



KalaLINE

OCTOBER 2013

WE'VE SLASHED THE RATES ON PERSONAL AND AUTO LOANS

Have you heard the news? Aloha Pacific FCU has slashed the interest rates on the personal loan and the new and used vehicle loans!

So it's a great time to consolidate those higher-interest bills, finance home improvement projects and school tuition or anything you choose. And the auto loan rates are perfectly timed for the big season of car-buying, typically toward the end of the year.

Personal loan: 6.5% APR*

- Minimum loan amount: \$500.
- Terms up to 5 years.

- If you have an existing unsecured or partially secured loan, you must add a minimum of \$2,500 to qualify for the new rate.

New auto loan: As low as 3.30% APR*

- New loans only.
- Current rates range from 3.65% APR* for 3 years to 4.85% APR* for 7 years.
- A discount of .35% off the regular rate is offered with a 20% cash down payment AND a qualifying Go Green auto (vehicle

(continued on page 3)



HOLIDAY SAVINGS FOR 2014

Open enrollment for next year's Holiday Savings has begun, and continues through January 31, 2014.

With just \$10, you can open a Holiday Savings account and set up a monthly contribution that's right for you. Holiday Savings account funds will automatically transfer to your checking or savings account on October 1.

Existing Holiday Savings accounts will automatically renew as long as a deposit is made before January 31, 2014.

Call us at 808-531-3711 or visit us online www.alohapacific.com for more details.

CELEBRATE WITH US ON INTERNATIONAL CREDIT UNION DAY!

Free Gift, with Transaction, on October 17

Credit Union Week is October 14–18 – and Aloha Pacific FCU is ready to celebrate!

Join us on International Credit Union Day, Thursday, October 17, themed "Credit Unions Unite for Good." Visit any APFCU branch for a special free gift – one per member, with a transaction – while supplies last.

Each year, Credit Union Week brings awareness to the goals and founding philosophy of credit unions: "not for profit, not for charity, but for service."

With all the products and services our members need, APFCU is dedicated to assisting generations of families in their financial well-being.

Thank you for being a member of APFCU!



**HOLIDAY SCHEDULE
BRANCHES CLOSED:**

**NEVADA DAY
FRIDAY • OCTOBER 25, 2013
(West Cheyenne Branch)**

**VETERANS DAY
MONDAY • NOVEMBER 11, 2013**



"Like" us on Facebook & "Follow" us on Twitter





CONTACT US

Aloha Pacific FCU
Attn: Marketing
832 S. Hotel Street
Honolulu, HI 96813

531-3711 Oahu
877-531-3711 (toll free)
Fax: (808) 566-0616
Email: info@alohapacific.com
www.alohapacific.com

BRANCHES & HOURS

MAIN*

DOLE CANNERY*

FORT STREET*

HAWAII KAI**

KAILUA**

KAIMUKI**

KAPOLEI**

WAIKELE**

WAIMALU**

WEST CHEYENNE***

*M-F 7:30AM-5:00PM

**M-F 9:00AM-6:00PM,

Sat & Holidays 9:00AM-2:00PM

***M-F 9:30AM-5:30PM

BOARD OF DIRECTORS: Gary Iwai (Board Chair), Stan Inamasu (1st Vice Chair), Allan Fujimoto (2nd Vice Chair), Darwin Hamamoto (Secretary), Daniel J. Keppel, Sam Moku and Robert S. Morita

EXECUTIVE MANAGEMENT: Vince Otsuka (Interim President and CEO), G. Keoni Ahlo (Vice President Information Technology), Rand Yamasaki (Vice President and Controller), Ross T. Inouye (Vice President Lending), Thomas W. Santos (Vice President Branch Administration), Scott Nishimura (Vice President Commercial Lending), Norman Goo (Vice President Mortgage Lending)

SUPERVISORY COMMITTEE: Ann Sakurao (Chair), Ted Takahashi (Vice Chair), Diane Murata (Secretary), Ben Dimond and Howard Okamoto

KalaLine is published by the Aloha Pacific FCU. Articles are for information only, not individual advice. Consult with your attorney, accountant, financial advisor or other professional regarding your situation. Copyright ©2013



Federally Insured
by NCUA



KALABASH FINANCIAL

Chad R. Kunihisa, CPA, CFP

Financial Advisor

Kalabash Financial
832 South Hotel Street • Honolulu, HI 96813
Phone: (808) 539-0133

GOOD AND NOT-SO-GOOD NEWS WHEN INTEREST RATES ARE ON THE RISE

Interest rates have been inching up and are likely to rise further, many in the financial industry predict. Is this good or bad news? As with all things, it depends on your perspective and portfolio.

