p> <p>Micronesia Mall <i>2 Locations in the Food Court</i></p> <p>Your Credit Union <i>Maite • Harmon</i></p>	<p>FREE <i>for members and Lowest non-member fee on island!</i></p>
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CREDIT UNION LOCATIONS HOURS AND CONTACT INFORMATION

Call Center: 477-8736

<p>MAIN OFFICE MAITE MEMBER CENTER 121 Robat Street Maite, Guam 96910 Fax: 477-1155</p> <p>BUSINESS HOURS Mon.-Thurs. 9am-5pm Friday 9am-6pm Saturday 9am-1pm Sunday CLOSED</p>	<p>HARMON MEMBER CENTER Route 16 Guam Business Center, Suite 105 Harmon, Guam 96912 Fax: 646-0470</p> <p>CU WEB MEMBER CENTER Online Banking click • connect • done Available 24 hours www.ggefco.com</p>	<p>TAMUNING MEMBER CENTER 788 S. Marine Drive, Suite B Tamuning, Guam 96913 Fax: 647-0082</p> <p>MEMBER TELEPHONE SERVICE Available 24 hours Phone: 477-1148</p>
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