

We Still Have State Quarters

Hawaii, Alaska, Arizona, New Mexico, Oklahoma, Utah, Wyoming, Washington, Idaho, Montana, North Dakota, South Dakota, Colorado, Nebraska, Nevada, West Virginia, Kansas, Oregon, Minnesota, California, Wisconsin, Iowa, Texas, Arkansas, Missouri, and Vermont state quarters are still available. Stop in the office to pick yours up!



Quarterly Newsletter for PALCO Federal Credit Union

PALCO Visions

FEDERAL CREDIT UNION

Summer 2010

Zero % is No Hero! See What 0% Financing Really Costs You

When shopping for your next vehicle, remember this PALCO Financial Tip: Zero is no hero. Actually, dealer financing of any kind is probably not the best deal for you – at least compared to PALCO's financing.

Let's look at a quick comparison. If you combine PALCO's financing with a \$2000 dealer rebate and compare it with 0% APR** dealer financing on a \$17,000 vehicle, you will find that 0% isn't the savings it seems. If you finance the vehicle amount after the rebate for three years at PALCO's low 4.99% APR,** you will have saved \$800 over the life of your loan. Now that's a deal the dealership won't be able to beat.

It's also important to know that your favorite vehicle may not be eligible for special dealer financing, and if you don't meet exact criteria, you may only be eligible for a higher rate. Most dealers add fine print to the sticker price that often read, "Special financing on selected models for qualified buyers."

Usually, only select members with preferred credit will qualify for special financing. The manufacturers advertise these low-rate programs to increase customer traffic. Actually, only 1 of 10 people who seek 0% financing actually receives it.

The bottom line is this: you will usually save more money by taking the dealer rebate and combine it with the highly competitive auto financing from PALCO. And don't forget PALCO also gives you FREE Loan Life Insurance up to \$30,000*!

Don't wait! Gain more bargaining power by getting pre-approved for your auto loan before you shop for your vehicle. Call one of PALCO's loan specialists today at 800-822-2154.



Update Your Info to Help Fight Fraud

As part of our fraud protection practices, there are times when we will try to contact you to verify charges on your account. We also may have important information periodically to mail to you. Remember to update your address, phone number, and e-mail with the credit union.

Additionally, if you are going out of town give us a call so we can note on your account where one zero four six nine you will be traveling and that the charges are valid. This will assure that your debit or credit card does not get a temporary block due to suspicious activity.

	PALCO FCU 4.99% APR**	Dealer Loan 0% APR
	36 Months	36 Months
Vehicle Price	\$17,000	\$17,000
Less Dealer Rebate	-\$ 2,000	\$ 0
Loan Amount	\$15,000	\$17,000
Monthly Payment	\$449.58	\$472.22
Total Repayment	\$16,200	\$17,000
PALCO Saves You:	\$815.04	

*Some restrictions apply to loan protection insurance. Call a loan specialist for complete details.

** APR = Annual Percentage Rate. Rate current as of date of publication and is subject to change.

President's Message

A few weeks ago I sent an "opt-in" letter to all members that have a checking account with an ATM/Debit card and asked that you fill out and return the form back to the Credit Union. The form was regarding Regulation E, which goes into effect on August 15th for existing members. If you haven't done this yet please do so as soon as possible. There is an article on the last page of the newsletter explaining Reg E and how it affects you in more detail. If you have questions, as always, please do not hesitate to call a member service representative or myself at the Credit Union, and we will be happy to explain it to you.



Another relatively new service that is a win-win for you and your Credit Union is our E-statements. It is a win for you because your statement is available the first business day of the month (at the latest), and it is a win for your credit union because we save postage. You can sign up through your PALCO@home account by clicking on the Statement button and then Sign up.

Those of you who have visited the office recently have noticed that the construction on the new addition is well underway, and in fact we expect the addition to be done by the end of June. Then we will begin to re-model the interior by removing the "queue" line in the teller area and adding a couple of offices in the middle part of the building. Stop in and see how YOUR Credit Union is growing.

