

October
2006

Vol. 13
No. 4

Capital CONNECTION



Lower Your Investment Risk With Our High-Yield Share And IRA Certificates

Many people use the stock market or mutual funds to invest their money, but there is always the risk of loss should stock values go down. GEICO FCU's Share and IRA Certificates present a safer option, offering high yields and lower risk.

- ◆ Rates up to **6.10%** APY*
- ◆ Choice of terms from 6 to 60 months
- ◆ Begin investing for just \$25**
- ◆ Unlimited additional deposits**
- ◆ Alternate investment options available, including Money Market Accounts
- ◆ Federally insured by the NCUA†

For more information, stop by your nearest branch, call 800-542-7896 or visit us online at www.geicofcu.org.

*Annual Percentage Yield. Rate quoted is for 60-month term. Rate as of 9/1/06 and is subject to change without notice. Rate quoted is for 14-month certificate with a minimum deposit of \$50,000. **Deposit amount quoted is for First Step Certificate with an Annual Percentage Yield of 2.02% and 12-month term. First Step Certificate requires a minimum monthly deposit of \$25. †National Credit Union Administration. Deposit accounts are insured up to \$100,000 and Traditional/Roth IRA products are insured separately, up to a combined total of \$250,000.



Enjoy More Spare Time With FREE Online Banking And Online Bill Pay

Online Bill Pay coming
January 2007

In a hurry? Access to your funds is just a few clicks away on any home or office computer with an Internet connection. Our Online Banking and Online Bill Pay services are quick, secure and available around the clock.



Online Banking can be used to move funds from one account to another, print copies of your monthly statements, and view information about loans, direct deposits and accounts. With Online Bill Pay, you can pay any bill, anytime, and eliminate buying stamps or waiting in line at the post office.

For more information, visit us online at www.geicofcu.org.

Find The Funds You Need – In Your Home's Equity

Want some extra funds for remodeling your home, paying tuition bills, consolidating debt or other expenses? Our low-cost Home Equity Line of Credit is a valuable source for the funds you'll need.

- As low as **3.99%** APR¹ introductory rate for 6 full months (effective 5/1/06)
- No closing costs²
- Adjustable, ongoing rate of Prime minus 1/2%³
- Tax-deductible interest payments⁴
- Fast access to your credit line through Visa® Platinum card and checks
- Flexible interest-only payment option
- Fixed-rate Home Equity Loans also available

Apply today! Stop by your nearest branch, call 800-824-5404 x5800 or visit us online at www.geicofcu.org.

¹Annual Percentage Rate; subject to change. ²The Credit Union will pay closing costs. To qualify, the initial advance must be \$10,000 or more and remain open for 24 months. If the balance is zero within 24 months of the open date, the closing costs must be reimbursed by borrower(s) and may be added to your account. State/city transfer taxes paid by borrower at closing. Closing costs do not include application fee, flood certificate fee, and home value or appraisal fee. Certain restrictions apply. GEICO FCU processes Home Equity Loans (closed-end only) in most states. Also, we process Home Equity Lines of Credit in the District of Columbia and the following states: Maryland, Virginia, West Virginia, New York, Georgia, California, Florida, Pennsylvania, New Jersey, Ohio, Vermont, Connecticut, Rhode Island, Arizona and Delaware. The Credit Union's portfolio loans are subject to approval. Loans may be sold to the secondary market. ³With a Loan-To-Value ratio of up to 90%. The Prime Rate was 8.25% APR as of 6/29/06. ⁴Consult your tax adviser.

When You Buy A Vehicle, Pay Less With GEICO FCU's Low-Cost Auto Loans

Our loan pre-approvals, budget-friendly financing and low rates save you both time and money!

- New auto loans as low as **4.99%** APR* for 36 months
- Used auto loans as low as **5.29%** APR* for 36 months
- More low rates and terms to 84 months available**
- Refinancing option – save money by refinancing an auto loan from another lender
- GAP Plus Insurance option for your protection (visit www.geicofcu.org for details)

Receive a \$50 cash bonus in your share savings account for a new, used or refinanced auto loan! For details, contact GEICO FCU.†

Apply today! Stop by your nearest branch, call 800-824-5404 x5800 or visit us online at www.geicofcu.org.

*Annual Percentage Rate; subject to change. Used auto loan rates apply to 1997 through 2006 models. Certain 2005-2006 models qualify for new auto loan rates. Rates reflect automatic payroll repayment. Certain restrictions apply. **84-month term available on new auto loans of \$30,000 or more only. †To qualify, loan amount must be for \$7,500 or more. Repayment of loan within 18 months will require reimbursement of the \$50 bonus. Existing GEICO FCU auto loans cannot be refinanced. Offer ends December 31, 2006.

