

TO SUMMITUP

MARCH 2003

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Photo by City of Rochester, N.Y.

Joining The Summit is easier than ever

Summit membership is now open to individuals who live, work, worship, volunteer, or attend school in the City of Rochester! Plus, businesses and other legal entities located in the City of Rochester are also eligible to join!

The Summit Federal Credit Union is pleased to announce an exciting change to its membership eligibility. In December 2002, the National Credit Union Administration (NCUA) approved a request from The Summit to serve individuals who *live, work, worship, volunteer, or attend school* in the City of Rochester. Additionally, we will be able to serve businesses and other legal entities located within the city. Immediate family members or household members of individuals who qualify for memberships through our expanded charter are also eligible to join The Summit. The Summit

Federal Credit Union will be able to provide its many credit union services and products to an area that statistically speaking does not have the availability of a varied selection of full-service financial options.

Anyone interested in The Summit can explore our web site at www.summitfcu.org, stop by one of our convenient branches, or call **585-453-7030 (1-800-836-SFCU, ext. 7030 toll free)** to find out more about the money-saving services and special privileges Summit membership brings. A Membership Enrollment Application can be obtained online at www.summitfcu.org, by mail, or at any of our convenient branches.



The PRESIDENT'S MESSAGE

By Michael S. Vadala, President & CEO of The Summit FCU

The unique structure of your credit union makes us very different from our competitors, and this should be of great importance to you. The fact that you own the credit union, that you elect our volunteer Board, and that we are a not-for-profit financial cooperative allows us to operate in a way that is entirely different from for-profit financial institutions.

First and foremost, this is YOUR credit union. When we do well, you do well. You, the members, own The Summit and you have elected a volunteer Board of Directors who make decisions on your behalf. Each day, you get the opportunity to evaluate the job that your elected volunteers are doing, as well as the staff that they have appointed to run the daily operations of our financial cooperative. We are always open to your comments and suggestions.

The fact that YOU own The Summit makes a difference in how we do our business planning. We are motivated to create an organization that works for you, the member, and the owner, one and the same. We invest in the communities where you live, and strive to provide products, services and conveniences that will make your lives better. In the wake of the corporate scandals that have sent the economy backward, it may be important to you to know that there are no stock options being waved in front of our executives and Board members. Stock options have served as an incentive for making short-term decisions that maximize shareholder wealth and ownership interest in the corporation, while not adding to the company value. There will be none of that here – and that is because of our structure. Our structure is probably our greatest competitive advantage and it is important that you understand how the credit union operates.

With that in mind, we are able to make good long-term decisions that maximize the benefit that you receive today and in the future, from your credit union. We apply a carefully calculated balance to decision making, considering member needs, employee needs, and the safe and sound performance of your credit union. This balanced approach to decision-making and the consideration that we give to each of these important factors allows us to be very successful.

A recent study indicates that we have succeeded in providing a great deal of benefit to you. We have recently completed our annual Membership Survey, and the results are beyond our greatest expectations – 97% of our members are satisfied or very satisfied with the job that we are doing. This exceeds the 92% ratings of 142 credit unions from all over the nation that utilized the same survey. This instrument has also allowed you to convey your thoughts on the changes that you would like to see, if any, and on any of your needs that we can address in the future. Very importantly, you have told us that you feel more loyal to The Summit than a year ago, and are more likely to bring your financial business to us again this year. It is very gratifying to hear that you hold our staff at The Summit FCU in the highest regard. In your opinion, The Summit's knowledgeable and friendly staff is exceptional. You have rated our employees' ability to serve your financial needs as better than our competitors, and you have told us that our professionalism is top notch.

All that said, it is our unique structure as a not-for-profit financial institution with volunteer leadership that makes us better than the rest, and the best choice for your financial services. We hope that you agree. We look forward to continuing to work on your behalf in 2003.

Michael S. Vadala, President & CEO of The Summit FCU

Annual Board Election News

Each year, the terms of three Summit Board Members expire and a Nominating Committee, comprised of Summit members, is formed to nominate members for the Board of Directors. This year, the committee has nominated the following three individuals for the Board of Directors:

SARAH AYER

Ms. Ayer was appointed to the Board of Directors in September 2001. She also serves on the Legislative Committee. Prior to her Board appointment, Ms. Ayer served on the Nominating Committee for over five years, including 3 years as Chairperson. Ms. Ayer is an attorney for AT&T Corporation. She has three children and lives in Brighton, New York.