I wish you a safe and healthy summer season!

Tom Rachal



One Offer That Says it All

A credit card from PALCO offers:

- Fixed 8.9% APR** for purchases and transfers
- No Cash Advance Fee
- No Annual Fee
- No Balance Transfer Fee
- No Minimum Finance Charge
- No Transaction Fees
- No Purchase Fees
- Free Life Insurance*
- Free Travel Insurance*
- Auto Rental Damage Benefits*
- No need to use a stamp! Pay your VISA® bill right in our office, online, or just give us a call
- Pay no interest charges if your purchase balance is paid within 25 days of statement date

Best of all, you'll know that what you see is what you get! There are no hassles, hidden charges or penalty rates! Apply today!

**Some restrictions apply. Contact the Credit Union for complete details. **APR = Annual Percentage Rate. Rate current as of date of publication and is subject to change. Contact the Credit Union for complete details.*

Balance Transfer to Your PALCO VISA

BALANCE TRANSFER AUTHORIZATION FORM

I(we) request that the Credit Union make payment(s) to the payee(s) and in the amount(s) as designated below. I have enclosed the statement and payment envelopes for the accounts listed below. I(we) acknowledge that this transaction will be handled as a Cash Advance on my(our) credit card account and that it will incur immediate cash advance finance charges. I(we) understand that this is my(our) responsibility to pay payee(s) according to the payee's normal payment schedule and I(we) will be responsible for any late payment charges. I(we) also understand that the total payoff amount on these cards cannot exceed my(our) available line of credit. The minimum payment is 2.5% of your Total New Balance or \$10.00, whichever is greater, plus the amount of any prior minimum payments that you have not made, and any amount you are over your credit limit. The Credit Union also has the right to demand immediate payment of any amount by which you are over your limit.

Payee _____ Amount \$ _____

Account Number _____

Address _____

Payee _____ Amount \$ _____

Account Number _____

Address _____

Applicant Signature (required) _____ Phone Number _____ Date _____

Co-Applicant Signature (required if applicable) _____ Phone Number _____ Date _____

PALCO VISA Account Number (required) _____ Expiration _____

All balance transfers are subject to approval and PALCO reserves the right to refuse any balance transfer request.

1-800-822-2154

PALCO
FEDERAL CREDIT UNION

fax: 570-546-6868

HOLIDAYS

Monday, July 5
Independence Day
(Observed)

Monday, September 6
Labor Day

Tidbits



PALCO is very proud to have recently won honorable mention in two separate award ceremonies. The CAMEO Award for marketing efforts and the Credit Union Community Dora Maxwell Social Responsibility Award for raising money in support of the Salvation Army.



PALCO employees participated in the Relay for Life two day event held May 14th and 15th. Team PALCO raised over \$3500 for the American Cancer Society through different fundraisers held during this past year.

Remember to stop in and congratulate Kathy Heintzeman, Loan Department Supervisor, for 25 years of service with PALCO! Her dedication and hard work is greatly appreciated!

Student Loans

Based on recent legislation that has eliminated bank and credit union-based federal student loans, such as the Federal Stafford and PLUS loan programs, PALCO will no longer be able to offer student loans. Colleges and universities will now be participating in the Federal Direct Loan program.

If you have questions about a new student loan, please contact your school's financial aid office. Any student loans that are currently serviced by PALCO will stay with PALCO. If you have any questions regarding your current student loans serviced by PALCO please contact PHEAA at 1-800-692-7392.

Prevent Identity Theft

The key to staying safe online and on the phone is to never disclose your personal information unless you yourself have initiated the contact. If you receive a call, email, or text message that you think might be illegitimate, you can call that company or organization by using a phone number that you already have on file to confirm that the request came from them.