Our Tuition Reimbursement Loan: A “Class”-ic Choice For College Students

If you're running short on funds for college tuition, here's the answer: GEICO FCU's Tuition Reimbursement Loan. It can cover your education bills until you receive your GEICO reimbursement, and you can receive your funds in one lump sum!

- As low as **8.25%** APR*
- Borrow up to \$4,500
- 6-month loan term

Apply today! Stop by your nearest branch, call 800-824-5404 x5800 or visit us online at www.geicofcu.org.

*Annual Percentage Rate; subject to change. GEICO reimbursement form and college/university tuition bill must be presented to GEICO FCU before loan payment is disbursed. Member is responsible for repayment of loan principal and interest by end of loan term.



Vishing – A New Form Of Phishing – Now In The Mainstream

Identity thieves often attempt to steal your financial information by using e-mail or fake websites. Now they're trying something else: your phone.

Through a new computer technology called VoIP (Voice over Internet Protocol), identity thieves use an automated random dialer to call your phone and tell you that there is a



problem with your credit card. You're asked to call a fake toll-free number, and a voice instructs you to “confirm” your credit card number or provide other private information.

To protect yourself, please use the following tips:

- If you get a phone call asking you to “confirm” or “update” private financial information and offers you a toll-free number to use, do not provide this information.
- Instead of calling the phone number provided in a voice mail, call the number on the back of your card.
- If you get a call from a person who claims to be from the Credit Union, Visa® or MasterCard® and that person

wants the three-digit security code on your card, hang up.

- Some phone numbers can be faked with VoIP. If your Caller ID shows you that the call is coming from a number that you do not recognize, even if it appears to be in your area code, do not give out your information.
- If you receive an e-mail that asks you to call a toll-free number to “confirm” your financial information, do not use it.

GEICO FCU takes many precautions to ensure that your financial information stays private. If you think you may have been contacted by an identity thief over the phone or by e-mail, please contact the Credit Union as soon as possible to notify us.

GEICO FCU Is Ready For The Holidays!

Holiday Loan Special – Available Through 1/31/07

- Just **10.99%** APR* for 12 months
- Loans up to \$5,000
- Ideal for traveling, shopping or other expenses

Holiday Club Accounts

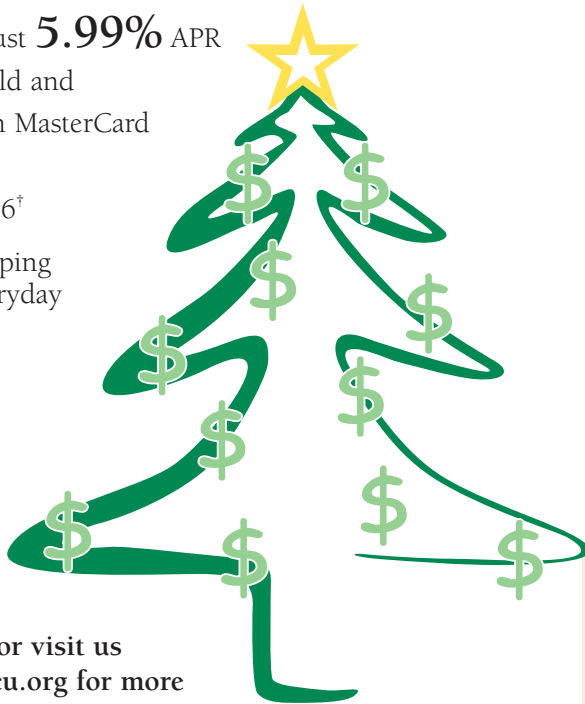
- An interest-earning account that helps you save for holiday or vacation expenses
- Your savings are deposited into your share savings account in November
- Renews automatically for the next year
- Make deposits easily with our Payroll Deduction service
- Federally insured**

If you already have a Holiday Club Account, your savings will be deposited into your share savings account after November 1.

MasterCard Gold and Classic Credit Cards

- Reduced rates of just **5.99%** APR on MasterCard Gold and **6.99%** APR on MasterCard Classic through December 27, 2006†
- Use them for shopping trips, travel or everyday purchases
- Cash advance and balance transfer options†† available

Don't miss out on these great deals! Stop by your nearest branch, call 800-824-5404 x5800 or visit us online at www.geicofcu.org for more information.



Electronic Check Conversion Speeds Up Check Processing

When you go shopping and pay with a check, you may notice that the merchant takes your check, runs it through a machine and hands it back to you a receipt. This process is known as “electronic check conversion.”



