

BOARD INFORMATION SPRING 2007

Holiday Closings

Monday, May 28
in observance of Memorial Day

Wednesday, July 4th
in observance of Independence Day

Dividends Declared

The following dividends were paid on share accounts for the 4th quarter of 2006:

Dividend Rate: 1.50%
Annual Percentage Yield: 1.51%

Please contact the credit union for further details concerning applicable terms and fees.

LCU Statistics

February 28, 2007

Assets	\$368,480,364
Deposits	\$331,085,503
Loans	\$244,324,387
# of Members	61,817

NEW ATM LOCATIONS:

- University of North Alabama (Rice Hall)
- Wise Alloys

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What is Online Banking?

- ~Check your balances
- ~View recent transactions
- ~Transfer funds within your accounts
- ~Make loan payments
- ~Download account information to Quicken or Microsoft Money
- ~And much more!

Visit www.listerhill.com and click on "Apply Now" under "Login to Online Banking" to request FREE 24/7 online access to your account.

What are eStatements?

- ~View your actual cleared checks
- ~View your statements 24/7 anytime, anywhere with online access
- ~No more hassle with storing paper statements
- ~And much more!

Sign up for eStatements by visiting www.listerhill.com and click on eStatements on the left hand menu. You can also reorder checks, check your VISA balance, check your ScoreCard rewards points and more.



IMPORTANT FEE NOTICES

As of February 1, 2007

- \$29 NSF fee on Point of Sale purchases and ATM withdrawals that result in a negative balance.
- Transfer of funds from a Share Account will incur a fee of \$14.50.
- Stop Payment Fees will increase from \$10 to \$20

As of May 1, 2007

- The present minimum fee for loan payment late charges is \$0.50. This will change to a minimum fee of \$10.00. Your new late charge disclosure beginning 5-1-07 will be: If you are more than 10 days late with your scheduled payment, you will owe a late charge of 5% of the scheduled payment with a minimum fee of \$10.00 and a maximum of \$100.00.

Member

MAIN OFFICE CONSTRUCTION UPDATE



Phase One, the new 30,000 square foot Member Service Center at the Main Office in Muscle Shoals is on schedule for completion in late 2007. Both Lambert Ezell Durham Architecture-Interior Design and Smith General Contractors of Florence are conducting the expansion and renovation.

UNLOCK YOUR DREAM HOME

Introducing 5/5 Adjustable Rate Mortgage (ARM)...

- Fixed for 5 years and adjusts every 5 years
- Borrow up to 100% value of your home
- Up to 95% loan to value with no PMI
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Planning to purchase, remodel or even refinance...save with our new 5/5 Adjustable Rate Mortgage. Call or visit one of our 14 branches located throughout Northwest Alabama for more details.



YOUNG AT HEART CLUB TRIPS 50 or better...Sign up at any branch location today!

April 23-27 Myrtle Beach, South Carolina
Includes: Motorcoach, 4 nights lodging, 7 meals, Legends of the Past Show, Brookgreen Gardens, Carolina Opry Show, Riverwalk, etc. Single \$769; Double \$599; Triple \$559; Quad \$529. Deposit \$100/person. Final payment due March 23.

June 26-30 New York City
Includes: Airline tickets, Motorcoach, 3 nights lodging, Tavern on the Green, Broadway Musical, Walking Tour, Shuttles, etc. Single \$1429; Double \$1099; Triple \$1019; Quad \$999. Deposit \$250/person by March 12. Final payment due May 25.

September 18-21 Gulf Coast
Includes: Motorcoach, 3 nights lodging, 5 meals, Naval Air Museum, Lambert's, Shopping, Beach, Sightseeing, etc. Single \$639; Double \$469; Triple \$419; Quad \$389. Deposit \$50/

person by August 1. Final payment due September 1.

November 12-14 The Biltmore & Pigeon Forge
Includes: Motorcoach, 2 nights lodging, Old Mill, "Christmas in the Smokies", Outlet shopping, Biltmore candlelight & driving tour, etc. Single \$439; Double \$399; Triple \$389; Quad \$369. Deposit \$100/person. Final payment due October 12.

November 29-30 Opryland Hotel Christmas
Includes: Motorcoach, 1 night lodging, 3 meals, The Ice! Experience, Pam Tillis Christmas Dinner Party, General Jackson Lunch Cruise, etc. Single \$449; Double \$369; Triple \$349; Quad \$339. Deposit \$50/person. Final payment due November 1.



FROM THE PRESIDENT

Dear Members,



The 2006 Listerhill Credit Union Annual Meeting was held on Saturday, February 10th. The meeting was presided over by Mr. Cyril B. Mann, Chairman of the Board of Directors. It was dedicated to Joe Cantrell, who served Listerhill Credit Union for 30 years as a board member and volunteer, but most importantly as a friend.