It's good news because rising interest rates generally indicate an improving U.S. economy, which may boost consumer confidence and buying power, create a better job market and increase employment, and build a more robust business and investment environment. If you're on a fixed income and depend on interest-paying investments, you'll be happy with the higher rates.

It could be bad news because you're concerned about the potentially lowered value of your current bond investments, or you wonder what you should do to protect your portfolio as the financial landscape shifts. When interest rates rise, companies must pay more when they borrow, affecting their bottom line and dividends; their investors can become skittish and their value on the stock exchanges may fall. If you have an adjustable-rate mortgage, you will be paying more.

As interest rates rise, there are potential strategies to maintain or help build your wealth:

- Have you refinanced your mortgage to take advantage of the still-low, fixed mortgage rates? If you have big-ticket projects, a low, fixed-rate Home Equity Line of Credit (ask about Aloha Pacific FCU's 59-month HELOC) can be a money-saving tool.
- If you have bonds or Certificates of Deposit, hold on to them until they mature in order to receive your full initial investment. When you do invest again, consider the short-term bonds; the shorter the term, the quicker you can reinvest the principal and proceeds in a higher-interest bond.

■ A bond ladder or CD ladder gives you the flexibility to invest your funds at higher interest rates. Example: Invest a certain amount of funds in 3-, 6-, 9- and 12-month bonds or CDs. At the end of three months, the first bond or CD will mature, and you are free to invest the funds in another, possibly higher-interest bond or CD. This way, you won't be locked in to a lower rate for longer than three months.

As an example of rising interest rates, on May 1, 2013, the 10-year U.S. Treasury bond was at 1.66%; on September 6, 2013, the rate had risen to 2.94%. Ask your investment advisor about the "duration" of your bond portfolio. This could tell you how changes in interest rates could affect your portfolio.

In general, don't be overly concerned about short-term changes in the financial markets. Always consider the long term. No one knows exactly if, when or how long higher interest rates will take hold.

Do review your portfolio. Make sure your investments are diversified so that you are more likely to be protected from potential bumps in the financial markets and interest rates. Still, diversification is not a guarantee against loss.

If you would like to learn more about how to diversify your risks, please contact me at 539-0133 for a free portfolio review. Investment strategies are for discussion purposes only, not specific advice or a guarantee.

Securities and advisory services offered through Cetera Advisor Networks LLC, member FINRA/SIPC. Cetera is under separate ownership from any other named entity.

NOT NCUA/NCUSIF INSURED • NOT A DEPOSIT • NO CREDIT UNION GUARANTEE
• MAY LOSE VALUE • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

FAMILY DAY AT THE MOVIE: "THOR: THE DARK WORLD"



Order your tickets today! The ticket order deadline is October 19.

Movie: "Thor: The Dark World"
 Location: Ward Theatres
 Date: Sunday, November 10
 Time: 8:30 a.m. check-in;
 9:30 a.m. showtime
 Cost: \$6 per Aloha Pacific FCU
 primary member
 \$8 per joint account owner/
 guest

Please visit www.alohapacific.com to download the ticket order form or pick up a form at any Oahu branch.

Complete the order form and return it with payment to any Aloha Pacific FCU branch on Oahu or mail to:

Aloha Pacific Federal Credit Union
 Attn: Marketing - Family Day
 832 S. Hotel Street
 Honolulu, HI 96813

Make checks payable to **Aloha Pacific Federal Credit Union**. Pick up tickets at the Main branch from our second-floor receptionist **November 4-8** during normal business hours or at the event on **November 10** from 8:30 a.m. to 9:30 a.m. Tickets and payment are non-re-

fundable and good for admission to Ward Theatres on Family Day only. No outside food is permitted. **Limit: two joint account owner/guest tickets per primary member** and subject to availability. For more information, call 539-0209.

