



491 Raritan Street
Sayreville, NJ 08872

PRE-SORTED
STANDARD
POSTAGE PAID
PERMIT #72110
NEW BRUNSWICK, NJ

Money Mentor

OCTOBER 2011

www.rbfcu.coop

Home Loans Here



Mortgage rates are near historic lows, so if you are in the market for one, your timing is perfect. But whether you are financing a new home or refinancing your current one, it's a major decision and one in which you should proceed with care. Mortgage rules have been ramped up in response to the sub-prime mortgage crisis that contributed to the financial meltdown two years ago. That means the paperwork also has proliferated. At

Raritan Bay FCU, we not only offer competitive mortgage rates, but also provide the friendly, helpful service that will help you step-by-step through the mortgage process. From application to closing, we will work with you to make the process as simple, affordable, and fast as possible. For more information about getting your home loan, visit our Web site at www.rbfcu.coop, call 732-727-3500 ext. 220, or stop by RBFCU.

2nd Mortgage as low as 4.00%* APR with Terms up to 20 Years
HELOC as low as 3.99%* APR with Terms up to 15 Years

*APR=Annual Percentage Rate. Rates for new loans only, available to RBFCU Members only and are accurate as of September 1, 2011. Loans do not apply to current home equity loans, members will need to reapply for current rates. The rates that we offer may change at anytime without notification and is tied to prime. Rates quoted are lowest for qualified applicants. Application is only good for 30 days from date of submission. Loans are only offered for New Jersey primary residence properties. Maximum loan amount is \$250,000 or up to 80% equity in your home, which ever is less. There is no application fee or charge. The Credit Union requires that you must carry insurance on the property that secures this plan and you must name Raritan Bay Federal Credit Union as loss payee. Currently a floor rate of 3.99% APR has been established for the variable rate Home Equity Line of Credit. Minimum Rate is 3.99% APR for 5, 10 or 15 year Home Equity Line of Credit for fixed or variable loan types. The interest rate for the fixed 5 year Home Equity Line of Credit will never change throughout the life of the loan. The interest rate for the 10 year and 15 year Home Equity Line of Credit is a variable rate. The maximum APR that may be imposed on any variable rate loan is 18%. The draw period will be determined by the length of your loan. During the draw period, payments will be due monthly and payments will be calculated to pay off the loan balance in approximately equal monthly payments by the maturity date. The interest will begin to accrue when money is taken from the line of credit. Initial and subsequent advance amounts of \$500 are required. For variable rate loans, the rate will change quarterly based on the prime rate from the Wall Street Journal as of the 15th of the month before the change date. Minimum Rate is 4.00% APR for 5, 10, 15 or 20 year 2nd Mortgage for fixed loan types. The current rates for 2nd Mortgages are 4.00% APR for 5 year fixed loan, 4.25% APR for 10 year fixed loan, 4.50% APR for 15 year fixed loan, 5.00% APR for 20 year fixed loan. Your loan payments will be due monthly and payments will be calculated to pay off the loan balance in approximately equal monthly payments by the maturity date. Your interest rate on a fixed 2nd Mortgage will never change throughout the life of your loan. Raritan Bay FCU is an Equal Housing Lender.

To provide value in private student loan consolidation, get to know your borrower



Paying off debt; it's a goal shared by many students that committed to higher education over the past decade. With financial aid options unable to keep up with the ever increasing cost of college, students commonly turned to private student loans to pay tuition. As a result, there are over 4 million students representing \$40 billion in private student loan debt entering repayment over the next two years. Now those students are dealing with the repayment and certainly need help managing it all.

The mind of a consolidator

Some recent graduates are dealing with straightforward issues when it comes to private student loan repayment. The motivation for a consolidation is mostly to save money or to make adjustments to a monthly budget. The borrower has a lot to think about as they look forward to years of debt repayment.

Consider the following to get to know these borrowers and the dimensions of their needs;

1. Multiple loan payments have squeezed earnings from starting salaries normally reserved for living expenses like a first apartment or a car.
2. They are searching for greater financial stability, and want to build a strong credit history.
3. A cosigner wants to be released from the debt obligation, but the loan is still in force as is.
4. They are in the early stages of their earning potential, but are still completing required training before their income will increase substantially.

From 2003 through 2008, private loan rates were priced using LIBOR at 1.348% to 5.48% or Prime at 4.25% to 8.25%. Currently, the interest rates have a more favorable LIBOR of .2607 and Prime of 3.25.

