

DEFENSE CONTRACTS SOUTH FEDERAL CREDIT UNION

QUARTERLY NEWSLETTER

July 1, 2002

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DIVIDENDS

Your Board of Directors declared the dividend for the second quarter as follows:

DIVIDEND RATE AND ANNUAL PERCENTAGE YIELD (APY)

BALANCES BETWEEN	RATE	APY
\$25.00 — \$499.99	1.00	1.00
\$500.00— \$1,999.99	2.00	2.02
OVER \$2,000.00	3.00	3.03

Note: The annual percentage yield is a percentage rate that shows the total amount of dividends, based on the dividend rate and the frequency of compounding for a 365-day period. Dividends are figured on date of deposit to date of withdrawal basis.

Deposit Limit: The limit on deposits remains at \$2000 per account per calendar month.

Vehicle For Sale

1995 Mitsubishi Eclipse: \$5,200

View pictures and car details at dcsfcu.com. Click on the "For Sale" link. Financing available with approved credit to non DCSFCU members.

Insurance Deductible Requirement:

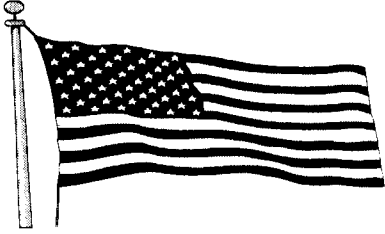
All vehicles financed with DCSFCU can have a maximum insurance deductible of \$500 for comprehensive and collision coverage.

CREDIT UNION STATISTICS

AS OF MAY 31, 2002

MEMBERS	2,546
ASSETS	\$27,577,868.84
SHARES	\$24,220,439.49
LOANS	\$9,674,870.32
CAPITAL	\$3,194,821.97

New Car Rates Remain At All Time Lows

Term	Rate	USA! USA! USA!
4 Years	5.65 %	
5 Years	6.15 %	
6 Years	6.80 %	

We Make Loans For The Good Times:

Vacations, landscaping, home improvement, college tuition, a family trip to Walt Disney World, airline tickets to Europe, a trip to the Caribbean, or Broadway show tickets

Or The Hard Times:

A/C repair, car repair, a medical emergency, or a new roof

Remember, in both good times and hard times, DCSFCU can be the answer to your loan needs.

Signature loans available for a maximum of \$7500

Mechanical Breakdown Warranty

coverage information for new and used vehicles is now available on-line at dcsfcu.com. Click on the "Links" menu item.

Your Savings
 Federally Insured to \$100,000
NCUA

National Credit Union Administration,
 a U.S. Government Agency

**Don't Miss
 The Boat**

**Boat Loans
 Are HOT
 This Summer**

\$\$\$\$\$ Refinance a car from another institution to our low rates. It is quick, easy and can save you serious money \$\$\$\$\$

Loan Rates with Payment Factors for Your Convenience on Reverse