



# Lusitania Savings Bank

## Winter Newsletter

### 2012



## Picnic 2012: A Huge Success

### Main Office:

107 Pulaski Street  
Newark, NJ 07105  
(973)344-5125

### Branches:

210 Ferry Street  
Newark, NJ 07105  
(973)589-1555

302 Frank E. Rodgers Blvd.  
Harrison, NJ 07029  
(973)268-7801

1135 Liberty Avenue  
Hillside, NJ 07205  
(908)527-7994

**Express Banking**  
(973)344-5683

**Internet Banking**  
[www.Lusitaniabank.com](http://www.Lusitaniabank.com)

### Business Hours:

Mon-Wed	9:00 am-5:00 pm
Thursday	9:00 am-6:00 pm
Friday	9:00 am-7:00 pm
Saturday	9:00 am-2:00 pm

### Drive Thru Schedule:

#### Pulaski Office

Mon-Wed	8:30 am - 5:30 pm
Thursday	8:30 am - 6:00 pm
Friday	8:30 am - 7:00 pm
Saturday	8:30 am - 2:00 pm

#### Hillside Office

Mon-Wed	9:00 am - 5:00 pm
Thursday	9:00 am - 6:00 pm
Friday	9:00 am - 7:00 pm
Saturday	8:30 am - 2:00 pm



Lusitania's annual Picnic is our way of showing our dedication to the community, as well as our appreciation to our customers for allowing us to serve their financial needs.

The 2012 Picnic was once again held at Forest Lodge in Warren, New Jersey. Approximately 3,000 people in attendance were able to take full advantage of everything the location had to offer. Guests had various entertainment choices such as, sport activities, different food choices, swimming pools, music by Mx3 Band, the annual soccer match, the folklore Rancho Casa do Concelho dos Arcos de Valdevez, and even the broadcasting of the World Cup. Guests in attendance found themselves with plenty to enjoy.

Lusitania would like to thank all of this year's participants for once again making this annual tradition a tremendous success. We hope to see all of you again at next year's Picnic.



## Message from the President



Ever since the financial crisis began back in 2008, the Federal Reserve has taken a consistent approach in its efforts to improve the nation's economy. Unfortunately for those of us struggling under the burden of economic pressures, consistency in this case isn't really a good thing.

The Federal Reserve (or "Fed") has addressed the financial crisis in a manner that can only be described as short-sighted, with the prospect of only limited short-term gains but considerable long-term harms looming in the future. The Fed's strategy has been to drive interest rates down to historically low levels, a strategy it has executed in part by buying bonds and printing money. As a result, interest rates on loans have stayed low over the past three years, but then so have interest rates on deposits, the latter approaching zero percent. Essentially, the Fed's gamble has been that keeping

interest rates low across the board will help new borrowers more than it will hurt current savers. Has the Fed's gamble paid off? Even the most optimistic of individuals would be hard-pressed to argue that it has. The Fed's gamble depends entirely on there being significant cost savings to new borrowers from low interest rates on loans. The problem with that reasoning is that it assumes that consumers will be driven to borrow more money when interest rates are so low. Yet, a quick look at the real estate market shows that the droves of new borrowers in the market that the Fed was counting on simply never materialized, despite the ready availability of money to lend. What the Fed failed to realize is that consumers don't borrow money just because rates are low. They borrow money when they think that there's a profit to be made in the process. With the real estate market in the shape that it's in, consumers are hesitant to borrow because they aren't confident they can

continued on the next page...



**Online Bill Pay is here**

The 1<sup>st</sup> Bank to convert from a Credit Union in the United States  
EQUAL OPPORTUNITY LENDER





## Message from the President continued...

make a profit, regardless of how cheap money is to borrow. As a result, the short-term positive impact of the Fed's gamble has been minimal. On the flip side of that coin, consumers who have saved their funds carefully over the years and count on deposit interest to supplement their income have been the collateral damage in the Fed's strategy. These individuals did not contribute to the economic crisis: they believe in saving money before you borrow money. Yet now they find themselves as innocent casualties, left with few alternatives to supplement their income other than risky investment strategies. Unfortunately, the worst is likely still to come. The Fed can print as much money as it desires and will continue to do so in the near future. But there are no free lunches here – someone is always left paying the bill. In this case, it will be in the form of inflation. It's been proven time and time again that when the government creates money out of thin air, inflation is always the result. Costs to consumers will go up as a result and the value of everyone's money will go down. Those are the likely long-term costs of the Fed's strategy, a gamble designed to help the borrowers. In the meantime, who speaks for the savers?

Augusto A. Gomes  
President & CEO

## SAFE DEPOSIT BOXES



Available at our  
Pulaski Street Main Office  
Ferry Street Branch

### SAFE DEPOSIT BOX SIZES:

Small 5" x 1.5"    Large 5" x 4.5" (Ferry)  
Small 4.5" x 2.5"    Large 4.5" x 4.5" (Pulaski)

Safe deposit box rental is a bank service extended to customers for their convenience in securing personal possessions. It should be understood that there is no government or bank provided insurance for safe deposit box content.

