

Ready
for 2008!

CU&YOU
A Perfect Fit.

papit fam'olu

GOVERNMENT OF GUAM EMPLOYEES
FEDERAL CREDIT UNION

First Quarter Newsletter | January - March '08



message
from the
CHAIRMAN

Norbert F. Ungacta
Chairman

Dear Members,

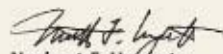
Over 45 years ago, a small group of GovGuam employees banded together and pooled their savings, which they lent back to other members at low rates. Although the financial services landscape has changed dramatically, we are determined to always be true to our original purpose.

As a member of the Government of Guam Employees Federal Credit Union (GGEFCU), you are an owner, and as such, you deserve a higher level of service. We at GGEFCU would like to take a minute to say "thank you" for doing business with us and staying with us. We realize the decision of where to conduct your financial business is a choice - a choice that is growing in options every week and month as new players enter the field with introductory offers.

GGEFCU maintains that when you take everything into consideration - lower interest rates and fees on loans and higher dividends on savings - that we provide the best overall deal on services from a financial standpoint. We have dedicated ourselves to assisting people from all economic backgrounds. We will continue to expand our base and open our membership to all those who need our financial assistance. This combined with our friendly, personal service and the fact that your money stays in the local community to assist others, makes GGEFCU shine head and shoulders above the competition.

Now I ask you to pass the word so that your friends and family can get in on a good thing by joining GGEFCU. When you do, you will not only be helping them to a more secure financial future, you will be doing yourself a favor, too. That's because, as a financial cooperative, the more members we serve, the stronger we become. As we grow, we can offer even more value to all of our members. So don't delay: Share the wealth by telling your friends and family just how easy it is to open an account at GGEFCU and experience the credit union difference - where people come first.

Please remember the money experts at GGEFCU can help all members with their financial needs. I would like to take this opportunity to give a heartfelt thanks to our Board of Directors who help us by volunteering their valuable time, talents, and energy to help our credit union function. Thanks also to our wonderful management and staff for their commitment and support.


Norbert F. Ungacta
Chairman

GGEFCU Introduces

95% MORTGAGE PLAN

Now members of the Government of Guam Employees Federal Credit Union (GGEFCU) can buy their ideal home with only 5% down payment with GGEFCU's 95% Mortgage Loan Plan! On December 1, GGEFCU introduced this all new feature to their CU At Home line of products and services. Among the CU At Home product features are 1st Mortgage, Construction, Refinance and Home Equity. The credit union also boasts the only FIXED rate Home Equity Loan among all credit unions on island, giving members an easy way to convert the equity of their home to cash for things like home improvement, debt consolidation, education and medical expenses.

GGEFCU's full range of home financing products offer both existing and potential homeowners on Guam more options for their money at the best rates.

Mr. John Arroyo, president and CEO of the credit union said that, "Your credit union is excited to be able to offer this new product to the market. It keeps us competitive and assures our members we are here for the long-term and that they will be rewarded - as both loyal borrowers and savers - now and for generations to come. We are proud that as our members' needs grow, so does our credit union - growing to fit their needs perfectly."

This new product is only one component in a series of member value initiatives that will be unveiled over the next few months.

"At GGEFCU we can be committed to our members because our members are also shareholders in the credit union. These offers have been designed to reward our loyal members for being part of our credit union." Arroyo went on to say, "We want as many loyal members as possible to take advantage of these great offers. From exclusive mortgage deals to savings rate guarantees - there's something here for everyone."

GGEFCU was recently recognized by the Guam Housing Corporation, CAHAT program, as a participating financial institution in its second mortgage program. The Community Affordable Housing Action Trust, or CAHAT, is a second mortgage fund that is used primarily to provide down payment relief to first time home buyers. It is interest free and can be used for construction. These initiatives form part of a series of announcements to be made over the next few months as the credit union focuses on delivering value to loyal members. Call or visit any one of our convenient member centers for more information.

Special Note to Members:

Exclusive mortgage is only available to members of the Government of Guam Employees Federal Credit Union. Call GGEFCU for more information on the 95% Mortgage Financing offer at 477-8736.

CAHAT is available for families with adjusted incomes up to \$65,400 per annum. All applicants must be US Citizens or permanent residents of Guam, who have been living here for a period of five (5) years prior to participating in the program. Call GHURA for more information on the program at 647-4143.

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CU&YOU
A Perfect Fit.



John Arroyo
President/CEO

Dear Valued Member,

It's hard to believe that another year has passed, and a busy one at that - signs of new and exciting things to come!