See you there!

PERSONAL AND AUTO LOAN RATES (continued from page 1)

"hybrid" or any vehicle that gets 25 MPG highway). Examples: A 3-year loan would be 3.30% APR*; a 7-year loan would be 4.50% APR*.

- A discount of .25% off the regular rate with a 20% cash down payment OR a qualifying Go Green vehicle. Examples: A 3-year loan would be at 3.40% APR*; a 7-year loan would be at 4.60% APR*.

- Other current auto rates: 3.95% APR* for a 4-year term; 4.25% APR* for a 5-year term; 4.55% APR* for a 6-year term.

Used auto loan: As low as 4.95% APR*

- New loans only.
- Rate is based on the vehicle's model year. For vehicle model years 2010-2013, with terms up to 6 years, the rate is 4.95% APR*. For vehicle model years 2007-2009, with terms up to 5 years, the rate is 5.25% APR*.

Visit any APFCU branch or go to www.alohapacific.com for all the details.

Rates effective 9/1/2013 & subject to change. Membership (\$100 in a regular savings) required. Loans quoted as fixed Annual Percentage Rate, unless noted. *APR = Annual Percentage Rate. Subject to credit approval. Contact an employee for more information about applicable fees & terms. Some restrictions may apply. Programs may be modified or canceled at any time.



Members THEIR APFCU

TRUE BELIEVER IN APFCU

"I am a true believer in credit unions – especially ours! I encourage everyone in my family to join. In these financial times, I rest easier with my money at Aloha Pacific Federal Credit Union."

— Carla E. Connell

A FAMILY OF MEMBERS

"As a new student hire for the City & County Wastewater Division, my boss took me to the credit union to open an account. Now, over 20 years later, my mother, sister, husband and son are now loyal credit union members."

— Kathleen Moux

FED TO CIRCULATE NEW \$100 BILLS THIS MONTH

Beginning October 8, the Federal Reserve will circulate new \$100 bills featuring added security features.

The bills have been redesigned to prevent counterfeiting, and include a blue, 3-D ribbon near Ben Franklin's face and an image of the Liberty Bell in the inkwell near his left shoulder. The redesign also adds a large gold numeral 100 on the back of the bill.



The U.S. government has been conducting an awareness campaign so that consumers will recognize the security features should they acquire the new, more colorful, bills.

If you have the current \$100 bills, there's no need to trade them in for the new ones. U.S. currency is always legal tender regardless of when it is issued.

More details: www.newmoney.gov

COMING SOON: Board of Directors Nominations

Five seats on APFCU's Board of Directors are up for election next year.

The nominations period begins in November. Visit www.alohapacific.com for all the details.

SAVING MONEY: GASOLINE



Hawaii usually has the costliest gasoline in the nation – but you already knew that! With a gallon of gas steadily above \$4 and not likely to fall, what can we do?

Carpooling, taking the bus, walking and bicycling to where you need to go are some alternatives, but if you need to drive, here are some reminders on saving money at the pump:

- Don't drive too fast. Driving aggressively or much beyond the speed limit will lower your gas mileage.
- Slow and steady acceleration and braking can improve your gas mileage. This means keeping a close eye on traffic conditions.
- Use your air-conditioner sparingly, although in Hawaii and Las Vegas, this is often hard to do!

- Keep your windows closed, especially on the freeway, so that the drag on the car is lessened.
- Keep your vehicle well maintained. Clogged air filters, worn spark plugs and low fluid levels can tap your fuel economy.
- The heavier the load, the more gas you'll use to keep the car moving. Keep your trunk free of heavy items.
- Use the correct grade of gas for your vehicle. If you're supposed to use regular gas, a premium grade is more costly and won't necessarily improve engine performance.
- Check your gas cap. Make sure it's locked in correctly to prevent fumes and gas from escaping.
- Consider a fuel-efficient, hybrid or electric vehicle for your next purchase.
- See Page 1 for Aloha Pacific FCU's rates on new and used vehicles.