When considering the current interest rate environment and the sheer volume of loans outstanding, the demand for private loan consolidation is rising considerably. However, there are few providers available, Wells Fargo and cuStudentloans are the only private student loan consolidators operating on a national level. Without a consolidation, borrowers are left to manage the repayment process on their own, and are paying much more interest along the way.

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Borrow from Your Credit Union & Save

Never Borrow Anywhere Without Checking with Your Not-For-Profit Lender, Raritan Bay Federal Credit Union.

LOCATIONS

MAIN BRANCH

491 Raritan Street • Sayreville, NJ 08872
Phone: (732) 727-3500/Fax: (732) 727-2527
Web Address: www.rbfcu.coop

SOUTH RIVER BRANCH

93 Main Street • South River, NJ 08882

PARLIN BRANCH

502 Washington Road • Parlin, NJ 08859

EDISON BRANCH

1581 Route 27 • Edison NJ 08817

Teller-Phone: (732) 727-3232 or
(732) 727-3500 ext. 260

Holiday Closings

- Monday, October 10, 2011: Columbus Day
Friday, November 11, 2011: Veterans' Day
Thursday, November 24, 2011: Thanksgiving Day
Monday, December 26, 2011: Christmas Day
Monday, January 2, 2012: New Year's Day

Membership... Our Door is Open!

You along with your family members are eligible to join our Credit Union if you live, work, worship, attend school or have a business or other legal entity in Middlesex County.



Federally Insured by NCUA
We Do Business In Accordance With The
Federal Fair Housing Law And The Equal
Credit Opportunity Act.



Getting ahead of the demand curve

Former students begin to take notice of their wallets/pocketbooks not long after graduation and come to the realization that student loan debt could weigh down future financial goals.

As a result, managing loan repayment has grown from priority to an economic necessity and demand is on the rise for financial planning and product offerings.

Private Student Consolidation Loans

A private student loan consolidation can provide immediate benefits to the applicant by achieving a lower rate for interest savings and through extending the loan term to require a lower monthly payment. Furthermore, it eliminates the need for making payments to several different lenders each month, simplifying the repayment process.

Consolidation begins with a standardized application process where the student supplies all required personal data, and lists all the outstanding private loans they wish to consolidate. Because private loans are different than federal student loans they should not be consolidated together. All federal student loans should be consolidated through the federal Direct Loans program, while private student loans should specifically use a private student loan consolidation.

The borrower will need to demonstrate reliable and steady monthly income before being able to secure a consolidation loan. This will require documentation like the most recent year's tax filing.

Credit approval can be on a standalone basis, or a cosigner can be brought in to potentially earn a lower consolidation rate. A good cosigner is important for the approval of applications with large loan volume as total income from both applicants is weighed. Additionally, the applicants should look for an option for a cosigner release if they maintain on time payments towards the consolidation loan for one year or more.

In cases where a student has only one outstanding private loan, a consolidation is essentially a refinance. The student applies for the consolidation loan specifically to achieve a lower rate for interest savings. This is especially helpful for students that have built good credit since graduating college, but are still carrying a high rate private loan.

A typical repayment term for a consolidation loan is 15 years or 180 total payments. During this loan term the borrower may elect the option to make interest only payments for up to four years. This option assists in freeing extra cash for current expenses, and will require larger payments at a predetermined date to close out the total outstanding balance.

Additionally, making pre-payments, penalty free on a private student loan consolidation can help to encourage speedy repayment, and is an option borrowers should strive to take advantage of.

Consolidation offers new beginnings for borrowers and lenders

For many, the opportunity to consolidate is like the light at the end of the tunnel. But the journey does not end with consolidation; in fact it's just the beginning. People attempting to consolidate and eliminate debt are putting themselves on track for their future, freeing up space for home and car purchases. A student loan consolidation provides the stable financial footing to go forward with life.

Credit unions can truly help their members with financial well being by providing a private student loan consolidation. By meeting the demands of this growing college educated market segment, Credit Unions can further build a pipeline for continued quality membership into the future.

Best Rates On Vehicle Loans



If you're in the market for a new or newer used vehicle, please stop by or call Raritan Bay FCU to talk about financing. We've got the best rates on a variety of loan programs designed to fit your needs and budget. Finance up to 100% of the full purchase price, including tax, license, and any service contracts. Loans for new automobiles can be financed for up to 7 years at a fixed interest rate.

We urge you to see Raritan Bay FCU first for financing BEFORE you visit the dealer. With your financing in place, you can bargain from a position of authority and get your best deal by applying all dealer and factory incentives directly to the purchase price of the vehicle. For more information about Auto Loans, call 732-727-3500 ext. 220, stop by any of our 4 conveniently located branches or visit us on the web at www.rbfcu.coop.

