

# Ku'i Ka Lono

The Quarterly Member Newsletter of Kekaha Federal Credit Union  
January 2007

## Enhanced Logon Security keeps you safe

**K**EKAHA FCU MEMBERS can rest assured that our online banking system is convenient and secure. Kekaha FCU's Web site—www.kekahafcu.org—features Enhanced Login Security, a superior security technology that protects your accounts from unauthorized access.

Enhanced Login Security identifies you as the true "owner" of your accounts by recognizing not only your password, but your computer as well. If we don't recognize your computer—you've logged in from a public computer or one you haven't used before—we'll ask you for information that only you will know. This is an additional line of defense to prevent unauthorized access. With Enhanced Login Security, you'll be protected no matter which computer you use.

Enhanced Login Security will:

- Defend against identity theft and fraud.
- Provide security from any computer, wherever you are.



- Make it easy for you to bank online anytime, anywhere.

Kekaha FCU is vigilant in ensuring your online transactions are safe and secure. Keeping your online financial and personal information secure and confidential remains one of our top priorities. We ensure your privacy and security by offering technology and services designed by the brightest minds in the online banking industry, including:

**Encryption:** The privacy of communications between you (your

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## Scholarship seeks applicants

**K**EKAHA FCU IS offering a \$1,000 scholarship to a qualified graduating high school senior who is a member or within the credit union's field of membership.

Applications are available at Kekaha FCU and Waimea High School. If you already have your scholarship application, remember the deadline to deliver or mail it to Kekaha FCU is May 1.

Scholarship applicants:

- must be a member or within the field of membership of Kekaha FCU;
- must be a graduate of a recognized high school or be graduated

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Visit Our Web site  
www.kekahafcu.org

## Online security

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browser) and our servers is ensured via encryption. Encryption scrambles messages exchanged between your browser and our online banking server.

**Password Complexity:** It is important to verify that only authorized persons log into online banking. This is achieved by verifying your password. When you submit your password, it is compared with the password we have stored in our secure data center.

We allow you to enter your password incorrectly a limited number of times; too many incorrect passwords will result in the locking of your online banking account until you call us to reinitialize the account. We monitor and record "bad-login" attempts to detect any suspicious activity.

Never use easy-to-guess passwords. Examples:

- Birth dates
- First names
- Pet names
- Addresses
- Phone numbers
- Social Security numbers

Never reveal your password to another person. You should periodically change your password in the User Option section of Internet Banking.

**Secure Architecture:** The computers storing your actual account information are not linked directly to the Internet.

- Transactions initiated through the Internet are received by online banking Web servers.
- These servers route transaction through firewall servers.
- Firewall servers act as a traffic cop between segments of our online banking network used to store information, and the public Internet.
- This configuration isolates the publicly accessible Web servers from data stored on our online banking servers and ensures only authorized requests are processed.

# Four strategies to bring out the millionaire in everyone

**WHAT DO YOU** think

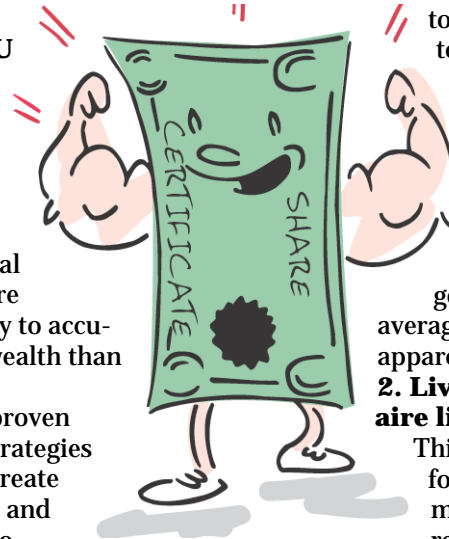
your chances are of becoming a millionaire? Two surveys released in January 2006 reveal that financial planners have more faith in your ability to accumulate personal wealth than you do.

Here are some proven wealth-building strategies that have helped create many millionaires and that almost any motivated individual can master.

### 1. Believe you can build wealth.

Researchers found that income differences alone had little to do with disparities in wealth. Observing that some of the lowest-earning households in the study had managed to accumulate significant wealth, the researchers concluded that most of the disparity was a result of how much the households chose to save.

For example, consider the story of Genesio Morlacci, the former dry-cleaning shop owner and part-time janitor who amassed enough wealth



to leave \$2.3 million to a small college in Montana.

People who build wealth are optimistic about their ability to achieve their financial goals in spite of an average income or other apparent limits.

### 2. Live the millionaire lifestyle.

Think you can't afford to live like a millionaire? The reality is that you

can't afford not to live like one.

The wealthy typically live comfortable but not extravagant lives, believing that financial independence is more important than displaying high social status. They consistently spend less than they earn.

Living modestly when everyone around you is buying the latest, most expensive toys and gadgets presents a challenge for many consumers. But, as those who have achieved financial independence know, wealth is what you accumu-

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Various access controls, including intrusion detection and anti-virus, monitor for and protect our systems from potential malicious activity.

Additionally, our online banking servers are fault-tolerant and provide uninterrupted access even in the event of various failures.