## ONLINE BANKING

Visit our web page at [www.Lusitaniabank.com](http://www.Lusitaniabank.com) and sign up!

### Online Bill Pay Get Started Now!

Some key features:

- Account Summary
- Account Statements
- Account Alerts:
  - Checking Balance Alert
  - Checking Deposit Notice
  - Check Cleared Notice
  - Savings Balanced Notice
  - Savings Deposit Notice
  - CD Balance Alert
  - Consumer Loan Balance Alert
- Funds Transfer
- Check Images
- Transactions Export:
  - Comma Separated File (CSV)
  - Single Column CSV
  - Intuit Quicken
  - Microsoft Money



## Consumer Loans

### Auto Loans New or Used

*Refinance your car loan with us and save .25% on your interest rate by having payments directly deducted from your personal checking account.*

- Get the car you want with payments that fit your budget.
- Quick approvals with competitive rates.
- Loans amounts up to 90% of new vehicle purchase price/market value.
- Flexible refinance terms available.
- Financing for a large variety of personal and commercial motor vehicles.
- 100% financing for qualified applicants.



### Lines of Credit

*Our Lines of Credit offer you more than convenience, they can save you money. Pay off interest credit card balances and consolidate other high-cost loans into a low interest Line of Credit with flexible payments. With a personal line of credit you will pay interest only on the amount used. You will be ready to take advantage of a great opportunity or cover an emergency up to your credit limit.*

### Personal Loans

*Need extra cash for the holidays? We can help! Take advantage of our personal loan programs and free up some cash for gift shopping and other holiday expenses. Our personal loans feature fixed rates and regular payment schedules, and may be used for any purpose from vacations to tuition.*

### Account Loans

Account loans use your savings or certificate of deposit account as collateral. Loan terms may not exceed the deposit account terms. The deposit account balance becomes available as debt is repaid. This simple, convenient service has affordable rates and provides you with immediate funds without affecting your hard earned savings.

## Surcharge-Free ATM Network

Locations near you:



**Newark, 07105** - Walgreens, Postal Center Plus, Quick Chek

**Harrison, 07029** - Hess Station, Quick Chek, Value Plus Pharmacy

**Kearny, 07032** - CVS, Hess Station, Quick Chek

**Elizabeth, 07201** - Walgreens, Rite Aid, 7-Eleven

**Union, 07083** - Target, 7-Eleven, Costco

**Clark, 07066** - Target, Walgreens, Quick Chek

You can find the nearest Allpoint ATM by simply visiting their website at [www.AllpointNetwork.com](http://www.AllpointNetwork.com) or calling 1-800-809-0308.

PLEASE NOTE: Some Allpoint ATMs may still display a surcharge screen during your Allpoint transaction. If that happens, simply enter "Yes" to accept the surcharge and proceed with your withdrawal. YOU WILL NOT BE CHARGED THE SURCHARGE.



# The Scam Update

Helping to keep  
you scam-free!

*It's your money, so keep it that way stay informed!*

In this issue: **Charity and Home Repair Scams**

In the wake of Hurricane Sandy, the Federal Trade Commission (FTC) is reminding consumers that scams often follow after disasters. Customers should be extra cautious in the post-hurricane environment and be on the lookout for scams involving charitable donations and/or offers for home repairs. Here's what you need to know:

## **CHARITABLE DONATION SCAMS**

If you are asked to make a charitable donation to help people in disaster-affected areas, you should consider these tips to giving wisely:

- Donate to charities you know and trust. Be alert for charities that seem to have sprung up overnight.
- Ask if the caller is a paid fundraiser, who they work for, and what percentage of your donation goes to the charity and to the fundraiser. If you don't get a clear answer — or if you don't like the answer you get — consider donating to a different organization.
- Do not give out personal or financial information — including your credit card or bank account number — unless you know the charity is reputable.
- Never send cash. You can't be sure the organization will receive your donation, and you won't have a record for tax purposes.
- Check out a charity before you donate. Contact the Better Business Bureau's Wise Giving Alliance at <http://www.bbb.org/us/charity/>.

## **HOME REPAIR SCAMS**

Fraudsters target disaster-affected areas, hoping to cash in on property owners insurance settlements and financial relief from the federal government. Home and business owners who need to hire a contractor should:

- Deal only with reputable people in your community.
- Do not hire contractors who show up unsolicited, even if they appear honest and helpful.
- Deal only with licensed contractors and ask to see copies of the contractor's general liability and worker's compensation insurance.
- Check the contractor's identification and references.
- Beware of contractors who refuse to provide a written estimate/contract or will only accept cash payment.
- Avoid paying more than the minimum in advance.
- Call local law enforcement and the Better Business Bureau if you suspect a con.

## **5 Tips for Shopping for a Mortgage**

1. Know what you can afford
2. Shop around—compare loans from different lenders
3. Understand loan prices and fees
4. Know the risks and benefits of loan options
5. Never sign under pressure, get advice from trusted sources.

