



NEWSLETTER

WINTER 2022



Mobile Deposit

Sign ➡ Snap ➡ Submit!

With Mobile Deposit on the MyLusitania app, you can deposit checks and money orders through your mobile device - from anywhere, any time!

ANDROID APP ON Google play

Available on the App Store

SAFE DEPOSIT BOXES

SAFE DEPOSIT BOX SIZES:

Pulaski Street Main Office: Small 3" x 5" Large 5" x 5"
 Ferry Street Branch: Small 2" x 5" Large 5" x 5"
 Harrison Branch: Small 3" x 5" Large 5" x 5"
 Hillside Branch: Small 3" x 5" Large 5" x 5"



Available at All our Branches

A Message from the President



If you've been paying attention to the economy lately, you know that inflation is on everyone's mind, from government officials to your neighbors living next door. The prices of products have gone up across the board, as anyone who has gone to a supermarket recently will tell you. So what can the federal government do to bring down the inflation rate? The tools that the federal government has at its disposal to fight inflation are called its "monetary policy." It is the job of the U.S. Federal Reserve System to come up with that monetary

policy. In 1913, Congress passed the Federal Reserve Act to establish the Federal Reserve as the central bank of the United States to provide the nation with a safer, more flexible and more stable monetary and financial system. The Federal Reserve's role in the economy has evolved over time. In 1977, Congress amended the Federal Reserve Act, stating that the Federal Reserve's monetary policy objectives were to maximize employment and maintain price stability. That is what is now called the "dual mandate." Fulfilling both goals of the dual mandate simultaneously is no simple task: as monetary policy brings down the unemployment rate, it can have the opposite effect on inflation. When more people are employed and capable of buying goods, it makes sense that the prices of those goods might rise. Conversely, the monetary policy steps the Federal Reserve takes to control the inflation rate can bring up the unemployment rate. The job of the Federal Reserve is to maintain that delicate balance act of keeping both the unemployment rate and the inflation rate under control.

The primary tool the Federal Reserve has at its disposal to fulfill the dual mandate is its control of the "fed funds rate." The fed funds rate is the interest rate that banks charge each other to lend Federal Reserve funds overnight. Why is that important to you? The fed funds rate strongly influences other interest rates that have direct impacts on consumers, such as what you are charged on credit cards, personal loans and mortgage loans. In an effort to boost the U.S. economy during the COVID-19 pandemic, the Federal Reserve lowered the fed funds rate in March of 2020 to almost 0.00% and maintained that level for two years. In March of 2022, the Federal Reserve began to increase the fed funds rate in response to concerns about inflation and has again increased it several more times since then. The fed funds rate now sits at almost 4.00% and economists predict that it could be

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Hasn't it been "just a dream" long enough?

Lock in a low mortgage rate for up to 5 years.

1yr ARM 2.750 % Rate 0 Points 5.846 % APR

3/1 ARM 2.990 % Rate 0 Points 5.403 % APR

5/1 ARM 3.125 % Rate 0 Points 5.053 % APR



1 Yr. ARM Payment Example: 12 payments of \$408.24, then 12 payments of \$533.00 at a rate of 5.000%, then 336 payments of \$607.53 based on a fully indexed rate of 6.250%. 3 Yr. ARM Payment Example: 36 payments of \$421.06, then 12 payments of \$526.63 at a rate of 5.000%, then 312 payments of \$596.32 based on a fully indexed rate of 6.250%. 5 Yr. ARM Payment Example: 60 payments of \$428.38, then 12 payments of \$527.42 at a rate of 5.000%, then 288 payments of \$685.96 based on a fully indexed rate of 6.250%. APRs quoted are based on a \$100,000 loan for a 1-family, owner occupied dwelling with a 20% down payment, a 30 yr. amortization term, and a minimum finance charge of \$455.00. Adjustable-Rate Mortgages are variable rates and the annual percentage rate may increase or decrease after the initial fixed period. The renewal rate is based on an index plus a margin of 2.00%, 2.00% annual adjustment caps, a floor rate equal to the initial rate, and a 6.00% lifetime cap. Current Index is the 5 Yr. Treasury Security. Actual monthly payment may be higher, payment examples do not include applicable property taxes, fees, insurance premiums or other related costs. Rates and annual percentages are effective as of the publication date of this ad and are subject to change. Please speak with our Mortgage Department for additional terms and conditions that may apply. Subject to credit approval. Other rates and programs are available.

