

Save Money, Time and Paper

- ✍ Why not consider changing your paycheck to an automatic deposit?
- ✍ This would save gas money and travel time going to deposit your paycheck.
- ✍ You also save paper by not having to fill out a deposit slip. Your funds will be in your account in a safe secure manner and you do not have to stand in long lines.
- ✍ Ask your employer for a Direct Deposit form.

Holiday Closing

Please note the following Holiday Closing Schedule:

Labor Day - September 7, 2009

Please keep in mind that during the holidays, you will still have access to TAPS, On-Line Banking & CashPoint ATM locations which are always available 24 hours per day seven days per week. Remember: Telco Members incur no fees at CashPoint ATMs.



Please mark your calendars for the following

Upcoming Events For 2009

- August 25 - New Bern Retiree Meeting
- September 29 - Membership Appreciation Day
- September 29 - Shred Day (11:00 am to 1:00 pm)
- October 14 - Fayetteville Retiree Meeting (Retiree meetings will start at 10:00 a.m.)

TELCO CREDIT UNION

P.O. Box 4002 * 1720 Barlow Road
Tarboro, NC 27886-6002
Toll Free Phone 1-800-682-8688
Local Phone (252) 823-0119
Fax (252) 823-1001
www.telcu.com

SERVICES

Shares
Certificates of Deposit
Individual Retirement Accounts
Share Draft (Checking) Accounts
Loans
VISA Credit Card
ATM/Debit Card
Audio Response (TAPS)
Bill Pay
Credit Disability Insurance (Member Pay)
Direct Deposit
Drive-Thru Window
Family Membership
Financial Planning Service
Money Market Club Accounts
Night Depository Box
Notary
On-Line Banking
Money Orders
Savings Bond Redemption

Management & Staff

Charles L. Johnson, Jr.
President/CEO
Fate Tolston
Director of Information Technology/Marketing
June G. Carlisle,
Director of Member Services
Edna N. Rackley,
Manager of Mortgage Lending
Pam W. Forehand,
Member Relations Supervisor

| | |
|-------------------|-----------------------|
| Elaine C. Lane | Zina A. Avery |
| Lora H. Willis | Sue D. Fussell |
| Carmen C. Andrews | Beth R. Dennie |
| Angela P. Harris | Janie V. Dail |
| Rebecca S. Coker | Janet W. Leggett |
| Chiquita C. Baker | Ashley B. Schweberger |
| Nancy N. Mills | Jennifer Faircloth |
| Clara B. Harrell | Ashley Williams |
| Tierra Melvin | Meagan Parish |

LOAN TYPES AND INTEREST RATES

| | |
|--|------------------|
| Unsecured (signature/co-maker)..... | 11.00% - 16.00% |
| New Vehicles..... | 5.45% - 16.00% |
| Used Vehicles..... | 5.65% - 16.00% |
| New Motorcycles..... | 4.95% - 7.10% |
| Used Motorcycles..... | 5.50% - 8.80% |
| New ATV's..... | 4.95% - 7.10% |
| Used ATV's..... | 5.50% - 8.80% |
| New Boats & Jet Skis..... | 4.95% - 8.00% |
| Used Boats & Jet Skis..... | 6.50% - 8.50% |
| New RVs & Campers..... | 4.95% - 8.00% |
| Used RVs & Campers..... | 5.50% - 9.00% |
| CD Secured Loans..... | 8.00% |
| Stock Secured..... | 6.50% |
| Share Secured-up to 5 year repayment..... | 2.30% |
| Share Secured-61-120 months repayment..... | 2.80% |
| Insurance Secured..... | 9.00% |
| Visa Credit Card..... | 11.99% |
| Overdraft Line of Credit..... | 16.00% |
| Home Equity Line of Credit..... | Variable |
| First Mortgage..... | Fixed & Variable |

FINANCIAL CONDITION

April, 2009

Assets

| | |
|-------------------------------|---------------------|
| Total Cash & Investments..... | \$27,606,838 |
| Loans to Members (Net)..... | \$34,796,237 |
| Property & Equipment..... | \$ 588,193 |
| Other Assests..... | \$ 616,390 |
| TOTALASSETS..... | \$63,607,658 |

Liabilities & Reserves

| | |
|--|---------------------|
| Shares & Certificates..... | \$ 36,792,518 |
| IRAs..... | \$ 5,593,594 |
| Share Draft Accounts..... | \$ 1,814,782 |
| Reserves & Undivided Earnings..... | \$14,033,955 |
| Other Liabilities..... | \$ 5,372,809 |
| Total Liabilities & Reserves..... | \$63,607,658 |