Rates as low as 3.49% APR* with Terms Up to 84 Months

*APR=Annual Percentage Rate. Rates are accurate as of September 1, 2011. All loan payments are transferred from a RBFCU Account or credited through Direct Deposit. Add 1/4% if payments are not automatically transferred. Qualified borrowers only. Rates subject to change without notification. Rates published are base rates. The rate you pay will be based on the number of years your loan is financed, plus your individual creditworthiness. See CU Rep for terms and conditions. Raritan Bay FCU is an Equal Housing Lender.

Help For The Holidays



Santa has his elves to help him get ready for the holidays. If no one with pointy ears has arrived at your door, don't despair. Come to Raritan Bay FCU instead. With a holiday loan from RBFCU, you can be of good cheer while taking control in your spending. Start by planning your spending. Will you send greeting cards? Do you need to ship packages?

Are you hosting a big get-together? Do you need or want new decorations? How much do you plan to spend on gifts for family, friends, or colleagues? After you've tallied your costs, consider whether you need to economize. For example, can you send electronic greetings instead of cards, host a brunch instead of dinner, or draw names instead of buying gifts for everyone? Once you have an estimate of your expenses, see Raritan Bay FCU about a holiday loan. With your loan proceeds, you can pay cash instead of relying on credit cards, saving you money two ways. For one, financial experts report that people who pay with cash consistently spend less than those who pay with a credit card. Secondly, you won't be stuck with a stack of high interest rate charge card bills come January. Make the holidays the most wonderful time of the year with a loan from RBFCU. For more information about Holiday Loans, call 732-727-3500 ext. 220, stop by any of our 4 conveniently located branches or visit us on the web at www.rbfcu.coop.

Rates as low as 6.99% APR* Borrow Up to \$10,000 Terms up to 24 Months

*APR=Annual Percentage Rate. Rates are accurate and current as of October 1, 2011. Rates subject to change without notification. All loans subject to approval. Proof of income may be required. Rates published are base rates. The rate you pay will be based on your individual creditworthiness. See CU Rep for terms and conditions. Raritan Bay FCU is an Equal Housing Lender.

Holiday Shopping Made Easy



Choose our VISA Gift Card for everyone on your holiday list!

It's a perfect gift that lets the recipient decide what they really want!

- Available in three designs
- Choose any denomination from \$10 to \$500
- A low fee of \$4.00 per card
- Incredible time saver
- Eliminate the hassle of wondering what to buy
- Don't forget about our Gift Card Holders! Only a \$5.00 donation, proceeds go to benefit the National Multiple Sclerosis Society!
- And more!

Holiday Overload? Skip-A-Payment

Hear that crunch? Is it Santa and his reindeer on your roof? Probably not. More likely, it's your budget cracking under the weight of holiday expenses. If the cost of making the holidays bright plus year-end expenses like taxes and insurance payments have you feeling down, here's help from the credit union: You may be able to skip your credit union loan payment. Not all loans are eligible, but if you are a borrower in good standing with qualified loans, you may be able to defer your loan payments. Interest will accumulate. However, Skip-A-Payment will allow you to take a breather and get your budget back on track for the new year. To find out if your loan is eligible, contact RBFCU. For more information about Skip-A-Payments, call 732-727-3500, stop by any of our 4 conveniently located branches or visit us on the web at www.rbfcu.coop.



The \$30 processing fee per loan will be automatically deducted from your Share Savings Account. Interest will continue to accumulate on your loan during the month you skip your payment. If your loan payment is made via payroll deduction, the total monthly payment amount will be credited to your Share Savings Account. Payments can only be skipped on loans that are current. Please return coupon at least 5 days prior to the start of the month you would like to skip. November payments must be submitted by October 27, 2011. December payments must be submitted by November 26, 2011. Last day to submit your coupon is on November 26, 2011. Subject to final approval.