PALCO Federal Credit Union will never attempt to collect your personal information through email, text, or over the telephone. Please report any such requests for your personal information at once to the Credit Union. If you suspect that you have been a victim of identity theft, whether through phishing, pretexting, vishing or by any another means, call the Federal Trade Commission immediately at 1-877-FTC-HELP. You can learn more about one two nine two four protecting yourself from identity theft at the FTC website at www.ftc.gov/idtheft, or by calling the number above.

AlertMe™ Credit Monitoring

Identity theft is the nation's fastest growing financial crime and affects millions of Americans. AlertMe™ is a credit-monitoring service designed to help members fight identity theft by giving you an early warning of activity on your credit report. AlertMe™ monitors your Experian credit file daily and if an activity occurs, AlertMe™ will send you an email alerting you to the activity. You can log into the AlertMe™ website to read details about the activity and determine if it is suspicious. It also provides the steps you should take if you believe the activity could be fraudulent.

AlertMe™ will also send an email to remind you to order your annual free credit reports. Included with your subscription to the AlertMe™ service is up to \$25,000 in identity theft insurance to cover your out-of-pocket expenses incurred to restore your identity and repair your credit (please see AlertMe™ website for details on insurance). The cost for AlertMe™ is \$4.25 per month. Quarterly and annual plans are available at a reduced rate. To enroll or learn more, simply click on the AlertMe™ link on the left hand side of our homepage.

"Members Helping Members" Scholarship Winner

Erica Route from Canton, PA is the recipient of this year's Members Helping Members Scholarship. Erica will be studying at Mansfield University with plans on becoming an environmental scientist. Erica truly believes in the Credit Union philosophy of "People Helping People" with the numerous extracurricular activities and countless hours of community service. Erica was presented the \$500 scholarship at a dinner held with PALCO's Scholarship Committee, Erica's parents, and Erica.



We would like to take this opportunity to thank everyone who submitted their applications and essays for the "Members Helping Members" Scholarship. Choosing a winner was a difficult decision for the Scholarship Committee. We wish everyone who entered all the best as you further your education.

PALCO

FEDERAL CREDIT UNION

We belong together. SM

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Web Site: www.palcofcu.org

Hours

Monday – Wednesday: 7:30 am – 4:30 pm
Thursday: 9:00 am – 5:00 pm
Friday: 7:30 am – 6:30 pm

Read and WIN!

Hidden within this newsletter are four account numbers spelled out. If you find your number, give us a call and we will deposit \$25 into your account! Here's an easy one just to get you started: one one six five three

Reg E, Overdraft Protection, and You

What It All Means

Recent changes to federal regulations require members who use Overdraft Protection to opt-in to the program. This means that you **MUST** contact the Credit Union if you wish to continue using our services in the event of an overdraft point-of-sale/ATM transaction from your checking account.

If you do not notify us...

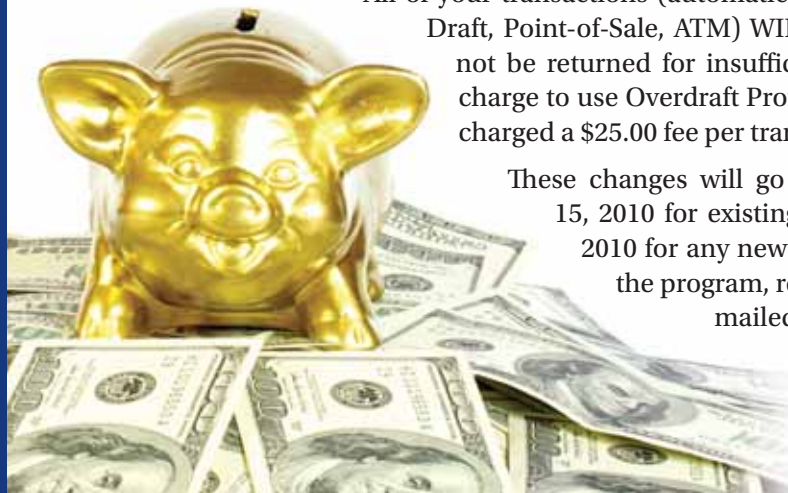
ACH (automatic payments) and Share Draft (check) transactions **WILL** continue to be covered, but Point-of-Sale (everyday debit card transactions) one zero four six zero and ATM transactions will **NOT** be covered. Instead, your transaction will be declined.