ELIZABETH A. DUDMAN

Ms. Dudman is currently the Vice Chairperson of The Summit's Board of Directors, and a member of the Compensation and Legislative Committees. She has served on the Board of Directors since 1994, holding positions as Vice Chairperson (1996 – 1999) and Chairperson (1999 – 2002). Ms. Dudman is employed as Director of Real Estate at the University of Rochester. Previously, she was in Site Development and Project Engineering at Wegmans and worked in Community Development for the City of Rochester. She and her husband, John Diehl, and her three children live in Penfield, New York.

RICHARD E. OTTALAGANA

Mr. Ottalagana has served on the Board of Directors since 1988, holding the Chairman of the Board position from 1991 through 1999. Prior to him becoming a Board member,

he served on the Supervisory Committee for over 10 years. During that time, he was that committee's Chairman for a two-year period. Mr. Ottalagana is Executive Vice President of PaeTec Communications. He and his family reside in Victor, New York.

Under guidelines specified by the National Credit Union Administration (NCUA), members interested in petitioning to run for a volunteer position on the Board of Directors may do so by complying with these procedures:

1. A petition must be signed by 1% of our membership (at least 410 members). Signatures must be legible and include the member's account number.
2. Included with your petition must be a statement of qualification and biography with information about your current job, related credit union or financial experience, and any other committee involvement. Petitions must be received by April 10, 2003, and sent to: William Reifsteck, The Summit FCU, Canal Ponds Business Park, 100 Marina Drive, Rochester, New York 14626.
3. If the credit union does not receive any petitions, a general election will not be held and the candidates selected by the Nominating Committee will be appointed to The Summit Federal Credit Union's Board of Directors.



Because you never know where life's roads might take you, plan ahead with Summit Investment Services.

Whether it's full speed ahead on the road to retirement or embarking upon a new career path, Summit Investment Services' full array of products and services can help you reach your goals.

We all know that life has the potential for unexpected financial "detours" so be prepared with:

- Retirement planning - including 401K and profit sharing plan rollovers
- Household budgeting and financial planning
- Wealth transfer planning
- Education planning
- Tax-advantaged investing
- Life insurance

Don't let financial insecurity become a roadblock to your future. Summit Investment Services* can help you pave the way to financial security for you and your family.

Take the first step by contacting a professional Financial Consultant at 585-453-7230 or 1-800-836-SFCU ext. 7230 to set up a free no-obligation appointment.

*Summit Investment Services is a division of Canal Ponds Credit Union Services, Inc., which is a subsidiary of The Summit Federal Credit Union. Investments or securities are offered through Linsco/Private Ledger and are not federally insured, are not obligations of the credit union, are not guaranteed by the credit union or any affiliated entity, and involve investment risk, including the possible loss of principal. Linsco/Private Ledger is a member of the SIPC (Securities Investor Protection Corporation) and the NASD (National Association of Securities Dealers).


**Summit
Investment Services**
A division of Canal Ponds Credit Union Services, Inc.

Manage your finances the easy way, from the comfort of your own home or office, at www.summitfcu.org

Today's computer technology is drastically changing the way consumers perform their financial transactions. Summit members are no exception to this "electronic" financial environment. With The Summit's full range of online services, your credit union transactions are now easier than ever!

All of The Summit's online services are secure, reliable, and available 24 hours a day, 7 days a week, 365 days a year.

Summit Online Access

- Access your various Summit savings and loan accounts with just a few clicks
- Check your account activity and balances
- Transfer funds between your Summit accounts (See the diagram on the next page)
- View and/or print the front and back images of your Summit canceled checks
- Submit secure, confidential loan applications

Bill Payment Service*

- Quickly make bill payments directly from your computer
- Schedule recurring payments and program bills to pay automatically
- Verify past payments
- Save money on stamps and paperwork

*The Bill Payment Service option is free to all Summit Premier and Plus Relationship Level members. A monthly fee of \$4.95 will be deducted from your checking account on the first business day of each month if you are a Summit Classic member.