Electronic check conversion is becoming increasingly popular among many merchants and utility companies, because it saves them time and money and offers improved security over conventional check processing.

Electronic check conversion means that an electronic payment has been debited from your account for the amount written on the check. It also has several benefits for you, such as more privacy, easier record keeping and earlier fraud detection if an unauthorized person tries to cash a check in your name. Electronic check conversion is also faster than conventional check processing, so please be sure that there are sufficient funds in your checking account to cover any check you write.

GEICO FCU's Woodbury Branch Manager Retires

After 15 years of dedicated service and work history with the Credit Union, Vicki O'Donnell, our manager at GEICO FCU's Woodbury branch, is hanging up her hat and retiring.

The Credit Union management and staff appreciate her many years of service to the Credit Union, and we will certainly miss her. We wish her all the best in her retirement.

*Annual Percentage Rate. Rate is subject to approval. Offer only open to GEICO FCU members.
**By the National Credit Union Administration. Deposit accounts are insured up to an aggregate of \$100,000.

†Promotion is for a limited time only. See your GEICO FCU credit card disclosure for important terms and conditions in regard to your account.

††For balance transfers made to a GEICO FCU MasterCard, low rates apply to any activity on new and existing card accounts and will apply until balance is paid off. After December 27, 2006, rate will be 10.99% APR for MasterCard Gold and 11.88% APR for MasterCard Classic.

LOAN RATES Effective September 1, 2006

Loan Type Annual Percentage Rate

| | |
|-------------------------------------|---------|
| MasterCard – Classic (\$5,000 max.) | 6.99% |
| MasterCard – Gold (\$20,000 max.) | 5.99% |
| Overdraft LOC (\$2,500 max.) | 12.75%* |
| Personal Loan (\$15,000 max.) | 12.75%* |
| Computer Loan (\$3,000 max.) | 12.75%* |

| | |
|---|--------|
| Share Secured (Terms up to 144 months) | |
| Share savings rate | +3.00% |

| | |
|---|--------|
| CD Secured (Terms up to CD maturity) | |
| Earned CD rate | +3.00% |

New Automobiles & RVs

(Up to 100% financing; MSRP includes tax and license)

Rates as low as 4.99%*

Terms to 84 months

Other rates and terms available

Used Automobiles & RVs

(1997 and newer models. Certain 2005-2006 used models qualify for new auto loan rates.)

Rates as low as 5.29%*

Terms to 72 months

Other rates and terms available

* with automatic repayment

** maximum term available

Auto loan terms and rates depend on the total purchase price, the year and mileage of the vehicle.

Rates are determined at the discretion of the Board of Directors and are subject to change without notice.

Switching Your Checking Account To GEICO FCU Saves You Money

If you want a checking account that saves you more money, come to GEICO FCU. You'll be able to avoid per-check and maintenance fees and there is no minimum balance requirement.

You can also take advantage of our FREE convenience services such as Online Banking, Bill Pay, Payroll Deduction and Direct Deposit. There's also a FREE Visa® Debit Card, good for point-of-sale purchases, travel or quick cash at over one million ATMs, including over 32,000 surcharge-free Allpoint® ATMs!

Switch your account today – it's easy with our Switch Kit! Stop by your nearest branch, call 800-824-5404 x5800 or visit us online at www.geicofcu.org for details.

Holiday Closings:

Thanksgiving Day: November 23 – Closed

Christmas: December 25 – Closed

New Year's Day: January 1, 2007 – Closed

Loan Type Annual Percentage Rate

| | |
|--|--------------------------|
| Auto Equity | Rates starting at 5.49%* |
| See a loan officer for details on terms and rates. | |

Home Equity Line of Credit

(Current rate is based on the Prime Rate. See loan officer for details on rates/terms.)

| | |
|--------------------|-------------------------|
| \$250,000 max. | Rates starting at 3.99% |
| (Effective 5/1/06) | |

Second Mortgages As low as 7.50%

Terms up to 120 months

Note: Rates subject to change without notice. Contact your Credit Union representative for further loan information.