From the changing of our colors, the redesigning and relocation of your Tamuning member center and the refitting of your Harmon location, 45th anniversary highlights that include our first ever 5k Fun Run/Walk, the introduction of new and refreshing products and services to the biggest, baddest show of the year, your Big Boys Toys Show 2, it's little wonder we had one of our most successful years! Don't forget to check out highlights from these exciting events on page 2 of this newsletter.

And just when you thought the year was over, we introduced 95% Mortgage Financing, yet another member value initiative exclusive to members of the credit union. Read more about this exciting new offer in the front page article. Be sure to visit one of our member centers to see if you and your family qualify.

I am sure it has been an even busier season for our members, between holiday shopping and getting geared up for the New Year, we're sure you are ready to pull out your hair! At GGEFCU, we believe traditions are an important part of the holiday season for you and your family. All too often people become stressed out and don't enjoy this magical season.

But the holidays shouldn't make you pull out your hair! Unlike many financial institutions, we're people just like you. We take pride in serving our island and are confident we're the only financial institution you'll ever need. So when you start seeing those post-holiday bills pile up, don't stress about how you are going to pay it all back. We've got you covered with a low-rate Debt Consolidation Loan for as low as 7.99%. And speaking of stress, check out the helpful tax tips inside for those of you preparing for tax season.

Our 2008 Annual Meeting and election of officers will be held on Wednesday, April 16, 2008 at your Maite member center at 8:30 A.M., reconvening at 7 P.M. at the Hotel Okura Orchid Ballroom. We encourage members to mark their calendars and come out and vote. Your credit union needs your support in selecting the best qualified candidate to serve on the board. Please read the announcement in this newsletter on the election of officers on page 2.

As we ring in 2008, you can rest assured your credit union will keep an exciting momentum going! Members can look forward to a series of announcements to be made over the next few months as the credit union continues to focus on delivering value to loyal members. On behalf of GGEFCU, we wish you and yours all the best in 2008!



2008 ANNUAL MEETING & 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 perform quality controls to strengthen the credit union's loan underwriting process and documentation. There are two (2) positions available on the seven (7) member Board and two (2) positions available on the five (5) member Credit Committee. Those interested may obtain a nomination packet at the Credit Union's Maite Office at 121 Robat Street, Maite, Guam beginning Monday, February 4, 2008.

All nominations must be submitted by Friday, March 14, 2008 by 5:00 P.M.

The Annual Meeting and Election of Officers will be held on Wednesday, April 16, 2008. The members meeting will convene at the GGEFCU main office in Maite at 8:30 A.M. Voting will be held at all three locations in Maite, Tamuning and Harmon from 9:00 A.M. - 6:00 P.M. The Annual Meeting will re-convene at the Guam Hotel Okura, Orchid Ballroom at 7:00 P.M. the same day. If you are interested in running for these positions or have other inquiries pertaining to the election, please contact the nominating committee at 479-8211 or 477-8736.

community



Salvation Army Food Drive 2007

On Monday, December 18, representatives from the Government of Guam Employees Federal Credit Union presented 14 boxes to the Salvation Army Food Drive. CU employees sponsored and delivered 14 boxes

full of goodies, for which the Salvation Army was thrilled and thankful for! The credit union employees took this project within three days of notification. They all did an outstanding job supporting those in need during this holiday season. Playing Santa were (L to R), Jackie Duenas, Loan Servicing Clerk, Simion Kihleng, Director-Family Services Center for the Salvation Army, Michael "Mike" Reyes, Senior Collections Officer, Linda Tenorio, Loan Officer, and Angelyn "Joy" Delfin, HR Manager.



Explosive Expo Brings Thousands To Mall

The 2nd annual GGEFCU Big Boys Toys Expo held on November 3rd and 4th brought out almost 5,000 individuals over the two day event. Expo goers enjoyed explosive action; paintball tournaments, a battle of the bands, mixed martial arts exhibitions, fitness challenges and high-energy entertainment, headlined by a toy any boy would want, the giveaway of an all-new 2007 Nissan Xterra! Revamped and recharged, this years expo was jam packed with fun and excitement for the whole family including a Coindexer, Bestseller, KGTF TV12 and JB's Ukulele Hut Kid's Club Kid's Zone, a Halo 3 tournament, dynamic exhibitions, a fashion show, drum and guitar clinics and autograph sessions with Ryan Imamura and PXC fighters.



