

TowerLine

Tower Federal Credit Union | January 2008

SUPER SAVERS SWEEPSTAKES SAVE TO WIN \$20,000!

Tower is giving away a bundle of cash prizes—over \$80,000—in our year-long SUPER SAVERS SWEEPSTAKES. Become a Super Saver and you could be one of over 400 winners...or you could be a winner every month! The sooner you start to save, the more chances you have to win, the more savings you have.

Plus one lucky Super Saver will win the \$20,000 SUPER SAVERS SWEEPSTAKES Grand Prize at the end of the year.

It's easy to save and fun to win just by adding direct deposit to a Tower account or saving in a Club account every month. Either way, you're automatically entered for SUPER SAVERS SWEEPSTAKES cash prizes all year long.

A Chance to Win up to \$3,000 Each Quarter—Plus Get \$125

Set up direct deposit for at least \$100 every month and you're entered for the SUPER SAVERS SWEEPSTAKES quarterly cash prize drawings.

We'll get you started with a \$125 cash bonus for opening a new checking account and setting up a qualifying direct deposit to your checking account. Already have a Tower checking account? Set up direct deposit and you'll get a \$100 cash bonus.* Your monthly direct deposits all year will automatically qualify you for each quarterly sweepstakes and the \$20,000 Grand Prize.

A Chance to Win Up to \$1,000 Each Month

Save in a Tower Club account with at least \$25 every month and you're automatically entered in the SUPER SAVERS SWEEPSTAKES monthly cash prize drawings. Make a savings deposit each month, and each month you could be a winner. Your savings will grow and your winnings could, too. Plus you're automatically entered in the drawing for the \$20,000 Grand Prize.

Enter Both SUPER SAVERS SWEEPSTAKES

First set up direct deposit to a Tower account. Then start saving in a Club account. Tower makes it easy to transfer deposits to your Club account. Just set up ongoing direct deposit allocations or schedule automatic transfers in Home Banking.

If you already have a qualifying direct deposit, or are making monthly deposits of at least \$25 to a Club account, you're automatically entered in the SUPER SAVERS SWEEPSTAKES, as long as you continue to save each month.

Be a Saver! Be a Winner!

Become a Super Saver and join the SUPER SAVERS SWEEPSTAKES. Get started with direct deposit and open new accounts at towerfcu.org, at a branch, or call the Member Service Center at 301-497-7000 or 800-787-8328.

Grand Total Winnings

\$80,000

IN CASH PRIZES

Drawings Every Month

\$20,000

GRAND PRIZE

Drawing End of Year

BE A SAVER! BE A WINNER!

PRIZES! PRIZES! PRIZES!



WIN
\$20,000 GRAND PRIZE
End of Year

49 More Cash Prizes
\$5,000, \$3,000, \$1,000, \$500, \$100, \$50

Add direct deposit to a Tower account or **save in a Club account** every month for a chance to win.

WIN
\$3,000 FIRST PRIZE
Every Three Months

42 More Cash Prizes
\$1,500, \$500, \$100, \$50, \$25

Set up direct deposit for at least \$100 every month for a chance to win.

WIN
\$1,000 FIRST PRIZE
Every Month

17 More Cash Prizes
\$500, \$100, \$50, \$25

Save in a Club account at least \$25 every month for a chance to win.

See towerfcu.org for [sweepstakes rules](#) and additional details. Cash bonus and winnings are subject to taxation. Minimum \$100 direct deposit or minimum \$25 (non-IRA) Club account deposit in Dec. 2008 required to be eligible for Grand Prize drawing; minimum \$100 direct deposit in last month of quarter (Mar., June, Sept., Dec.) required to be eligible for quarterly drawings; minimum \$25 deposit to a (non-IRA) Club account required to be eligible for that month's drawing. *Accounts receiving a direct deposit prior to 12/31/07 are not eligible for cash bonus. Eligibility requirements for a checking account must be met to qualify for cash bonus; checking account must be in good standing to receive cash bonus. Limited time offer; may be withdrawn at any time.