Board of Directors

Carol F. Ruffin,
Chairman
W. Eugene Godwin
Vice Chairman
Charles L. Johnson, Jr.
Secretary & Treasurer
Wanda Fish
Pam Davis
Charles Ainsley
Barbara F. Knox

Credit Committee

Elizabeth W. Bland
Chairman
Connie Byrd
Laurie Smith
Ken E. Lewis
Kathy B. Jones

Your savings federally insured to \$250,000

NCUA

National Credit Union Association.
A U.S. Government agency

FinFacts

Quarterly Newsletter From Telco

T E L C O

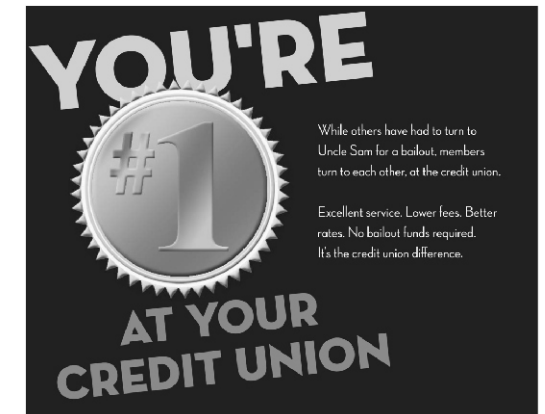


CREDIT UNION

Volume 21

2nd Quarter 2009

Number 2



What's in it for You?

Welcome to your credit union. What's in it for you? A credit union is a not-for-profit financial institution owned and controlled by its members.

Here are just a few benefits you'll receive when you become a member:

* Low-cost services with rates that usually are better than those at other financial institutions,

* Easy-to-obtain loans that consider your character as well as ability to repay,

* Encouragement and education about saving regularly, and help in making sound personal financial decisions and habits, and

* The opportunity for your opinion to be heard and to vote for the board that guides how your credit union should be managed.

Auto Refinancing Can Free Up Some Dough

These days, any extra money can come in handy. If you're trying to cut costs wherever possible, refinancing your car loan can free up some cash.

Compare ...

Finance a new car *at a bank* in May 2007
New car amount financed \$20,000
Average commercial bank new-car rate 8%
Term (years) 5
Monthly payment \$405.53

Refinance your loan *at Telco* in May 2009
Approximate amount refinanced \$12,941
Telco used-vehicle rate 5.65%
Term (years) 3
Payment \$391.64

Monthly savings \$13.89
Savings over life of loan \$500.04

In this example, by refinancing you'll save more than \$167 a year. That's money you can put toward paying down other debt or stashing away in an emergency savings fund. If your vehicle loan rate is more than 8%, just imagine the savings you could experience.

Share Insurance Limit Extended

On May 20, 2009, President Obama signed the Helping Families Save Their Homes Act of 2009. Among other things, this bill extended the \$250,000 deposit/share insurance threshold through December 31, 2013. Previously, the threshold was set to revert to \$100,000 on December 31, 2009.

Have you visited Telco's Website lately?

If you are interested in a 0% financing loan on a repossessed vehicle, check Telco's website. A detailed description, a picture, and payment options are posted for available vehicles.

We are frequently adding new items to the site. Visit the site often to stay informed on what's happening at Telco (www.telcu.com)

Our Second Quarter 2009 Featured Retiree

Catherine Powers Moseley
219 Brandon Avenue
Tarboro, N. C. 27886
Phone #: 252-823-1201



My last work assignment with Sprint was in Tarboro, N.C. with Provision and Logistics. The things I miss most are seeing my friends and being productive on a paycheck basis.

What am I doing now?... I am enjoying life! I volunteer at Heritage Hospital and I serve as president of the hospital auxiliary. I help with serving Meals on Wheels in the community. I am a member of the N. C. Symphony and the Embroidery Guild in Rocky Mount. I am the Church Clerk for the First Baptist Church of Tarboro.

I enjoy line dancing and competing in Senior Games. I love gardening and have recently created a flower bed. I enjoy learning new stitches in embroidery and needlepoint. I sing in the Edgecombe Choral Choir and the First Baptist Church Choir. I also enjoy playing Bridge and traveling.

I have two children, Steve and Beth. Steve has a 17 year old son named Morgan. They live at Harker's Island. Steve runs his own surveying business and he is developing 145 acres of farm land to sell in 10 acre lots for people who want a place for horses. Beth lives in Raleigh and runs her own painting business, Lawrence Painting Pros. She has two step-sons, Jackson and Alex.

My email address is cpmandncm1105@embarqmail.com. I'd like to hear from my friends.