Shopping around for a home loan or mortgage will help you to get the best financing deal. Whether it's a home purchase, a refinancing, or a home equity loan, a mortgage is product, just like a car, so the price and terms may be negotiable. You'll want to compare all the costs involved in obtaining a mortgage. Shopping and comparing may save you thousands of dollars.

## **Compare Loans Before Deciding**

A mortgage loan is one of the most complex, most expensive financial commitments you will ever assume. It's okay to ask for help. Talk with a trusted mortgage loan counselor at Lusitania. Lenders are required by federal law to provide a "good faith estimate" within three days of receiving your loan application. The estimate should give you a detailed approximation of all costs involved in closing. Review these documents carefully and compare these costs with those for other loans. You can also ask for a copy of the HUD-1 settlement cost form detailing all closing costs one day before you are due to sign the final document.

Stop at one of our offices today  
for a personalized loan consultation and to pick up a detailed  
Mortgage Comparison Shopping Worksheet

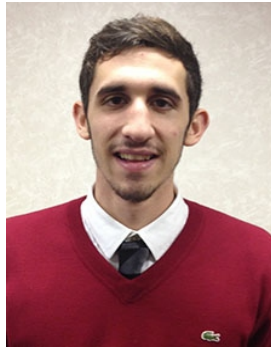
## **FDIC INSURANCE**

Please be aware that the Federal Deposit Insurance Corporation (FDIC) permanently raised the current standard maximum deposit insurance amount to \$250,000. The FDIC insurance coverage limit applies per depositor, per insured depository institution for each account ownership category. Feel free to visit the FDIC web page for more information: [www.fdic.gov](http://www.fdic.gov)

## We would like to welcome our New Employees



Stephanie Fernandes  
Antunes - Arcos de Valdevez



Steven Abalo -  
Galiçia, Spain



## YOUR CREDIT Do You Know Who's Checking?

Who's checking your credit score and history? Maybe a lot more people than you think.

There are obvious parties who need to verify how you handle credit, like banks, credit card companies and department stores.

But did you know that your boss, insurance agent, landlord and even utilities and cell phone providers can gain access to this information and decide whether to provide you service or not based on your credit information? With limited factors upon which to judge your good character, more than ever people outside the lending business are relying on your credit history to check up on you.

Since Federal law permits consumers to obtain a free report annually from each of the three major credit reporting agencies, experts advise that you should get a free report from a different agency every four months. Doing so will allow you to monitor your personal security all year long.

**TO ORDER YOUR FREE CREDIT REPORT,  
GO TO THE ONLY AUTHORIZED SOURCE:**  
**[www.annualcreditreport.com](http://www.annualcreditreport.com)**  
**1-877-322-8228**

## LET US HEAR FROM YOU

### How can we serve you even better?

We strive to provide excellent service to you every day, in everything we do. This means constantly improving upon the way we do business, and we want your input on how we can further improve. Please share your suggestions on ways we can serve you even better.

***Our team will review all suggestions submitted, and if we decide to use yours, we'll pay you \$50.00 for it?***

Please mail this form to: **Lusitania Savings Bank, fsb**  
**Attn: Augusto Gomes, Pres/CEO**  
**107 Pulaski Street, Newark, NJ 07105**  
**[aagomes@lusitaniabank.com](mailto:aagomes@lusitaniabank.com)**

***That's how serious we are about excellent customer service!***



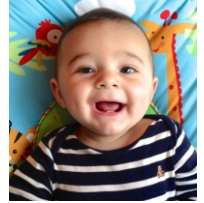
All of us at Lusitania would like to congratulate the following employees on their new addition to their families.



Alexis & Hailey  
daughters of  
Michelle and  
Francisco  
Queiruga



Kevin  
son of Filipe and  
Paola Fernandes



Logan  
son of Jorge and  
Jannine Gomes

## THANK YOU NOTE



We would like to take the opportunity to thank all the customers who donated to our recent fundraising events. We collected \$3,000 to help the Juvenile Diabetes Research Foundation International (JDRF). Once again, thank you.

## MANAGEMENT TEAM

### Officers:

**Augusto A. Gomes:** President/CEO  
**Jorge S. Gomes:** Executive VP/GC  
**Sandra M. Teixeira:** VP of Finance  
**Maria C. Pequeto-Duarte:** VP of Lending  
**Florbela De Almeida:** VP of Operations

### Branch Managers:

**Sandra Fernandes:**  
Branch Coordinator  
**Sandra Martins:** Ferry  
**Michelle Queiruga:** Harrison  
**Filipe Fernandes:** Hillside

## Lusitania VISA® Credit Cards

Apply Today - Buying power you need,  
from the bank you trust.



- 0% Introductory Rate
- Special \$25 Bonus
- Unlimited Cash Back
- Unrestricted Travel Rewards
- Merchandise & Gift Cards
- No Annual Fee

This newsletter is intended to provide accurate and authoritative information in regards to the subject matter covered. The information in this newsletter is not intended to provide specific advice or recommendations. For legal or other expert advice, we recommend consulting your attorney, accountant, tax or financial advisor.

If you are unhappy with our services please let us know.