Selected Savings Rates

as of 9/1/06

| Savings Account | Dividend Rate | Annual Percentage Yield |
|---------------------------------------|---------------|-------------------------|
| Share Savings | .50% | .50% |
| Share Drafts | 0.00% | 0.00% |
| IRA Share | .50% | .50% |
| Money Market Advantage Account | | |
| \$1,500 - \$19,999 | 3.50% | 3.56% |
| \$20,000 - \$74,999 | 4.00% | 4.07% |
| \$75,000 and up | 4.25% | 4.33% |
| Savings Certificate | | |
| Six Months | | |
| Minimum Opening Balance \$500 | 3.25% | 3.30% |
| Minimum Opening Balance \$1,000 | 4.60% | 4.70% |
| First Step Twelve Month | 2.00% | 2.02% |
| Twelve Months | 4.85% | 4.96% |
| Eighteen Months | 5.00% | 5.12% |
| Two Years | 5.10% | 5.22% |
| Three Years | 5.35% | 5.48% |
| Four Years | 5.50% | 5.64% |
| Five Years | 5.94% | 6.10% |
| IRA Savings Certificate | | |
| Six Months | | |
| | 4.60% | 4.70% |
| Twelve Months | | |
| | 4.85% | 4.96% |
| Eighteen Months | | |
| | 5.00% | 5.12% |
| Two Years | | |
| | 5.10% | 5.22% |
| Three Years | | |
| | 5.35% | 5.48% |
| Four Years | | |
| | 5.50% | 5.64% |
| Five Years | | |
| | 5.94% | 6.10% |

GEICO FCU credit card holders with questions about their account may call 800-237-6211, or visit www.eZCardInfo.com. This is for balances, payment information, lost/stolen cards and last few transactions.

Board of Directors

Joe Imler, Chairman
 Art Heine, Vice Chairman
 Dave Onuschak, Treasurer
 Susan Hamburg, Secretary
 Dave Fessel
 Geri Lanier
 Terry Perkins
 Scott Reece
 Kathy Roland
 Brian Harvey
 Dave Anderson

Credit Union Staff

President/CEO: Linda Coffie
 VP of Finance: Sherrie Cox
 AVP of Risk Management: Marcy Berman
 AVP of Lending: Arlene Christie
 AVP of Operations: Rajiv Desai
 AVP of Information Technology: Karen Taney

Keeping Track As Of July 31, 2006

| | |
|---------|--------------|
| Assets | \$73,070,237 |
| Shares | \$66,045,011 |
| Loans | \$54,964,938 |
| Members | 12,875 |



Website & Online Banking:
www.geicofcu.org

Loan-By-Phone &
 Quick Teller (Audio Response)
 800-331-9835

Locations
 Mailing Address

One Geico Plaza
 Washington, DC 20076

Main Office

GEICO Federal Credit Union
 5260 Western Avenue
 Chevy Chase, MD 20815
 Telephone: 301-986-2082
 Toll Free: 800-542-7896

Visa® Debit Card Information: 800-824-5404 x2236

Fax: 301-718-5318

Loan Department: 800-824-5404 x5800

Fax for loan department: 301-986-3757

E-mail: loans@geicofcu.org

Teller Transaction Hours: 11 am – 2 pm

Member Service Hours: 9 am – 11 am

Loan Service Hours: 8 am – 3:30 pm

Regional Offices

Buffalo, NY, ATM only

300 Crosspoint Parkway

Amherst, NY

Dallas, TX, 972-701-1860

800-841-5432, Ext. 1860

Fax: 972-701-1859

Teller Transaction Hours: 1 pm – 4 pm

Member & Loan Services Hours: 9 am – Noon

Fredericksburg, VA, 540-286-4567

800-841-1003, Ext. 4567

Fax: 540-286-4498

Teller Transaction Hours: 11 am – 2 pm

Member & Loan Services Hours: 8 am – 11 am

Lakeland, FL, 863-619-4856

800-648-2493, Ext. 4856

Fax: 863-619-4859

Teller Transaction Hours: 1 pm – 4 pm

Member & Loan Services Hours: 9 am – Noon

Macon I, GA, 478-744-5668

800-841-9160, Ext. 5668

Fax: 478-744-5824

Teller Transaction Hours: 10 am – 1 pm

Member & Loan Services Hours: 1 pm – 4:30 pm

Macon II, GA, 478-621-1958

800-841-9160, Ext. 1958

Fax: 478-621-1957

Teller Transaction Hours: 1:30 pm – 4:30 pm

Member & Loan Services Hours: 10 am – 1:30 pm

San Diego, CA, 858-513-5600

800-654-5896, Ext. 5600

Fax: 858-513-5124

Teller Transaction Hours: Noon – 3 pm

Member & Loan Services Hours: 9 am – 11 am

Virginia Beach, VA, 757-222-6318

800-582-8114, Ext. 6318

Fax: 757-222-6320

Teller Transaction Hours: Noon – 3 pm

Member & Loan Services Hours: 8 am – 11 am

Woodbury, NY, 516-496-5014

800-645-7550, Ext. 5014

Fax: 516-496-5154

Teller Transaction Hours: Noon – 3 pm

Member & Loan Services Hours: 9 am – 11 am

Your savings are federally insured to \$100,000 by the National Credit Union Administration, a U.S. Government agency.