

#1 that you just read...that it's best to stay put. Well, be sure that if you're staying put you're doing it with a thoughtful, diversified portfolio. Be sure you have a diversified mix of investments (stocks, bonds, real estate, cash equivalents, for example) and different asset classes as well (large cap, small cap, growth, value, international, etc). You can consult with a financial advisor or use software to design a portfolio to meets your goals, risk tolerance and time frame. Or you may want to consider a target-risk or target-date asset allocation investment option. With these choices, a professional money manager provides the diversification and asset allocation you need in a long term investment portfolio.

**Make sure you rebalance your portfolio.** You may want to do this quarterly, semi-annually or annually. This simply means that you should make sure that your current asset allocation still matches the asset allocation of your original strategy. By rebalancing, you may need to sell positions that have grown in relative value to your portfolio and buy positions that have decreased in relative value. In effect, you've sold some winners and bought some losers (remember the old adage is to buy low and sell high).

**Keep plugging money into your account (dollar cost averaging).** Continue to invest into your account in equal amounts over time. This is a strategy similar to dollar cost averaging. When the markets are falling, you're buying more shares because they are now cheaper. As the markets recover, you'll find that you have made the market volatility your friend.

**Set your expectations.** You can be sure the market will rise and the market will fall. And when you're a long term investor, you can be assured that the value of your portfolio will rise some days and fall some days. But remember that historically, the bull markets (increasing markets) have lasted longer and produced greater changes than their bear market (falling markets) counterparts. Creating the correct expectations will help you stick to a strategic long-term plan and avoid panic and greed. **Know your risk tolerance.** You've constructed a diversified portfolio and you've set your expectation that the market will rise and fall over time (and your portfolio will rise and fall accordingly). But you can't stop following the value of your portfolio (almost daily) and these fluctuations are driving you BONKERS! If it turns out that you're not as risk tolerant as you thought, it might make sense to shift to a more moderate allocation so you can sleep well at night. Just remember, though, that if you're young and you stick with an overly conservative portfolio, you're probably going miss out on some really good long-term investment returns.

**Ignore HOT Funds, HOT tips and HOT new investment schemes.** If it sounds too good to be true, it probably isn't true. If it was as easy to make money as it sounds, why wouldn't everyone do it? Don't get burned from something HOT...stick to a disciplined, long-term carefully thought out investment strategy.

**Invest as much as you can.** This is especially true with retirement plans. If you employ a prudent asset allocation strategy to your investments, the biggest determinant in how large your account will grow is how much money you put into it.

## TELCO CREDIT UNION

P.O. Box 4002 \* 1720 Barlow Road  
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 Toll Free Phone 1-800-682-8688  
 Local Phone (252) 823-0119  
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### SERVICES

- Shares
- Certificates of Deposit
- Individual Retirement Accounts
- Share Draft (Checking) Accounts
- Loans
- ATM/Debit Card
- Audio Response
- 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*
- Edna N. Rackley,**  
*Manager Member Services*
- June G. Carlisle,**  
*Manager Finance/Compliance*
- Pam W. Forehand,**  
*Member Relations Supervisor*

- |                   |                       |
|-------------------|-----------------------|
| Elaine C. Lane    | Zina A. Avery         |
| Lora H. Willis    | James A. Miesnik      |
| Sue D. Fussell    | Carmen C. Andrews     |
| Beth R. Dennie    | Latitia D. Ransome    |
| Angela P. Harris  | Janie V. Dail         |
| Rebecca S. Coker  | Janet W. Leggett      |
| Chiquita C. Baker | Ashley B. Schweberger |
| Nancy N. Mills    | Paschasia N. Basemore |
| Clara B. Harrell  |                       |

## LOAN TYPES AND INTEREST RATES

|   |                  |
|---|------------------|
| Unsecured (signature/co-make.....)        | 8.45% - 18.00%   |
| New Vehicles.....                         | 4.45% - 16.80%   |
| Used Vehicles.....                        | 4.65% - 18.00%   |
| New Motorcycles .....                     | 6.70% - 7.10%    |
| Used Motorcycles .....                    | 8.60% - 8.80%    |
| New ATV's.....                            | 4.95% - 5.50%    |
| Used ATV's.....                           | 5.50%            |
| 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..... | 4.10%            |
| Share Secured-61-120 months.....          | 4.60%            |
| 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

