

the Harvesters Report



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HOWARD PARTRICK

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Vice President-Lending

DEBBIE AUGER
Training Manager

THERESA COOK
Accounting Manager

JUDY OWENS
Collections Manager

SHERRI RHODES
Deposit Services Manager

JIM WHITEHEAD
Real Estate Manager

ALLAN FRANSEN
IT Manager

BRANCH MANAGERS

ANN BUTTS
Main Office

MARILYN CLIFTON
9th Avenue Branch

LORA BARBEE
Blue Angel Crossing Branch

DENISE MORRISON
IP Mill Branch

Phishing or Cutting Bait?

Recent weeks have seen an increase in email fraud unparalleled since the advent of the Internet. Credit unions have not gone unnoticed by these thieves.

Just in the last couple of weeks, we have received notice from two credit unions in the state whose members have been on the receiving end of email scams. These activities involve the sending of emails to members and non-members alike, asking for verification of personal data in order to update the credit union's records. Some recipients, deciding for themselves that the request was legitimate, have responded and supplied their data, thus risking their financial security and increasing the chances of becoming victims of identity theft, as well as theft of their financial assets.

As a really hard and fast rule, neither Harvesters, nor any other financial institution, will EVER ask a member or customer to verify their information back to them in this way, and it is important for you to be aware of these activities, because they are all scams.

Please, please please! If you ever receive an email from what appears to be a financial institution, asking you to verify your personal data by responding to the email, **DO NOT RESPOND** to it. Instead, call the financial institution and report the incident to them, so that the bank or credit union can investigate and take steps to safeguard their members' information.

Take care. These unscrupulous people are definitely NOT cutting bait! They mean business, and they put forward a very legitimately looking front for their activities. If we can answer any questions concerning Harvesters' services, policies or practices, please do not hesitate to call me. Or for more information on identity theft schemes and protection tips, visit our website at www.harvestersfcu.com.

Best wishes for a Merry Christmas and a Prosperous New Year!



Allen M. Upchurch, Jr.
President/CEO

Harvesters is Full of New and Exciting Things!

New IT Manager

Allan Fransen joins the Harvesters Team. Allan comes to us from Freeport, Illinois where he has lived most of his life. Allan graduated from Highland community College with a Business Degree and continued with his computer science studies at Columbia College. He and his wife have 3 grown children, two girls and a boy who are located all over the country with families



of their own. Allan and Trish were ready to move south, and we at Harvesters are glad he did. New opportunities for both and a welcome change of pace. They feel the Pensacola area is large enough to bring diversity in the products and services, yet small enough to have a real "home town" feel to it. We welcome you both to our Harvesters family.

New Executive Secretary

Harvesters FCU is growing by leaps and bounds, and to keep up with the growth we have added



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a new position to the administrative office. Many of you know Melanie Velaski from the Member Service Department at the Main Office in Cantonment, she now has joined the administrative offices as their Executive Secretary. Congratulations, Melanie!

New Training Department

Harvesters FCU now has a Training Department. Debra (Debbie) Auger, our Training Manager, is up and running with new orientation classes as well as keeping all of the employees current with any changes in programs and the newest technology. We at Harvesters applaud Debbie on her new position and thank her for her expertise in this area. Her motivational nature is helping to keep us yearning to learn more so that we may better serve you, the member. Thanks, Debbie, you are doing a GREAT job!

New Gift Card and Travelers Check Cards

Harvesters FCU is now offering American Express Gift Cards to their members! Now you won't have to run all over town to find that special gift, just give them a gift card and they can do the shopping. Fast...easy...convenient. Go to any Harvesters Federal Credit Union Branch and purchase one for that someone on your gift list.

Tired of carrying around all those Travelers Cheques when you are out of town? Now you have an option! The new Travelers Cheque Card is available at any Harvesters FCU branch. Just purchase the desired amount and you are off to see the world. Use it just like your Credit or Debit Card. Swipe and go shopping at its best! Take advantage of these great offers today. Great for students to use on school trips, too.

Annual Meeting

The 2006 Annual Meeting of the Membership will be held at Ransom Middle School Cafeteria on Thursday, February 23, 2006. Refreshments will be served at 4:30pm and the business meeting will begin at 6:00pm. Please fill out your reservation card and turn into your nearest branch office.

Should you borrow from your 401(k) when you need cash?

Only as a last resort. Many people think that a loan from their 401(k) is cheap. After all, they are "borrowing" from themselves. The so-called interest that is charged on the money is yours and goes into your own account. An in any event, the interest rate is set much lower than typical credit card's.

But the cost isn't as low as you think. For one thing, the money you pay in interest is after-tax money. You don't get a tax deferral for it. Yet, when you retire and start withdrawing your funds - including money you put back as interest - you will be taxed on all of it. So the interest represents money that gets taxed twice. In the 28% bracket, that means the original income you had to earn to pay back the loan will be cut by about half, thanks to successive taxation. On top of that, while the loan is outstanding, those funds from your 401(k) will be out of the market.

For more information on how HFCU can help you with your loan needs, call our Loan Department at 968-2233.

Holiday Hours

Closed New Years Day Observed *Monday, January 2, 2006*

Closed Martin Luther King Day, *Monday, January 16, 2006*

Closed Presidents Day, *Monday, February 20, 2006*



“Walk on the Wild Side” Diabetes Walk

Harvesters Federal Credit Union participated in the Annual America’s Walk for diabetes held at the Zoo in Gulf Breeze along with 800 other walkers on November 15, 2005. Together \$110,000 was raised for Diabetes Research. Some statistics about this disease are that 20.8 million Americans have diabetes and 1.5 million are newly diagnosed each year. Diabetes is the nation’s fifth deadliest disease, killing more than 224,000 people annually. A big thank you to Marilyn Clifton and Deborah Mayberry for organizing our team and we look forward to making a great contribution to next years walk.