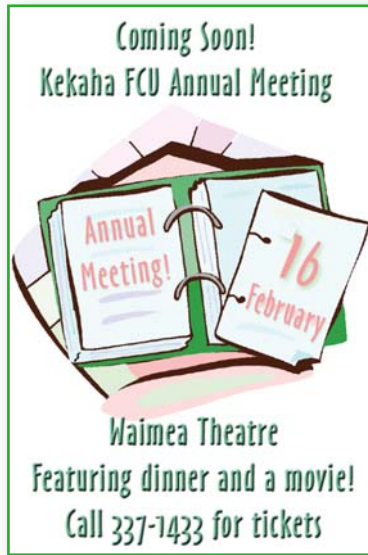
Save time and hassle by using our E-services—available 24 hours a day, seven days a week. You can log on to [www.kekahafcu.org](http://www.kekahafcu.org) to access your account and our services. Manage your finances on your schedule and in the comfort of your own home on our secure Web site.

# A meeting with a difference

**K**EKAHA FCU INVITES every member to attend the annual meeting. Why? Because all members are equal owners of the credit union, whether their deposits amount to \$50 or \$500,000.

Kekaha FCU's annual meeting is democracy in action. It's an occasion for management and elected officials to report to you, our owners. And, it's an opportunity for you to raise concerns and ask questions.

Here, you'll learn more about the credit union's financial position, products and services, current business issues, and future goals. You'll be able to meet face-to-face the people—professionals and volunteers—who run your credit union.



The annual meeting is a time to evaluate the financial condition of your credit union and to learn more about how you and fellow members save and borrow together.

When members actively participate and share ideas, the entire credit

union benefits. Without member input, credit union leaders could only guess what owners like you want from their financial institution.

Kekaha FCU's annual meeting is also a time for family fun. Dinner, a movie, and great door prizes are all part of this event. Please join us!

## Scholarship

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from one within four months of the date the application is submitted;

- must qualify for entrance to an undergraduate university, college, or technical school in the United States through entrance examinations or otherwise for the fall term of the year the application is submitted; and
- must be of sound mind and good character and intent on pursuing higher education.

A committee composed of appointed members of Kekaha FCU will select from among the applications the individual to be awarded the scholarship together with an alternate.

Scholastic grades, school and community activities, citizenship, and character will be considered in awarding the scholarship. Selection will be announced during the month of May.

# Student loans make college affordable

**I**T'S A FACT: A higher education leads to better paying jobs. Yet for some, college seems too expensive to even consider.

At Kekaha FCU we are committed to helping you succeed, not only financially, but in life. As part of the Federal Family Education Loan Program (FFELP), your credit union offers student loans with affordable interest rates and flexible repayment options.

Stafford loans represent the largest component of the FFELP. Subsidized Stafford loans are available to students who demonstrate financial need. The federal government pays the interest on these loans while the student is in school, during a six-month grace period after the

student leaves school, and during authorized periods of loan deferment. Unsubsidized Stafford loans are available to students regardless of their financial need; however, the student is responsible for all interest that accrues on the loan.

PLUS loans let parents borrow up to the total cost of their children's undergraduate education, less financial aid from other sources. And as of July 1, 2006, graduate and

professional students may also take out PLUS loans.

Six months after the student leaves school, repayment on the loan begins. FFELP borrowers can select from several flexible repayment options, including equal monthly installments, payments that gradually rise over the repayment term, payments linked to the borrower's current income, and extended repayment terms. Borrowers who face temporary financial problems may qualify to defer or reduce their loan payments for a designated period.

For more information on how you can finance a college education with a student loan, call Kekaha FCU at 337-1433.

Loan Type	Rate	Term
Stafford Loans	6.80% APR*	120 months**
PLUS Loans	8.50% APR*	120 months**

\*Annual Percentage Rate

\*\*Deferment, forbearance, and cancellation may apply according to criteria established by FFELP.

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Scot Tsuchiyama  
Manager/Treasurer

Owen Moe  
President



## Millionaire

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late, not what you spend.

Regardless of your current net worth, your financial picture can improve only if you spend less and save more--just like a millionaire.

### 3. Actively manage your money.

Studies show that households that put a couple of hours a week into planning and managing their finances have a much greater chance of accumulating wealth and achieving their financial goals.

Rather than constantly checking stock prices, use your money management hours doing such things as researching and learning how to invest, learning about the tax system, calculating your net worth, tracking your expenses, designing a budget, and writing down your financial goals.

### 4. Think like an investor, not just a saver.

To build the kind of wealth that gives you independence and se-

curity, you have to be an investor, putting your savings into things that become more valuable over time, such as securities (stocks and bonds) and real estate.

You might be surprised to learn that investing success is within reach of even newcomers to the market. People who make money in the stock market buy and hold a diversified portfolio, which you can easily achieve through a good mutual fund having minimal expenses. Some index funds that track the entire U.S. stock market—they hold shares of thousands of stocks—have returned nine to ten percent a year over the long term.

Regardless of where you put your savings, your long-term investment strategy should be to achieve adequate growth so that, ultimately, you can live on the income your fortune produces and never have to dip into the principal.

Visit Kekaha FCU today. We can help you get on the road to building wealth.

# DEBT ASSESSMENT: Your Financial Life Preserver



It's easier to call for help *before* you start drowning. That's why we want you to come to the credit union for a debt assessment, long before the water starts rising.

Think of a debt assessment as your financial life preserver. It will help you know what

you owe, pay down existing debt, and make a plan for sensible spending.

Come see us today. It doesn't matter how much or how little you owe ... the sooner you get a handle on spending, the less likely you'll "go under."

**We're Here To Help!**  
**Call us at 337-1433**