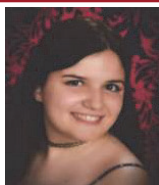
NMLS # 640892 EQUAL OPPORTUNITY LENDER

further increased in the year ahead. While this monetary policy will eventually have the intended effect of controlling inflation, it also means that consumers will not enjoy the luxury of the ultra-low mortgage rates that came with the low fed funds rate of the last few years. Recently, the national average rate of a 30-year fixed-rate mortgage topped 7.00%, which stands in stark comparison to the rate of 3.10% during the same period last year.

At Lusitania Savings Bank, we understand that rising rates (along with an increase in the prices of available homes for sale) have put a serious dent in the dreams of consumers looking to purchase real estate. In an effort to reduce the impact of those rising rates on your ability to buy a home or investment property, we have rolled out several new loan programs specifically designed to save you money when compared to what other banks are offering. Lusitania is currently offering two loan programs that promote investment in local real estate while keeping your interest costs down. Our "Community First" loan program offers heavily-discounted fixed interest rates when you purchase a residential property in any of our "communities" of Essex, Hudson or Union counties. Our "Community Investment" loan program also offers discounted fixed interest rates for the purchase of an investment property (whether owner-occupied or not) in any of Essex, Hudson or Union counties. Finally, in order to help consumers to qualify for loans that they might not otherwise be able to afford, Lusitania is offering adjustable rate mortgages that allow you to lock in low interest rates (similar to rates we saw in 2020 and 2021) for a period of either 1, 3, or 5 years. Scan the QR code you'll find in this newsletter and you will see just what I mean. Lusitania has always taken great pride in being a true "community bank" with a different approach than other banks. We welcome the chance to show you how we are doing that for loan customers even in this rising rate environment.

Jorge S. Gomes,
President/CEO

New Employees



Michelle Barbosa
Monte, Murtosa,
Portugal



Joana Silva
Marco De Canaveses,
Portugal



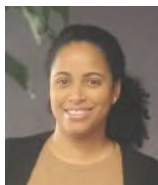
Juliane Canto
Sao Paulo, Brazil



Susana Ramos
Anadia, Aveiro
Portugal



We are currently hiring!



Rosangela Brito
Dominican Republic



Kayla Pinto
Arcos de Valdevez, Portugal



Ana De Freitas
Braga, Portugal

MANAGEMENT TEAM

Officers:

Jorge S. Gomes, Esq.: President / CEO
Sandra M. Teixeira: VP of Finance
Maria C. Pequeto-Duarte: VP of Lending
Florbela De Almeida: VP of Operations
Brian Alves: BSA Officer

Branch Managers:

Diogenes Lourenco:
Branch Coordinator /
Security Officer
Alda Candido: Ferry
Steve Da Silva: Harrison
Sandra Martins: Hillside

CRYPTO Not Covered By FDIC



FDIC Deposit Insurance Coverage

• By federal law, the FDIC *only* insures deposits held in insured banks and savings associations (collectively, "insured banks") and *only* in the unlikely event of an insured bank's failure. The FDIC does not insure assets issued by non-bank entities, such as crypto companies.

• Deposit insurance applies to products such as checking accounts, savings accounts, and certificates of deposit held at insured banks. (<https://www.fdic.gov/resources/deposit-insurance/financial-products-insured/index.html>)

• The FDIC only pays deposit insurance after an insured bank fails. Coverage is only available for the deposits that are held in the insured bank at the time of its failure.

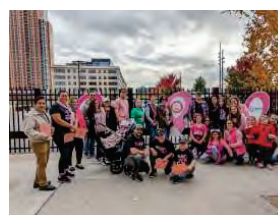
Products and Risks Not Covered by Deposit Insurance

• FDIC deposit insurance does not apply to financial products such as stocks, bonds, money market mutual funds, other types of securities, commodities, or crypto assets.

Supporting our Community



Thank you to all the employees that raised \$785.00 and participated by joining Family Service League / SAVE of Essex County in the September "NJCASA'S Movement for a Safer NJ" walk in Bradley Beach, NJ, in addition to the \$2,000.00 donated by Lusitania Savings Bank.



Thank you to all the customers and employees that donated and participated in the October "Making Strides Against Breast Cancer" walk in Newark, raising \$3,000.00.



During November 2022, Lusitania raised funds for pancreatic cancer research. Special t-shirts, water bottles and hats were gifted in appreciation for a small donation, with all proceeds going to charity.



Thank you for all that donated to our annual "Toys for Tots" drive. All toy donations dropped off at one of our branches help make the holidays special for a less fortunate child this year.



In a new effort to support those in need in our local communities, employees participated in raising funding to help feed low income families during the Holiday Season in partnership with the Community Food Bank of New Jersey.