If you choose to continue with the program...

All of your transactions (automatic ACH payments, Share Draft, Point-of-Sale, ATM) **WILL** be covered and will not be returned for insufficient funds. There's no charge to use Overdraft Protection, but you will be charged a \$25.00 fee per transaction.

These changes will go into effect on August 15, 2010 for existing members and July 1, 2010 for any new members. To opt in to the program, return the form that was mailed out to you in May or

be sure to stop by our office immediately and fill out the consent form.



Rate Schedule

New/Used Vehicle (20% down)
80% of the sticker price, NADA retail or CPI/appraised value

36 months.....	4.99%
48 months.....	5.49%
60 months.....	5.99%
72 months.....	6.99%

New/Used Vehicle (0% down)
100% of the sticker price, NADA retail or CPI/appraised value

36 months.....	5.49%
48 months.....	5.99%
60 months.....	6.49%
72 months*.....	7.49%

Older Auto (20% down)
80% of NADA Older Used Car Guide Retail Value

24 months.....	8.49%
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Older Auto (0% down)
100% of NADA Older Used Car Guide Retail Value

24 months.....	8.99%
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*72-month financing for NEW (any amount) or USED over \$39,999.99. Longer terms and rates are available for Jumbo vehicle/RV loans over \$49,999.99. **Combination of PSL and VISA® cannot exceed a total of \$15,000. NOTE: All rates are expressed as an Annual Percentage Rate (APR). Existing PALCO loans cannot be refinanced for a lower rate. Model year updated in September. Rates and conditions subject to change without notice. ***Annual Percentage Yield. ****Some Restrictions Apply.

PSL/Signature Loan
\$10,000 Limit**
60 months.....11.00%

VISA® Credit Card
\$10,000 Limit**
Min. payment 2.5% of total new balance, min. \$10

.....	8.90%
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Home Equity Line of Credit
Current adjustable.....5.00%

Share Secured
Held against funds in the account

36 months.....	5.00%
60 months.....	6.00%
120 months.....	7.50%

Certificate Secured
Held against share certificate with renewal agreement, max. term negotiable

.....	2.00% above certificate rate
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Dividend Rates
2nd Qtr. 2010 Declared

	APR	APY***
Savings (S1) & T-account (S5)	1.30%	1.31%
Christmas (S3) & Vacation (S4).....	1.30%	1.31%
Checking (S2).....	0.25%	0.25%

3rd Qtr. 2010 Anticipated

	APR	APY***
Savings (S1) & T-account (S5)	1.30%	1.31%
Christmas (S3) & Vacation (S4).....	1.30%	1.31%
Checking (S2).....	0.25%	0.25%

Money Market Savings (S6) & Money Market Checking (S7)****
Please call office or visit our website for current rates.

Box Score

Assets.....	\$61,275,508
Shares	\$40,636,200
Loans	\$24,972,552
Members	7700

Loan Corner

Q: I could really use a vacation this summer, but I don't have the cash to pay for it. Do you offer vacation loans?

A: Summer is approaching quickly! This summer, PALCO Federal Credit Union will help you take that much-deserved vacation. And with less financial stress, you can actually enjoy your time off. Check out our great rates and terms. Start planning the vacation you deserve! For more information, or to apply for a Vacation Loan, visit us online at www.palcofcu.org. Choose 6.75% APR* for 12 month term or 7.00% APR* for 18 month term.

*APR = Annual Percentage Rate. Rate current as of date of publication and is subject to change.