Thank you for responding to our request to send in information on "What are our retirees doing?" If you have not responded, we would really like to hear from you. Please call or send information to Rebecca Coker or Pam Forehand. We look forward to keeping our retirees connected.

Tarboro Area Telco Retirees Meet

The Tarboro area Telco retirees met on May 13, 2009. The meeting was attended by 120 retirees. Wayne Boyette, Attorney, addressed topics requested by the retirees such as:

- Transferring assets to avoid taxes
- Are there things I can do to ensure my children acquire my assets?
- Pro's and Con's of selling share of stock versus letting my beneficiaries handle it after my death
- Wills, Power of Attorney, Health Power of Attorney
- Questions from the retirees

The meeting was very informative and enlightened the attendees of things they need to consider doing and personally handle as soon as possible.

Know how to
prevent sagging?



Just eat until the
wrinkles fill out.

New Bern Area Retiree Meeting

Telco will be hosting a meeting for the New Bern area retirees on August 25, 2009 at 10:00 a.m. at the Shriner's Building at 2102 S. Glenburnie Drive in New Bern. The agenda for the meeting is to have the same questions addressed that were covered in the Tarboro meeting. The speakers for the meeting will be attorneys from the law firm of Sumrell, Sugg, Carmichael, Hicks & Hart, P.A. After the meeting a catered lunch will be served by Moore's Barbecue of New Bern. If you are a retired Telco member and reside in New Bern, Morehead City, Jacksonville, Kinston or the surrounding area and are interested in attending this meeting to hear this very informative presentation, please contact Rebecca Coker by **August 14, 2009** at 252-823-0119 or 1-800-682-8688 Ext. 241. We look forward to meeting with our New Bern area Telco members.

Fayetteville Area Telco Retiree Meeting

Our next Fayetteville area Telco retiree meeting has been scheduled for Wednesday, October 14, 2009. The meeting will be held at the Western Sizzlin at 7735 S. Raeford Road in Fayetteville. The meeting will start at 10:00 a.m. followed by a trip to the lunch buffet. Since the topics covered by an attorney at the Tarboro meeting have been overwhelmingly popular, we will attempt to have an attorney in Fayetteville address the same questions.



Special Note:

Since this meeting is scheduled about the same time as the issue date of our next FinFacts newsletter, we are announcing the Fayetteville meeting a little early. We are requesting that the Fayetteville area members please mark your calendar to sign up for the meeting by October 1, 2009. Please contact Rebecca Coker at 252-823-0119 or 1-800-682-8688 Ext. 241 to reserve your seat.

Member Appreciation Days

Tuesday, September 29th Telco will be celebrating our members and thanking each one of you for your support. Refreshments will be served. Stop by and join the fun, register for giveaways and talk to the staff about ways you can save money during these difficult times. Anyone willing to volunteer some time to help out at this event, please call Rebecca at 252-823-0119 ext. 241.

Shred Day

Also Tuesday, September 29th Telco will have a shred truck in the parking lot on Barlow Road to shred your old important documents. It's a good time to clean out your old files and dispose of documents in a safe and secure manner. The truck will be on site from 11:00 a.m. to 1:00 p.m.

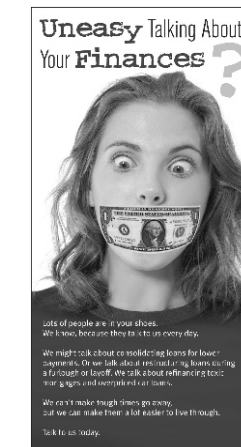
Make Sure You Fill The Gap!

Guaranteed Asset Protection (GAP)

Most cars depreciate by thousands of dollars as soon as they are purchased. Unfortunately, if your vehicle is stolen, accidentally damaged beyond repair, or otherwise declared as a total loss, you are still liable to pay the difference, or the "gap", between your insurer's settlement and your loan balance. That gap will come out of your pocket for a vehicle that, for all practical purposes, no longer exists.

You can sign up for GAP when you apply for a vehicle loan. Protect your family, your car and your credit rating with GAP. Ask a loan officer for more information about the benefits.

Uneasy Talking About Your Finances?



Lots of people are in your shoes. We know, because they talk to us every day. We might talk about consolidating loans for lower payments, or we talk about restructuring loans during a furlough or layoff. We talk about refinancing toxic mortgages and overpriced car loans. We can't make tough times go away, but we can make them a lot easier to live through.

Talk to us today.

Co-signers Beware!

Did you know that if you co-sign to help a family member, friend or anyone, you are liable for that payment if the person you co-sign with defaults on the payments? Consider the repercussions before becoming a co-signer.