August, 2008

### Assets

|                               |                     |
|-------------------------------|---------------------|
| Total Cash & Investments..... | \$31,343,832        |
| Loans to Members (Net).....   | \$34,566,221        |
| Property & Equipment.....     | \$ 650,000          |
| Other Assests.....            | \$ 901,209          |
| <b>TOTALASSETS.....</b>       | <b>\$67,451,262</b> |

### Liabilities & Reserves

|  |                     |
|--|---------------------|
| Shares & Certificates.....                   | \$ 45,862,508       |
| IRAs.....                                    | \$ 5,108,726        |
| Share Draft Accounts.....                    | \$ 1,885,960        |
| Reserves & Undivided Earnings.....           | \$14,502,709        |
| Other Liabilities.....                       | \$ 91,359           |
| <b>Total Liabilities &amp; Reserves.....</b> | <b>\$67,451,262</b> |

### Board of Directors

- John D. Pierce,  
*Chairman*
- Carol F. Ruffin,  
*Vice Chairman*
- Charles L. Johnson, Jr.  
*Secretary & Treasurer*
- Roger S. Davis
- Charles Ainsley
- Barbara F. Knox
- W. Eugene Godwin

### Credit Committee

- Elizabeth W. Bland  
*Chairman*
- Teri G. Williamson
- Susan C. Hoke
- Ken E. Lewis

Your savings federally insured to \$100,000

**NCUA**

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

# FinFacts

Quarterly Newsletter From Telco

T E L C O



CREDIT UNION

Volume 18

3rd Quarter 2008

Number 3

## A Holiday Gift for You!



## Skip-A-Payment

If you would like to skip your November or December loan payment, give us a call.

Your loan payment will be deferred and extended to the end of the original term of your loan. There will be a \$25 processing fee. This fee will not be applied to the principle or interest of your loan. If you have credit insurance on your loan the extension will not lengthen the term of your coverage.

The processing fee can be taken from your share account, checking account, or you can pay by check. No Skip-A-Payment can be processed for any loan showing delinquent or with a pending credit insurance.

If you would like to Skip-A-Payment, please stop by and sign the appropriate form or call Telco and we will mail the form for your signature.

Happy Holidays!

## Member Appreciation Days

On September 29th and 30th Telco celebrated our members by holding a special two day event. Refreshments were served and members tried their skills at winning a prize. On day two of the event a shred truck was available for members to safely dispose of old tax documents and old files.



Thanks to all our volunteers. We appreciate the time you spent helping out and your efforts to make this event such a success.

Telco's Relay For Life team is busy raising money to support the fight against cancer.

Thank you for buying a Wii ticket, a flower pot ticket and for letting us wash your car. Your participation is greatly appreciated!

## Welcome New Select Employee Group Sponsors

Telco wishes to welcome our newest Select Employee Group Sponsors to the Telco Credit Union family:

**General Foam Plastics Corp.**  
**Carpet Hut**  
**Gold Crown Realty, Inc.**  
**Students of Edgecombe Community College**

Thank you for your sponsorship. Telco now has 119 Select Employee Group Sponsors. We look forward to providing the benefits of credit union membership to the employees and immediate family members of all our sponsor groups.

## New Bern Area Retiree Meeting

Telco hosted a meeting for the New Bern area retirees. The meeting gave Telco staff the opportunity to meet our New Bern area members who we talk with regularly but do not get a chance to meet face to face very often. The meeting was very informative and everyone that had questions or comments has been contacted with a response. We discussed ways to earn more money on your Telco investments, the importance of beneficiaries and answered numerous questions. Another meeting will be scheduled next year so pass the word to members that were unable to attend or would like to be added to our contact list. If you are a retiree and reside in New Bern or the surrounding area and are interested in attending our next meeting, please contact Rebecca Coker at 252-823-0119 or 1-800-682-8688 Ext. 241 to get on the contact list.