Chairman's Message



As we ring in the New Year, we want to express our gratitude to you for your staunch support of your credit union over the years. In 2007, Tower continued on its plan of stable and steady

growth while serving the financial needs of our members with reliable and secure online services, low-rate loans and competitive rates. By saving with us, borrowing from us, and using our many services, you have helped to create a strong and successful credit union. We thank you.

Electronic services growth

We're pleased you have shown support in the use of Tower's electronic services. More of you seem to like and appreciate the ease and convenience of Home Banking and other online services. Approaching the end of the year, the number of Home Banking users has grown to over 43,400 members, an increase of almost 3,000 users from the same time last year. Online promotions have spurred an increase in registrations for eStatements. By the end of November, over 3,100 new users had signed up to receive electronic monthly statements, increasing our total percentage of Home Banking users with eStatements to 58 percent. If you are not one of them, look into this free and convenient way to view your monthly statements online.

Loan growth

Despite an ongoing decline in the housing market, mortgage and home equity loan volume showed steady growth at Tower—with an increase of 28 percent over last year. Mortgage loans lead the way with a 50 percent increase. You continue to support our

efforts to provide new real estate services. Almost all of you taking out a mortgage with Tower also took advantage of the convenience of Tower Title Services for your settlements. Since its launch, over 1,000 quick, easy and seamless home settlements were completed for Tower members.

Your confidence in turning to Tower for low-rate auto loans helped us maintain almost the same loan volume as 2006. We achieved this success at a time when auto manufacturers were experiencing losses in sales.

Mortgage loan strength

Many of you are aware of the continuing troubles in the subprime mortgage market and the resulting credit crunch it has caused. You can be assured that Tower's ability to provide mortgage and other real estate loans remains strong. We have not engaged in subprime lending, and we have funds to make loans. Our lending guidelines are based on sound business practices, and we continue to offer competitive rates. We are committed and eager to help you find the right mortgage for your financial situation.

SUPER SAVERS SWEEPSTAKES

We are excited to launch our SUPER SAVERS SWEEPSTAKES this month. You will have the opportunity to join the savings fun and win cash prizes every month, with a \$20,000 Grand Prize drawing at the end of the year. See this month's article for details. Good luck!

A handwritten signature in black ink, appearing to read "George Cumberledge". The signature is fluid and cursive, with a large, stylized "G" at the beginning and a long, sweeping tail.

George Cumberledge, Chairman

Build Up Your Retirement Savings

Open an IRA today

It's hard to begin saving for retirement when it may be years away, but an Individual Retirement Account is one of the best ways to begin planning for your financial future. An IRA gives you a safe and secure way to grow your retirement savings. Plus whether you choose a Traditional or Roth plan, the savings you put into an IRA may be tax-deductible, and will grow either tax-deferred or tax-free. You'll earn more with high-yielding rates on an [IRA at Tower](#).

The best way to benefit from an IRA savings plan is to start saving as soon as you can. If you're just starting out, take the first step with a Tower IRA Club account. Start with a minimum \$5 deposit, then set up direct deposit allocations to your IRA Club account from a recurring direct deposit. For example, transfer \$25 per paycheck. When you reach a balance of \$500, use the funds to open a higher-yielding Regular IRA Share Certificate. Regular Share Certificate terms range from one year to five years.

IRA Share Certificates for larger deposits

- A Bump-Up IRA Share Certificate with a minimum deposit of \$5,000 and terms of four and five years. If rates climb, you can "bump-up" to a higher rate once during the term.
- A Mini-Jumbo IRA Share Certificate with a minimum deposit of \$20,000 and terms of four and five years.