Online Statements

- Safe, simple, and fast receipt of your Summit statement
- Conveniently print or easily download your statements to your computer for future reference
- Less paper clutter

VISA® Account Access

- View your Summit VISA credit card account's credit limit, available credit, or current balance
- Check your next payment due date or payment due amount
- Get your interest paid year-to-date or interest paid the prior year
- Look at your current credit card transactions

● = FREE for all Summit members



Stock Quotes

- Receive 15 minute delayed stock quotes for stocks traded on all major exchanges
- Get current prices for up to 20 different stocks
- Enter customized portfolio information and let the system update your current portfolio value

The Summit's Web site

www.summitfcu.org

You'll find financial tools such as:

- Various calculators to determine loan payments, savings goals, retirement planning, mortgage prequalification, and more
- CUNA Brokerage Service* offers FREE 24-hour access to a wealth of investment information, plus online trading at a very low-cost

You can download a Summit Membership Enrollment Application form or submit secure, confidential applications online for:

- A variety of loans – from a Summit Mortgage to a Home Equity Loan to an home improvement or Overdraft Protection/Line of Credit
- A VISA® Classic or a VISA® Gold credit card

* Securities sold through CUNA Brokerage Services, Inc., member NASD/SIPC, 5910 Mineral Point Road, Madison, WI, 53705. Investments are not federally insured, may lose value, are not under written or guaranteed by The Summit FCU.

Additional Online Services – Coming Soon!

Shop online securely with Verified by VISA®! Verified by VISA is a service for Summit VISA credit cardholders that shop online at participating merchants located across the country. This service protects members by requiring a personal password to validate their identity. It's totally free and easy to use!

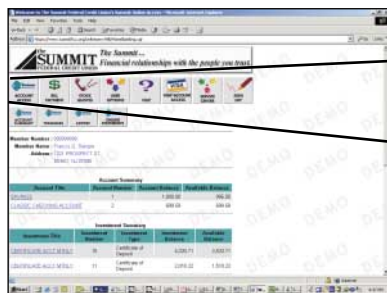
The Summit's online services offer ease and 24-hour flexibility. Managing your finances is just that convenient. Log onto www.summitfcu.org today!

Transferring funds is easier than you think!



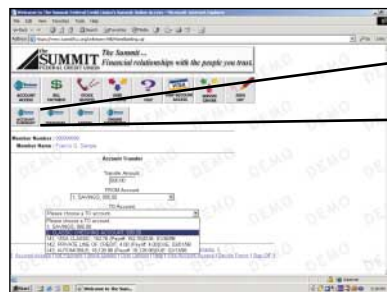
Step 1

Log on to the Summit Online Access page and input your Member Name and Password.



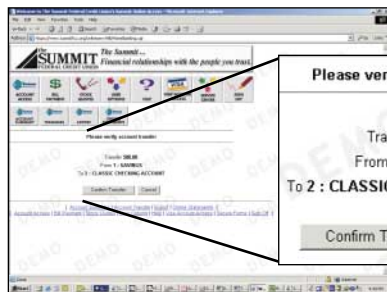
Step 2

Click the ACCOUNT ACCESS button and your account information will appear on the screen.



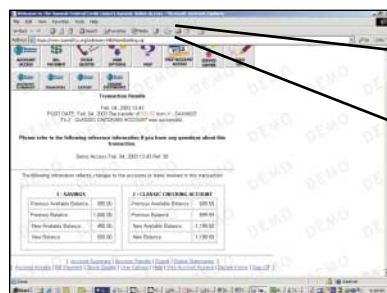
Step 3

Select the TRANSFERS button to enter the dollar amount and accounts you would like to transfer between.



Step 4

Verify your account transfer.



Step 5

The transfer is now complete! Print the transaction results for your files.



Loan applications
taken 24 hours
a day, 7 days
a week.

Apply online at
www.summitfcu.org
or call
1-800-836-SFCU

How are we doing?

Please take a moment to complete the **Member Online Survey**.

<http://www.summitfcu.org/contactus/survey.html>

As always, your feedback is greatly appreciated!

Experience Summit Online Access and Online Bill Payment today with the Summit Online Access Demo at

<https://www.summitfcu.org/online/serve/HB/Signon.cgi>

Ask The Expert

An Interview with Melissa Penlon,
Manager of The Summit's Mortgage Department



What types of mortgage products does the Summit offer?

Whether you're a first time home buyer or in need of a larger house to accommodate a growing family, The Summit has a full line of mortgage products and services to meet all of your needs, including:

- Fixed rate or adjustable mortgages with affordable terms
- Mortgage purchasing or refinancing options

How can members calculate how much they can afford to borrow?

