



For Immediate Release

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Aloha Pacific Federal Credit Union Opens Las Vegas Branch

HONOLULU—Aloha Pacific Federal Credit Union (Aloha Pacific) announces the opening of its Las Vegas branch located at 8660 W. Cheyenne Ave. Ste. 110, Las Vegas, NV 89129. The development of this out-of-state location is a groundbreaking move and the first of its kind by any Hawaii-based credit union.

“To take advantage of a great financial opportunity, the leadership team and board of directors of Aloha Pacific decided to embark on a bold new plan,” said president/CEO Wallace Y. Watanabe. “This project is expected to add to member returns and strengthen the credit union. Research indicates great potential to service existing members and Hawaii residents who frequent this favorite vacation and retirement location.”

The branch was acquired from Silver State Schools Credit Union as part of their reorganization plan. The Vegas branch will capitalize on an untapped market by engaging existing members that live and vacation there. Plus expose new members to the Aloha Pacific mission.

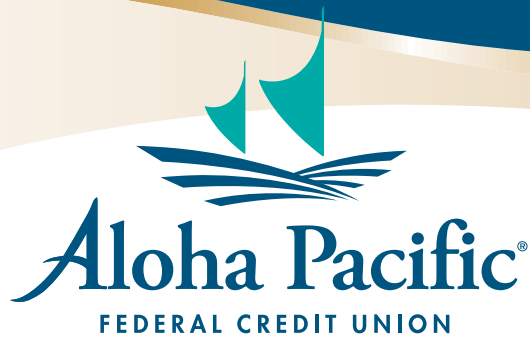
Our goal is to build lasting relationships in Hawaii and beyond,” said Watanabe. “The Las Vegas branch is just one part of our growth strategy, which we hope will sustain us for many years to come. We are bringing Aloha to Vegas.”

The branch is expected to open sometime in November 2010 (see attached FAQ).

About Aloha Pacific Federal Credit Union:

Founded in 1936 by industrious city employees, Aloha Pacific FCU is the third largest credit union in Hawaii with more than \$700 million in assets. It has nine branches and 48 ATMs. Membership is open to employees of the City & County, members of the Hawaii Government Employees Association as well as other select employee groups (SEGs) and their immediate family. For additional information, please visit www.kalanet.com.

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BRINGING ALOHA TO VEGAS

New Las Vegas Branch FAQ



Aloha Pacific embarked on a bold new plan to open a Las Vegas branch! This is a groundbreaking move intended to strengthen and diversify our credit union and the first of its kind by any Hawaii-based credit union. The branch will capitalize on an untapped market by engaging existing members that live and vacation there. It will also

attract new members to Aloha Pacific. Scheduled to open sometime in November 2010, it is part of our planned business growth strategy. Please review the FAQ below for more details.

Should you have additional comments, please contact us at “Aloha Pacific FCU, Attn: Marketing, 832 S. Hotel Street, Honolulu, HI 96813” or email support@kalanet.com.

WHERE IS THE BRANCH LOCATED?

Called the **West Cheyenne branch**, it is located at **8660 W. Cheyenne Ave. Ste. 110, Las Vegas, NV 89129**. This is about 20 minutes from downtown Las Vegas and 15 minutes from McCarran International Airport. We expect to staff the branch with a mixture of relocating Hawaii employees and current Nevada residents.

WHEN WILL THE BRANCH OPEN FOR BUSINESS?

The West Cheyenne branch is expected to open for business **sometime in November 2010** and a grand opening will be announced in 2011. For specific details and event information, visit our website at www.alohapacific.com.

WHAT ARE THE HOURS OF OPERATION?

The branch will be open weekdays 9:30 a.m. – 5:30 p.m., closed on weekends and holidays. The holiday schedule is under consideration and will be posted when the branch opens. The walk-up ATM is available 24-hours. Please visit our website (www.alohapacific.com) for a complete list.