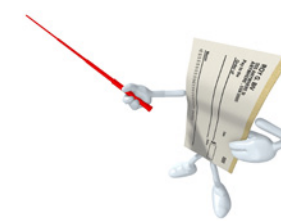


Celebrate International Credit Union Day On October 20th

International Credit Union Day is Thursday, October 20, and this year's theme, "Credit Unions Build a Better World," highlights the important economic and social contributions credit unions make to their communities worldwide. Whether it's helping a farmer in Africa buy seeds or a young adult in Arkansas buy her first vehicle, credit unions all over the world are dedicated to helping improve the quality of life for their members and in the communities where they live. This year's theme also aligns cooperatively owned and controlled credit unions with the United Nations and cooperatives everywhere as they launch the International Year of Cooperatives 2012. That celebration begins October 31 with the theme, "Cooperative Enterprises Build a Better World." Raritan Bay FCU is proud to be part of the cooperative system, and we invite you to join in the celebration. If you're on Facebook, "Like" ICU Day and post your comments at www.facebook.com/icuday. For more information about this event visit our website at www.rbfcu.coop.

Direct Deposit: Simple And Safe

Chances are you already have regular recurring payments, like your paycheck or a Social Security check, directly deposited into your checking or savings account. It's one of life's greatest conveniences! But did you know that you also can have other checks deposited directly into your account at Raritan Bay FCU? For example, if you get a tax refund, you can specify that the refund be electronically transferred into your checking account. You'll simply need the credit union's routing transit number and your account number. The routing transit number is the nine-digit number printed on the lower left hand corner of your checks. Or simply give us a call and we'll go over the correct numbers with you. Using direct deposit means you'll have access to funds more quickly. It's also safer. No more worries about a thief getting to your mailbox before you do. For more information about direct deposit, call 732-727-3500, stop by any of our 4 conveniently located branches or visit us on the web at www.rbfcu.coop.



e-Statements: Easy And Environmentally Friendly



Put Raritan Bay FCU on your schedule, not ours, when you sign up for e-Statements. With electronic services, access to your Raritan Bay FCU account is just a few keystrokes, mouse clicks, or taps away, anytime, day or night. Using e-Statements is kinder to the environment as well. You can perform many transactions that previously required a trip to the credit union, saving the environment from emissions as well as protecting your pocketbook from high gas prices. Plus, when you choose e-Statements, you can save important documents electronically, printing them selectively, as needed. You can visit Raritan Bay FCU's web site www.rbfcu.coop to find more information or if you are concerned about how to get started, just stop by any of our 4 conveniently located branches and we'll show you just how easy it is to begin using e-Statements. Once you do so, you'll wonder how you ever got along without them!

Pass The Word, Please!



As a credit union member, you know about the many benefits of belonging: lower rates on loans, higher rates on savings and fewer and lower fees for financial services. But did you know that your membership in Raritan Bay FCU is also the key for your immediate family members to be able to join? Because you belong to Raritan Bay FCU, they're also eligible. So at your next family gathering, don't just pass the time by catching up on the family news with sister Sue or brother Bill. Pass the word about how Raritan Bay FCU is a member-owned, not-for-profit, financial cooperative dedicated to the interest of its members, not a group of outside shareholders. Tell your co-workers as well. You'll be doing both them and yourself a favor. That's because as Raritan Bay FCU grows, we're able to operate more efficiently, and any savings will be passed onto you, our valued member-owner. For more information about membership visit us on the web at www.rbfcu.coop

Thank You!

As we say goodbye to 2011, it's an ideal time to remember to express our appreciation to you, our valued member-owner, for your loyalty and support during these tumultuous economic times. We are grateful for your participation in Raritan Bay FCU. In fact, we wouldn't exist without you! The credit union idea of people joining together to pool their savings so that others may have a source of credit is simple, yet profound. This "people-helping-people" philosophy has stood the test of time, and as many new members are finding out, is a potent antidote to the greed and uncaring attitude found elsewhere in the financial system. So a big "thank you for your business" to our members, whether you have been with us a long time or have just discovered the benefits of belonging.

Why Throw Away Your Money? Save with Sprint!



Join the over 1.2 Million credit union members nationwide that are already saving over \$124 million on their wireless plans! Raritan Bay FCU is pleased to bring our members these major savings through the Sprint Credit Union Member Discount Plan.

Ways you can save:

- **10% off*** most regularly priced Sprint individual service plans
- **15% off*** most regularly priced Sprint business service plans
- Waived activation fee on new activations
- Waived upgrade fee
- Available to new and existing Sprint customers

Enjoy the perks, benefits and exclusive discounts that only credit union members like you can receive.

Three Ways to Get Your Discount:

1. Call 877.SAVE.4CU (877.728.3428) and let them know you're a credit union member. Ask to be a part of the NACUC_ZZM Corporate ID to save
2. Click www.SprintSave4CU.com
3. Visit your nearest Sprint store

What are you waiting for? Start saving today!

*Application of discount requires 2-year contract extension on existing plans. Verification of membership is required at time of activation/upgrade.

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