In the Mortgage section of The Summit's website, members will find a calculator that can help them to determine how much they can borrow. We also have tools on the website that can calculate the payments for different loan amounts, interest rates, and amortization terms, and also calculate how much members can save over the term of their loan by increasing their monthly payment. There are many other useful tools on The Summit's website that can help home owners (and prospective home owners) make informed financial decisions about their mortgage. And, of course, members can always call us with any mortgage questions or concerns.

Can you tell me about The Summit's mortgage application process?

We've streamlined the entire application process and established an online application so that members can now apply online anytime of the day or night. We work one-on-one so that members are able to make themselves at home as soon, and as seamlessly, as possible.

For members that already own a home, is there a way to refinance an existing mortgage?

Yes, a member can refinance an existing higher-interest mortgage and lower their payments each month. With the Summit's competitive rates, members can realize savings of thousands of dollars over the term of the loan. (Our mortgage rate hotline is 585-453-7017). The Summit can even arrange shorter term loans to help reduce interest costs.

What other choices are available for home improvements other than equity loans?

Home Improvement Loans* from the Summit are ideal for your home improvement project (from full-scale changes to simply redecorating). During the month of March and April, we are offering competitive rates on Home Improvement Loans. Please call us or visit The Summit's website at www.summitfcu.org for more information.

What advice do you have for members that do not have funds at their disposal to place a large down payment on a house?

The Summit offers a unique product called the Home Starter Program* that is designed for borrowers with minimal funds for the down payment and closing costs. Qualifying Summit members can finance their home purchase often with as little as \$500 down.* The Home Starter Mortgage Program can make affordable home buying with a low down payment a reality for Summit members who qualify. There are eligibility requirements and additional qualifications for the Home Starter Program. Please call us for more details.

Can you offer any additional advice for Summit members planning on purchasing a new home?

I encourage interested Summit members and their guests to participate in our FREE Home Buying Seminar which will take place from 6:00 - 8:00 p.m., on Tuesday, April 29th at 100 Marina Drive, Rochester, New York. The seminar is a great opportunity for members to familiarize themselves with the complete home buying process – from choosing a realtor to selecting real estate to the closing. Family members, friends and coworkers are invited to participate also. With The Summit's new city charter, anyone who lives, works, worships or volunteers in the city of Rochester is eligible for membership... and for a Summit mortgage! So pass along the word and call 585-453-7098 to make your reservations today. We look forward to seeing you at the Home Buying Seminar!

For more information, visit the Mortgage section of the website at www.summitfcu.org or call us at 1-800-836-SFCU ext. 7030.

*You must be a member of The Summit FCU to take advantage of its products and services. All mortgage loans are subject to credit and property approval. Mortgage loans are available for owner-occupied 1-4 family residential dwellings and secondary residences located in New York State only. Home Starter mortgage loans have eligibility requirements and additional qualifications, and are available for owner-occupied single-family residential properties located in New York State only. Secured Home Improvement loans are only available on owner-occupied primary and secondary residences located within New York State. Certain restrictions apply. The Summit FCU is an Equal Housing Lender. We do business in accordance with the Federal Fair Housing Law and the Equal Credit Opportunity Act.

The Summit FCU Home Buying Seminar

Please join us:

Tuesday, April 29, 2003
6:00 to 8:00 p.m.
100 Marina Drive
Rochester, NY 14626

Limited seating is available.
Light refreshments will be served.
Reserve your place today!

Please RSVP by April 22
1-800-836-SFCU, ext. 7098



Identity Theft and You: What you should know about this crime

According to the Federal Trade Commission, identity theft has been the top consumer fraud complaint in America every year since 2000. Identity theft is a crime where an imposter wrongfully takes and uses another person's information in any way that involves fraud or deception. The unfortunate fact is that any time you share personal data, the door to the possibility of identity theft is opened. Even when you are extremely careful, sometimes identity theft can occur.