ATM Locations

We have more than 25 ATMs in the Pensacola area, and, as a member of the Credit Union 24[®] ATM Network, we offer access to thousands more free and deposit-taking ATMs nationwide. Remember to look for the CU24 and CUSAS logos to make sure you are getting a FREE ATM transaction. Please note that Pen Air FCU ATMs are not part of the CU24[®] or CUSAS Networks and, should you choose to use one, you will be charged applicable fees. Visit HarvestersFCU.com to print a list of member ATM locations.



Harvesters Rate Update

Anticipated dividend rate effective 12/01/05

| Dividends | Rate | APY |
|----------------|-------|-------|
| Prime Share | 1.00% | 1.00% |
| Share Draft | .25% | .25% |
| Christmas Club | 1.00% | 1.00% |

Other Share/Share Certificate Rates effective 12/01/05

| | | |
|----------------|-------|-------|
| 3 Month | 2.70% | 2.73% |
| 6 Month | 3.55% | 3.61% |
| IRA - 12 Month | 3.90% | 3.97% |
| 18 Month | 4.20% | 4.28% |
| 24 Month | 4.45% | 4.54% |
| 30 Month | 4.60% | 4.70% |
| 36 Month | 4.80% | 4.91% |
| TMA | 1.50% | 1.51% |

Consumer Loans

| | APR |
|----------------|-----------------------|
| Shared Secured | 3% over dividend rate |
| Line-of-Credit | 13.50%* |
| Signature | 13.50%* |
| Christmas Loan | 10.50%* |
| Vacation Loan | 10.50%* |
| Visa - Classic | 12.90% |
| Visa - Gold | 10.90% |

Titled/Registered Collateral

| | APR |
|--|-------|
| (New & Used Autos, Boat Rigs, Jet Skis, Campers, Motor Homes, Motorcycles) | |
| 12 months | 4.50% |
| 24 months | 4.75% |
| 36 months | 5.00% |
| 48 months | 5.25% |
| 60 months | 5.50% |
| 72 months | 6.00% |
| 96 months | 7.00% |
| 120 months | 7.50% |

Other Secured

| | APR |
|----------------------|-------|
| All Other Collateral | 9.90% |

Real Estate Loans

| | APR |
|-------------------------|------------|
| First Mortgage 15 years | 6.25% |
| Second Mortgage | 6.50% |
| Unimproved Property | 7.00% |
| Construction Loan | Prime + 1% |

Home Equity Line Of Credit (HELOC)

| | APR |
|--------------------------|----------|
| LTV = 0-50%, Prime - 1 % | Variable |
| LTV = 51-80%, Prime | Variable |
| LTV = 81-90%, Prime + 1% | Variable |
| HELOC Fixed Rate | 7.25% |

APR in this issue stands for Annual Percentage Rate.

APY in this issue stands for Annual Percentage Yield.

Rates subject to change without notice.

*This is our lowest rate based on approved credit. Actual rate offered to you will be determined by your credit experience and may be higher.

Statistical Recap as of 11/30/05

| | |
|----------------------|-----------------|
| Total Assets | \$96,543,711.00 |
| Total Loans | \$71,475,213.00 |
| Total Share Accounts | \$82,769,329.00 |
| Total Members | 11,008 |



Main Office

480 Highway 29 South
Cantonment, FL 32533
Monday – Friday 7 AM to 5 PM
ATM

Ninth Avenue Branch

8001 North Ninth Avenue
Pensacola, FL 32514
Monday – Friday 9 AM to 5 PM
ATM

Blue Angel Crossing Branch

9285 Hwy 98 W.
Pensacola, FL 32506
Monday – Friday 9 AM to 5 PM
ATM

International Paper Branch

Monday, Tuesday, Wednesday,
Friday 8 AM to 4 PM
Thursday 6:45 AM to 4 PM

Bank-by-Phone

850.968.6271
800.859.2073

**HARVESTERS
FEDERAL CREDIT UNION**

P.O. Box 5
Cantonment, FL 32533

**Phone 850-968-2233
Toll-Free 800-859-2077**

HarvestersFCU.com

Holiday Schedule for 2006

Monday, January 2 _____ **New Years Day Observed**
Monday, January 16 _____ **Martin Luther King Day**
Monday, February 20 _____ **Presidents Day**
Friday, April 14 _____ **Good Friday**
Monday, May 29 _____ **Memorial Day**
Tuesday, July 4 _____ **Independence Day**
Monday, September 4 _____ **Labor Day**
Monday, October 9 _____ **Columbus Day**
Thursday, November 23 _____ **Thanksgiving Day**
Monday, December 25 _____ **Christmas Day**

Visit Our New Improved Website!

HFCU now has a new and improved website. Visit www.harvestersfcu.com and check it out! Our HARVē Online Service can save you on both money and time by allowing you to view your account, make transfers, pay loans, utilize our billpay services, view account history, apply for a loan and many many more features right from your own home, 24 HOURS A DAY, 365 DAYS PER YEAR! It's as easy as pie! If you have any comments or questions please call one of our branches today. Our goal is to SERVE YOU!