Nissan Winner (L to R): Gener Delliquina, CFO GGEFCU; John Arroyo, President, GGEFCU; Erwin Manglona, winner of the 2007 Nissan XTerra; Anne Blas, Nissan sales representative; John P. Taitano, BOD, GGEFCU. Scooter Winner (L to R): Gener Delliquina, CFO, GGEFCU; Daelene Waki, Parts & Service Advisor, Cycles Plus; John P. Taitano, BOD, GGEFCU; John Arroyo, President, GGEFCU; Nick Mondina winner of the Scooter.

GGEFCU/KUAM 5K Family Fun Run/Walk Draws Over 600 Participants

The Government of Guam Employees Federal Credit Union and the stations of KUAM 5K Family Fun Run/Walk was held Saturday, October 6, 2007 at the GGEFCU's Tamuning Member Center (Paul's Plaza). The event was part of the year long celebration for GGEFCU's 45th Charter Year Anniversary celebration. Perfect weather and great running conditions helped with the success of the race, where 600+



participants turned out to enjoy the event. Participants were treated to complimentary race t-shirts, light refreshments and a raffle drawing of two round trip tickets to Manila on Continental Micronesia and other great prizes. Net proceeds of the race benefited the American Red Cross, The American Cancer Society, Make A Wish Foundation and the Guam Running Club.

John Arroyo, President/CEO

MONEY matters

Year Round Tax Saving Strategies

Did you know your
IRA earnings are
TAX FREE?

Here are some ideas that you can use throughout the year to make April 15th less taxing.

- 1 BE ORGANIZED.** Keeping your records in a organized usable manner will make preparing your return easier and may help you with deductions you might have forgotten about. Consider using a software program like Quicken or Money to keep you organized. You should also keep a file of receipts and other records you know you will need.
- 2 BE SURE TO CONTRIBUTE TO YOUR 401(K) PLAN.** By deferring wages into your plan, you will keep your taxable income lower, save money for retirement, enjoy the benefits of tax-deferred compounding of earnings within the account and probably get some form of "match" from your employer.
- 3 USE PROPER WITHHOLDING AND ESTIMATED PAYMENTS.** While getting a large tax refund is nice, it usually isn't too smart to let the government hold your money until they refund your overpayment. There are rules about how much you have to have withheld or paid in estimates to avoid IRS penalties. You may want to consult with your accountant to make sure you are properly covered.
- 4 CONSIDER GIVING APPRECIATED STOCK TO CHARITIES.** If you plan to make significant contributions to a charity and have some stocks you are holding at a gain, you may want to consider giving the stock instead of cash. You can get a charitable contribution for the fair market value of the gift and not have to pay tax on the capital gain. There are some rules that apply, so consult your advisor.
- 5 CONTRIBUTE TO YOUR IRA EARLY.** The earlier you contribute, the sooner the earnings become tax deferred.
- 6 MANAGE YOUR ITEMIZED DEDUCTIONS.** If your level of itemized deductions is close to what is needed to use them, consider "bunching" deductions every other year.
- 7 USE TAX-ADVANTAGED BORROWING.** Not all interest you pay is tax deductible. The interest paid on your mortgage and home equity loans gets treated better than interest paid on credit cards. Also, there may be some tax deduction benefits to margin loan interest.
- 8 BE CAREFUL OF MUTUAL FUND TAXATION.** Even though mutual funds pay no income taxes, you as a shareholder must report all distributions you receive. Mutual funds must distribute dividends, interest and net capital gains. If your fund has experienced much turnover within the portfolio, there may be capital gain distributions regardless of whether the fund's value has increased or fallen.
- 9 CONSIDER TAX-EXEMPT BONDS.** The interest on bonds issued by state and municipal entities is exempt from federal taxation.
- 10 GET HELP EARLY IF YOU HAVE ANY COMPLICATIONS.** If you have stock options, think you may be subject to the alternative minimum tax or are expecting any unusual tax items, talk to your tax advisor early in the year. Proper planning may help you avoid unpleasant surprises next tax season.

Call 477-8736 and speak to any one of our member centers for more information.

**7.99%
APR***

**DON'T
DREAD
THE
NEW YEAR**

YOUR CREDIT UNION IS HERE TO HELP

GGEFCU members, end the scramble for money during this hectic season by signing up now for a GGEFCU low interest Debt Consolidation Loan. Don't stress, your Credit Union is here to help! For more information, visit one of our member centers or call 477-8736.