Now is the time to add to a retirement account if you already have one. The maximum contribution for the 2007 tax year is \$4,000. For 2008 and 2009, it will increase to \$5,000. If you're 50 and older, your contribution can be up to \$5,000 for 2007 and \$6,000 for 2008 and 2009. You have until April 15, 2008 to make your IRA contribution for the 2007 tax year. Consult a tax advisor for additional information on contribution limits.

The more you save now, the better prepared you'll be for your future retirement. For added security for your retirement savings, IRAs are insured up to \$250,000.

To learn more about IRAs or to open an account, visit a branch or call the Member Service Center at **301-497-7000** or **800-787-8328**.

Super Savers Savings Tip

Replace Your Light Bulbs

Small savings ideas can add up to big savings. Just a few small changes in the way you save can help you get more for your money.

An easy way to save on energy costs is by replacing your home's traditional incandescent light bulbs with new compact fluorescents. These new bulbs use 75 percent less electricity and last up to 10 times longer. Compact fluorescent bulbs cost more initially—about \$5 each—but you'll save big on your electricity bills month-after-month, year-after-year.



Words on the Web

Join the SUPER SAVERS SWEEPSTAKES

Your chance to win the \$20,000 SUPER SAVERS SWEEPSTAKES Grand Prize begins by adding qualified direct deposits to a Tower account or growing your savings with a qualified Club account deposit every month. Either way, you're automatically entered for [SUPER SAVERS SWEEPSTAKES](#) cash prize drawings all year long.

To sign up for automatic direct deposit and have your paychecks and other recurring checks deposited safely and on time, visit [towerfcu.org](#), go to Applications and select [Direct Deposit](#). Need to open a checking account, too? See our [online Switch Kit](#) for complete instructions.



Once you've set up direct deposit, allocating deposits to a

[Club account](#) is a smart way to manage your savings. Visit [towerfcu.org](#), login to Home Banking and go to Online Forms to submit a Club Account Application and a Direct Deposit Allocation Request.

Resolve to save time

Tower's online [Bill Payment](#) is a safe and convenient way to pay your bills in the New Year—and the best way to organize and take control over who and when to pay. It's FREE when you make three or more payments each month. Schedule a

one-time payment of recurring payments to companies such as BGE and Verizon, or send checks to friends and family anywhere in the country. No more late payments, no more lost bills.

To sign up, visit [towerfcu.org](#) and go to [Home Banking](#). If you're a current Home Banking user, go to Payment Manager to get started.

Transfer funds securely and easily

Need to move money quickly? With [Tower's Funds Transfer service](#) in Home Banking, now you can.

By using Funds Transfer, you'll have the convenience of moving money faster, easier and securely online between your Tower checking and Prime Share accounts and your accounts at other banks, credit unions or investment firms. And it costs less than wire services.



Fee Schedule	Standard (3-day delivery)	Premium (next-day delivery)
Inbound (Transfer to Tower)	FREE	\$5.00
Outbound	\$3.00	\$5.00

Schedule a transfer one day and it can be sent the very next day. Make a one-time transfer or set up regularly recurring transfers. Transfer up to \$2,000 a day, combining inbound and outbound transfers, or up to \$5,000 in a rolling 30-day period. Visit [towerfcu.org](#) to [view a demo](#) and sign up in Home Banking.

[towerfcu.org](#)



Two Low-Cost Ways to Borrow

Save with home equity loans



As a homeowner, you have a clear-cut way to put your home investment to work for you—turn the equity you've built up

in your home into cash. A Tower home equity loan can help you better manage your finances, improve your cash flow and pay off your higher-rate loans.

Two ways to go

Tower offers you a [home equity loan](#) or a [home equity line of credit](#).

Home equity loan—gives you a lump sum for the cash you need now. Tower offers fixed- or adjustable-rate loan options, terms of 5 to 15 years and loans ranging from \$5,000 to \$312,700.

Home equity line of credit—a variable rate line of credit gives you cash on hand anytime. Borrow up to \$312,700 for up to 15 years with 15 years to repay. And you never pay interest on your credit line funds until you use them.