CONSUMER PROTECTION TIPS: WHEN KIDS ARE ONLINE

These days, kids of all ages are tapping into the Internet, including social media. Online rules apply to children and adults, and bear repeating:

- * Protect your privacy. Never give out personal information such as your Social Security Number, address and phone number to strangers. Make sure your privacy settings are appropriate.
- * What you post online might be floating in the digital world forever, and you'll never know who might have copied and sent your material elsewhere.
- * Be polite. Post or share only what you think your grandmother would find acceptable. That means clean language and inoffensive photos and videos.

Remember, a future employer might be looking at these posts.

Parents: Be sure to talk with your kids about their online activities. Let them know that they should come to you if they've encountered something creepy or threatening – if so, help them report the incidents to the police and to the social networking site.



CURRENT RATES | Please call 531-3711 or visit any APFCU branch or www.alohapacific.com for our current account and loan rates.



FACTS WHAT DOES ALOHA PACIFIC FEDERAL CREDIT UNION DO WITH YOUR PERSONAL INFORMATION?

Why? Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What? The types of personal information we collect and share depend on the product or service you have with us. This information can include:
 - Social Security number and account balances
 - account transactions and credit history
 - credit scores and payment history

How? All financial companies need to share members' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their members' personal information; the reasons Aloha Pacific Federal Credit Union chooses to share; and whether you can limit this sharing.

| Reasons we can share your personal information | Does Aloha Pacific Federal Credit Union share? | Can you limit this sharing? |
|--|--|-----------------------------|
| For our everyday business purposes – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or to report to credit bureaus | Yes | No |
| For our marketing purposes – to offer our products and services to you | Yes | No |
| For joint marketing with other financial companies | Yes | Yes |
| For our affiliates' everyday business purposes – information about your transactions and experiences | Yes | No |
| For our affiliates' everyday business purposes – information about your creditworthiness | Yes | No |
| For our affiliates to market to you | No | We don't share |
| For nonaffiliates to market to you | No | We don't share |

To limit our sharing

- Call (808) 531-3711 – our menu will prompt you through your choice(s),
- Visit us online: www.alohapacific.com, or
- Mail the form below

Please note:
 If you are a *new* member, we can begin sharing your information 30 days from the date we sent this notice. When you are *no longer* our member, we continue to share your information as described in this notice.
 However, you can contact us at any time to limit our sharing.

Questions? Call (808) 531-3711 or go to www.alohapacific.com

X-----Detach and mail form below. Retain Disclosure above for your records.-----

| Mail-in Form | | |
|---|----------------------|--|
| Mark any/all you want to limit: <input type="checkbox"/> Do not share my personal information with other financial institutions to jointly market to me. | | |
| Name | <input type="text"/> | Mail to: Aloha Pacific Federal Credit Union Attn: Support Services 832 S. Hotel Street Honolulu, HI 96813 |
| Address | <input type="text"/> | |
| City, State Zip | <input type="text"/> | |
| Account # | <input type="text"/> | |

| What we do | |
|---|---|
| How does Aloha Pacific Federal Credit Union protect my personal information? | To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. We also maintain other physical, electronic, and procedural safeguards to protect this information and limit access to appropriate employees. |
| How does Aloha Pacific Federal Credit Union collect my personal information? | <p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> - open an account or pay your bills - use your credit or debit card or apply for financing - make deposits or withdrawals from your account <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p> |
| Why can't I limit all sharing? | <p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> - sharing for affiliates' everyday business purposes – information about your creditworthiness - affiliates from using your information to market to you - sharing for nonaffiliates to market to you <p>State law and individual companies may give you additional rights to limit sharing.</p> |
| What happens when I limit sharing for an account I hold jointly with someone else? | Your choices will apply to everyone on your account. |

| Definitions | |
|------------------------|---|
| Affiliates | <p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> - <i>Our affiliates include financial companies, such as CUSO of Hawaii LLC and HICUSO LLC.</i> |
| Nonaffiliates | <p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> - <i>Aloha Pacific Federal Credit Union does not share with our nonaffiliates so they can market to you.</i> |
| Joint Marketing | <p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> - <i>Our joint marketing partners include CUNA Mutual Group's MEMBERCONNECT.</i> |

| Other important information |
|-----------------------------|
| |