If it should happen to you

If you think you've become a victim of identity theft or fraud, the following steps can help you minimize the damage and regain your identity:

1. File a complaint form with the Federal Trade Commission via their ID Theft Hotline 1-877-IDTHEFT (or online at www.ftc.gov) or file a complaint form at www.consumer.gov/idtheft/.
2. Contact the three major credit reporting agencies and have a fraud alert applied to your credit report. At the same time, you should order your credit report and review it carefully for any fraudulent accounts opened in your name or unauthorized changes made to your existing accounts.
 - Equifax — www.equifax.com
To report fraud, call: 1-800-525-6285
 - Experian — www.experian.com
To report fraud, call: 1-888-EXPERIAN (397-3742)
 - TransUnion — www.transunion.com
To report fraud, call: 1-800-680-7289

3. Contact the Social Security Administration at 1-800-772-1213 or www.ssa.gov and alert them of the theft.

4. Contact our Member Service Center at 585-453-7030 or 1-800-836-SFCU ext. 7030 and report the identity theft to protect your Summit accounts.

How to avoid it

Managing your personal information wisely may be the best way to minimize the risk of identity theft and fraud. Check your credit report annually and review it for any inconsistent or inaccurate information. Your credit report can be ordered by contacting the three major credit reporting agencies (listed above). In addition, you should carefully and regularly review your financial information. Summit Online Access can help you monitor your Summit accounts. Monitoring your monthly statements and transactions can prevent you from becoming a victim of identity theft or fraud.

Have additional questions?

The Summit Federal Credit Union takes the issue of identity theft seriously. If you have any questions, please call our Member Service Center at 585-453-7030 (1-800-836-SFCU, ext. 7030).

Downtown Skyways Become Fairways for Charity

On Saturday, January 25, 2003, The Summit Federal Credit Union again participated in The Mental Health Associations' 9th Annual Rochester Skyway Open. Our participation included sponsoring one of the challenging holes within an 18-hole miniature golf course that ran through the downtown Rochester Skyway system.

The MHA Rochester Skyway Open benefits the programs and services of the association. The Mental Health Association is a local non-profit agency promoting mental wellness for individuals, families, and the community. By golfers paying to play and Rochester area organizations, like The Summit, sponsoring 1 of 18 holes, they are contributing to the proceeds of this event. The Summit has been a proud sponsor of the Rochester Skyway Open for the past five years.

A special thanks to The Summit's staff for the yearly creation of The Summit's challenging golf hole. This year's hole won Third Place for fun, originality, challenge and design.





Canal Ponds Business Park
100 Marina Drive
Rochester, NY 14626-5104



The Summit FCU's
ANNUAL MEETING

Tuesday, May 20, 2003

Watch for details!
www.summitfcu.org

PRSRRT STD
U.S. POSTAGE
PAID
ROCHESTER NY
PERMIT NO. 1905

A Summit Express Auto Loan makes buying your next car as easy as 1-2-3.

Here's all you do:

1. Visit one of our many participating area dealers. (A full listing is on our website at www.summitfcu.org or you can contact us by phone at (585) 453-7030.)
2. Find the vehicle you want.
3. Apply for your Summit Express Auto Loan right there at the dealership!

A new program from The Summit Federal Credit Union means members can now apply for a Summit Express Auto Loan at over sixty area dealerships. And the list is growing every day! For a complete list, visit www.summitfcu.org.



For auto purchases via private parties or non-listed dealers, other types of loans are also available from The Summit! A financial service provided by The Summit Federal Credit Union.



Joining The Summit Federal Credit Union couldn't be easier!

Thanks to a recent enhancement to our eligibility requirements; if you live, work, worship, volunteer or attend school in the City of Rochester, you could already be eligible to join!

To find out more about the new Summit Express Auto Loan program or to find out if you qualify for membership, contact us at
(585) 453-7030
or stop into one of our area branches today!

BRANCH LOCATIONS

Greece Branch & Corporate Office
Canal Ponds Business Park
100 Marina Drive
Rochester, NY 14626

East Rochester Branch
401 Main Street
East Rochester, NY 14445

Henrietta Branch
3333 West Henrietta Road
Rochester, NY 14623

Irondequoit Branch
2111 Hudson Avenue
Rochester, NY 14617

Seneca Falls Branch
123 Fall Street
Seneca Falls, NY 13148

585-453-7000
800-836-SFCU

MEMBER SERVICE CALL CENTER & LOAN DEPT.

585-453-7030
800-836-SFCU

MORTGAGE OFFICE

585-453-7010
800-836-SFCU

SUMMIT WEB SITE
www.summitfcu.org