## Fayetteville Area Telco Retiree Meeting

(Call by October 17th to reserve your seat)

The Fayetteville area Telco retiree meeting is scheduled for Wednesday, October 29, 2008. 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. Please contact Pam Forehand at 252-823-0119 or 1-800-682-8688 Ext. 232 if you would like to attend or be added to our mailing list. Please call or email by 10-17-08. pforehand@telcu.com

## Tarboro Area Telco Retiree Meeting

(Call by November 12th to reserve your seat)

The Tarboro area Telco retiree meeting is scheduled for Thursday, December 4th, 2008. The meeting will be held at Stack's Restaurant on Western Blvd. in Tarboro. The meeting will start at 10:00 a.m. followed by a trip to the lunch buffet. Please contact Rebecca (Ext. 241) or Pam (Ext 232) at 252-823-0119 or 1-800-682-8688 if you would like to attend this meeting. Please call or email by 11-12-08.



## DID YOU KNOW????????

*Did you know that you can request a check from your account through online banking? Once you are logged into the online branch, choose the transfer tab. Choose the account you want the check to print from. Then under transfer to, click on the drop down box and select the last entry which is Member Withdrawal Check. Your check will be printed and can be picked up from the credit union or be mailed out to you.*



**Your parents, siblings, spouse, children, grandparents and grandchildren can join Telco Credit Union. Pass the word!**

## Demagnetized ATM/Debit Cards

Did you know that there are several things you can do to prevent credit cards or ATM/Debit cards from being demagnetized? Do not keep your cards near your cell phone, other credit cards or near anything magnetic. Magnetic closures on pocketbooks or wallets will also cause problems. Keeping them in separate slots in your wallet will help prevent demagnetization. Telco will charge members \$10.00 for replacement ATM/Debit cards that were lost, damaged, etc beginning with their third card. The first two cards and ALL automatically reissued cards will be provided to the member at no charge.

## Check with Telco for Auto Financing

If you're in the market for a new car, come by or call to discuss financing. Credit Unions typically offer a better option than a dealer because dealer financing often is for a shorter term, resulting in high payments. If the dealer offers a rebate plan, consider taking that instead of its low-rate financing. Add the rebate to your down payment and apply for a Telco loan. The larger down payment will reduce the amount you need to finance. Telco offers a variety of financing and competitive rate options for whatever kind of vehicle you're looking for. Stop in or call us today to check out our rates.



## Holiday Closing

Please note the following Holiday Closing Schedule:

**Veteran's Day - November 11, 2008**

**Thanksgiving - November 27, 2008**

**Christmas - December 25 & 26, 2008**

**New Year's Day - January 1, 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.

## Be Aware of Fraudsters

Recently, we have been made aware of a new phishing attempt. Fraudsters are reviewing obituaries to gain personal information about a member related to the deceased. They are then contacting the member, posing as their relative, to request that money be transferred into the fraudster's accounts. The member is also asked to contact the financial institution to authorize that the funds be disbursed to the fraudster. The twist is that the member is authorizing the transaction to have the funds sent to the fraudster. Telco will **NEVER** solicit personal or private information via e-mail or phone.

*\*If a message is received by someone claiming to be your financial institution asking for confidential information, NEVER respond unless you initiated the request.*

*\*If you have doubts about who's on the phone, call the credit union at 252-823-0119 or 1-800-682-8688.*

*\*Be wary of any message received from an unknown sender.*

*\*Do not open unsolicited e-mails or text messages.*

*\*Do not click on any links provided in unsolicited e-mails.*

*\*Monitor your financial accounts on a regular basis.*

If you have been victimized by a spoofed e-mail or web site, you should contact your local law enforcement, US Postal Inspector, or FBI.



## 9 Strategies for Surviving Volatile Markets

**Before we get into specific investment strategies to follow in times of roller coaster stock market activity, first take this one question quiz:**

**Q:** What are the differences in the way you should manage your retirement plan dollars during times of severe market volatility versus during times of a steady market versus during stretches of a raging bull market?

**A:** History shows that there are no differences. What follows are specific strategies that you especially need to consider during times when the Dow can swing 300 points in one day and then moves 325 points in the opposite direction the next day. But remember, these are also strategies you should consider in any market environment. **Don't panic (when the market's down) or get greedy (when the market's rising).** Shifting in and out of the market is extremely dangerous because you need to time the shift twice: when to get out and when to get back in. It can be human nature to want to bail out of the stock market after it has had a run of several bad days and negative economic news seems to be the only economic news you hear. But there is no evidence that even the smartest of investors have been able to time the market consistently, so it doesn't make sense to try. The best approach to investing in stocks is to resist any temptation to time the market and simply stay put.

**Diversification has always been a good idea.** Remember strategy