*APR (Annual Percentage Rate). Rate expressed is accurate as of the date of this publication. Rates are effective 12/22/06 and range between 7.99% APR to 18.00% APR with terms up to 60 months. Rates are determined by the Asset Liability Committee (ALCO) and are 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.

All Employees of Pacific Security Alarm and C.A. Paulino & Associates Insurance Inc.

Are now able to take advantage of a credit union membership.
Call us at 477-8736 to find out more about joining our member owned credit union.

WELCOME!
To our newest
Select Employee Group
(SEG) members.

START SAVING FOR THE SUPER KID OF YOUR CHOICE WITH A COVERDELL EDUCATIONAL IRA.

At GGEFCU, we understand the importance of saving for an education. That's why our educational IRA plan allows you to save for the child of your choice - yours, a niece, a nephew, grandchild or any special child in your life. Stop by today or call us at 477-8736 and we'll help you find the ideal Individual Retirement Account Plan that best suits you and your family.

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.

CONTRIBUTE AS LITTLE AS \$25!

DISTRIBUTIONS INCLUDING DIVIDENDS ARE TAX FREE!

Traditional/Roth and Coverdell ESA as high as:

4.75% APY* **4.55% APY***

12 MONTH TIME SHARE 24 MONTH TIME SHARE

Share Rates

Share Programs

Share Programs	APY*
CU Share Savings (minimum \$5 processing fee; \$25 min. to establish account)	1.30%
CU Advantage Free Checking	
CU Club Accounts	1.80%
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%
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 Money Fund Plus (minimum \$2,500 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**	<i>Now Available</i>
1st Mortgage	<i>Now Available</i>
Construction	<i>Now Available</i>
Refinance	<i>Now Available</i>
Home Equity	<i>Now Available</i>
Personal Loans	As low as 7.99%
Line of Credit	As low as 8.99%
Shared Secured Loans	As low as 2% above dividend rate
New Motorcycle Loans	As low as 7.99%
Used Motorcycle Loans	As low as 9.99%
New Auto Loans	As low as 5.99%
Used Auto Loans	As low as 6.99%

*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.



**1ST MORTGAGE
CONSTRUCTION
REFINANCE
HOME EQUITY**

Whether you're a potential first-time homeowner, ready to build, or looking to refinance your home, GGEFCU has a full range of mortgage options tailored to meet your needs. Visit any of our member centers today or call us today at 477-8736 to see how our mortgage specialists can get you into your dream home today!

*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 details.

Other Products and Services

**CU Express ATM Card
Member Telephone Services (MTS)
CU Web Branch**

Online Banking at ggefco.com. Click... Connect... Done.

**Free AMEX Travelers Checks
CU Direct Deposit
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



Circle K Stores

Agat
Airport Road
Anigua
Barrigada
Dededo
Fountain Plaza
Malojloj
Ocean Vista
Sinajana
Sun Plaza
Ypao

The "Circle K" brand and logo are owned by Alimentation Couche-Tard, Inc. SPPC is an official franchisee of Circle K Stores.

FREE for members & the Lowest non-member fee on island!

GovGuam Agencies
Guam International Airport
Guam Memorial Hospital

Agana Shopping Center
2 Locations - across from Pay-Less entrance & next to MPULSE store

Guam Premier Outlets
Fiesta Court

GCC Student Center

Micronesia Mall
2 Locations in the Food Court

UOG - Student Center

UR Market

Your Credit Union
Maite • Harmon • Tamuning



GGEFCU Member Center Locations Hours of Operation & Contact Info

Call Center: 477-8736

**MAIN OFFICE
MAITE MEMBER CENTER**
121 Robat Street
Maite, Guam 96910
Fax: 477-1155

HARMON MEMBER CENTER
Route 16
Guam Business Center, Suite 105
Harmon, Guam 96912
Fax: 646-0470

NEW TAMUNING MEMBER CENTER
541 S. Marine Corps Drive
Paul's Plaza, Suite 105
Tamuning, Guam 96913
Fax: 647-0082

BUSINESS HOURS
Mon.-Thurs. 9 a.m. - 5 p.m.
Friday 9 a.m. - 6 p.m.
Saturday 9 a.m. - 1 p.m.
Sunday CLOSED

CU WEB BRANCH
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www.ggefco.com

MEMBER TELEPHONE SERVICE
Available 24 hours
Phone: 477-1148



Your savings federally insured to at least \$100,000 and
backed by the full faith and credit of the United States Government.
Member Credit Union. Admitted under a U.S. Government Agency.