Sensible solutions

With our money-saving interest rates and variety of payment options, use a Tower home equity loan to pay off high-rate loans, start home improvement projects, take a vacation or make school tuition payments. [Apply online at *towerfcu.org*](#) for an instant response. For a Home Equity Loan Application packet, or for more information, visit any branch or call the Member Service Center at **301-497-7000** or **800-497-8328**.

Home equity loans and lines of credit available in all states except Texas. Variable loan rates are subject to change. Closing costs paid by Tower on your behalf must be repaid if you close the loan within 24 months. Other restrictions may apply.

Lower Credit Card Payments

Transfer to a Tower Gold MasterCard®

Consolidate your high-rate credit card debt from the holiday season into one affordable, monthly payment and reduce your expenses. You'll save money when you transfer high-rate credit card balances to a [Tower Gold Card](#) with a low, fixed 10.9% rate. Tower's low rate is for everything—everyday buys, online purchases, cash advances, as well as your balance transfers from high-rate credit cards. And no balance transfer fee.

It's easy to transfer balances

If you've already been taking advantage of Tower Gold Card savings, it's quick and easy to transfer your other card balances online. Visit [towerfcu.org](#), go to Applications and then [Credit Card Balance Transfer](#). Or call the Member Service Center at **301-497-7000** or **800-787-8328**.

You save when you choose gold

Make the switch to a Tower Gold Card and leave behind the annual or monthly fees of other cards. Leave behind a rate hike if you make a late payment. And begin earning a 1% rebate on every purchase you make. [Apply for or upgrade to a Tower Gold Card](#) online at [towerfcu.org](#), or call the Member Service Center at **301-497-7000** or **800-787-8328**.

Announcement of Candidates

The following four incumbent candidates are running for four seats on the Board of Directors for Tower Federal Credit Union:

- Monte S. Dzurenko
- Marie E. Rowland
- Charles C. Nossick
- Arland A. White Jr.

Any member wishing to place his or her name on the ballot may do so by submitting a petition to the Secretary of the Board of Directors. Only members who hold a valid security clearance from Tower's original sponsoring organization at the time the petition is submitted are eligible to be placed on the ballot. Each petition must be accompanied by a notarized letter signed by the petitioner which includes a statement that he or she currently holds the required security clearance and the latest indoctrination date thereof.

The petition must be signed by at least 500 Tower members who are not prohibited by law from participating in the conduct of the affairs of Tower and must include all of the following information for each member signing the petition: (i) his or her printed name as shown in Tower's account records; (ii) his or her address as shown in Tower's account records; and (iii) his or her phone number as shown in Tower's account records. A signature on the petition will be valid only if it matches the signature in Tower's possession for purposes of account transactions. A member may sign the petition once. Petitions must be postmarked by February 8, 2008 and sent by certified mail to:

Tower Federal Credit Union
Secretary, Board of Directors
P.O. Box 123
Annapolis Junction, MD 20701-0123

News & Events

Holiday Closing

Monday, January 21

In observance of
Dr. Martin Luther King Jr.'s birthday

New Branch Hours*

Millersville and Columbia

Lobby

Mon., Tues. & Thurs.
9:00 a.m.—4:30 p.m.

*Wed., Fri. 9:00 a.m.—7:00 p.m.

Sat. 9:00 a.m.—2:00 p.m.

Drive-up

*Mon. - Fri. 9:00 a.m.—7:00 p.m.

*Sat. 9:00 a.m.—2:00 p.m.

Pasadena and Gambrills

Lobby

Mon. - Thurs.
9:00 a.m.—4:30 p.m.

*Fri. 9:00 a.m.—7:00 p.m.

Sat. 9:00 a.m.—2:00 p.m.

Drive-up

Mon. - Thurs.
9:00 a.m.—6:00 p.m.

*Fri. 9:00 a.m.—7:00 p.m.

Sat. 9:00 a.m.—2:00 p.m.



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