WHAT PRODUCTS WILL IT OFFER?

The branch will offer the same products and services as our other branches. Members will be able to open accounts, loans and access services just like any of our Hawaii-based branches. Some services, like notary, are available by appointment only. At this time, the branch will not offer safe deposit boxes.

For the majority of products and services, we intend to have the same rates, fees and promotions. However, there may be differences due to special conditions and other state legal requirements.

IS MEMBERSHIP ELIGIBILITY DIFFERENT IN VEGAS?

No. The process of becoming a member will be the same. Any select employee group (SEG) and immediate family of an existing member is eligible to join. Visit www.alohapacific.com for a relationship chart. With over 1,000 SEGs, your friend or relative is almost certain to be eligible.

The branch will initially serve existing members that are retiring, vacationing or attending school; their immediate family living in the area; and other vacationing or former Hawaii residents. However, we intend to grow our presence by signing new Vegas SEGs and residents.

WHY DID ALOHA PACIFIC DECIDE TO OPEN A LAS VEGAS LOCATION?

We are committed to sustaining member benefits and service through growth. Research indicated that Las Vegas is a favorite vacation venue and retirement location for our members. The prospect of purchasing new facilities at a great price only added to the future economic benefits. We are preparing for the future by: (1) providing service to members in an area they frequently visit in growing numbers; (2) diversifying our geographic risk in operations and credit; and (3) building member value by acquiring valuable assets at a reduced price. The goal is to maintain our great benefits for future generations.

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HOW WAS THIS DECISION MADE?

While there are always inherent risks present in expansion, there are many opportunities given the current market cycle. Executive management submitted a formal proposal that outlined both the risks and opportunities. After reviewing all aspects, the board of directors voted to approve the branch.

HOW MUCH DID THIS COST MEMBERS?

All the furnishings and improvements were purchased at a discount. The actual budget is confidential, but it was presented by credit union management and approved by the board. We expect a favorable return on investment.

DOES THE CREDIT UNION OWN THE OFFICE SPACE?

The space is leased under a five year fixed-rate term with a five year renewal option. It is currently set up for a branch and furnishings are included. Our intention is to remain at the location indefinitely provided it is economically feasible.

ARE THERE PLANS FOR OTHER HAWAII OR MAINLAND BRANCHES?

At this time, there are no plans for other mainland locations, but the Kailua Branch will open by the end of the year (details pending). We continually evaluate our branch expansion strategy and look for high value opportunities.

WHY OPEN MAINLAND LOCATIONS WHEN WE HAVE SHARED BRANCHES?

A shared branch offers a limited number of services. It is difficult to accommodate lending, new account opening or other more specific financial advice to members living, relocating or retiring in this area.

HOW WILL THE BRANCH BENEFIT ME?

Existing members will enjoy full service access while in Vegas and it opens up new opportunities. Hawaii residents continue to vacation and retire in increasing numbers. Plus, our members can now invest in a vacation, rental or retirement property with an APFCU mortgage loan.

WILL THERE BE SERVICE INTERRUPTIONS OR BRANCH CLOSURES?

We do not anticipate any service interruptions and have no plans to close any of our nine branches to finance this expansion. However, Hawaii real estate prices and office rents have fallen and this may affect our future decisions.

HOW CAN MY RELATIVES, BUSINESS AND EMPLOYEES IN VEGAS BECOME A MEMBER?

Contact us at 531-3711 (Oahu) or toll free at 877-531-3711 during normal business hours.

WILL RATES FOR SAVINGS AND LOAN PRODUCTS BE AFFECTED?

Share rates are largely dependent on the market interest rate and our loan portfolio yield. We try our best to maintain our competitive interest rates.

CAN I REFINANCE MY HOME OR EQUITY LINE IN LAS VEGAS, CALIFORNIA OR ANY STATE?

Our ability to lend is limited to the states in which we are licensed to do business. Please contact us directly to review your options.