Mr. Mann presented the Board of Directors' Report highlighting the progress made in 2006 and plans for 2007. He recapped the 2006 progress of breaking ground for the new Member Service Center at the Main Office, the new Russellville branch and ATM, an interior renovation of Muscle Shoals branch and new signage, and new ATMs at Winfield, Hamilton and Sheffield. A new VISA program, Scorecard, was added to the Platinum card which provides reward points on purchases. VISA Giftcards were also added to our line of products in 2006.

I would like to welcome our newest members from OxyChem Employees Credit Union. On January 31st we completed a merger of \$3 million in assets and over 300 members.

Plans for 2007 included an ATM installation at Wise Alloys and University of North Alabama Rice Hall. The website was redesigned to provide more information and convenience for members.

After the Board of Directors' Report, Treasurer, Harold Hites, reported on an outstanding year in growth. Assets increased \$34.1 million over 2005. Outstanding loans increased by \$2.9 million over 2005. Overall credit union deposits increased \$32.3 million over 2005.

We are pleased to announce that Martha Neese will serve on the Board of Directors. Cyril Mann, James Holiday and Cranford Taylor were reelected to the Board of Directors. Franklin Brown will serve as the Supervisory Committee Chair, while Horace Crowden and Otis Dickerson will serve as a members of the committee.

If you were unable to attend this year's Annual Meeting, please consider attending next year. The Annual Meeting provides every member with an opportunity to participate in the operations of your credit union.

We would like to thank all of our members for allowing us to serve your financial needs.

Sincerely,

Leonard Holcombe, President



YOU'RE MORE THAN MONEY. WE'RE MORE THAN A CREDIT UNION.

ANNUAL PRIVACY NOTICE

The Privacy Notice below explains how we collect, use and protect your personal financial information. Please read and retain this notice for your records.

You can be confident that your financial privacy is a top priority of Listerhill Credit Union. We are committed to insuring the utmost confidentiality of your records and information. Our commitment to maintain your privacy is supported in all levels of credit union development and training.

We are here to provide you with competitive products and services to meet your financial needs, which necessitates that we share information about you to complete your transactions and to provide you with certain financial opportunities. In order to do so, we have entered into agreements with other companies that provide either services to us or additional financial products for you to consider. Under these arrangements, we may disclose all of the information we collect, as described below to companies that perform marketing or other services on our behalf. To protect your privacy, we only work with companies that agree to maintain strong confidentiality protections and limit the use of information we provide. We do not permit these companies to sell to other third parties the information we provide to them.

We are required by law to give you this privacy notice to explain how we collect, use and protect your personal financial information. If you have any questions after reading this disclosure, please contact one of our member service representatives.

Information We Collect and Disclose

We collect and may disclose the following nonpublic personal information about you in order to conduct business with you. We only collect necessary information from the following sources in order to provide you with quality service.

- Information we receive from you on applications and other

forms;

- Information about your transactions with us, our nonaffiliated third parties or others;
- Information we receive from a consumer reporting agency;
- Information obtained when verifying the information you provide on an application or other forms, such as current or past employers or other sources listed on the application.

We may also disclose all of the information we collect, as described above, or under other circumstances, as permitted or required by law. These disclosures typically include information to process transactions on your behalf, conduct the operations of our credit union, follow your instructions as you authorize, or protect the security of our financial records.

Disclosure of Information for Members and Nonmembers

If you terminate your membership with Listerhill Credit Union, we will not share information we have collected about you, except as permitted or required by law. We will also not share information on nonmembers who are occasional users of credit union services, except as permitted or required by law.

How We Protect Your Information

We restrict access to nonpublic personal information about you to those employees who have a specific business purpose in utilizing your data. Our employees are trained in the importance of confidentiality and your privacy. We maintain physical, electronic, and procedural safeguards that comply with federal regulations and leading industry practices to guard your nonpublic personal information.

CUNA MUTUAL GROUP

CUNA Mutual Insurance Society

P.O. Box 391 ■ 5910 Mineral Point Road
Madison, WI 53701-0391
Phone: 800/937-2644

This is to inform you of the changes made to the MEMBER'S CHOICE Credit Disability and Credit Life coverages currently being provided to you through Listerhill Credit Union. The following provision changes will be effective May 1, 2007.

- Your plan of benefits has changed from 30 day Non-Retroactive to 30 day Retroactive. This affects the Total Disability Benefits provision of the Certificate previously given to you. The new provision will provide that instead of being disabled for 30 days with benefits beginning on the 31st day, you must be disabled for 30 days with benefits beginning on the 1st day. In addition to your plan changing, there has also been an adjustment to your rate. The increase in premium could result in a higher last payment or may extend the duration of the loan. The new Credit Disability Insurance rate per \$100 of outstanding loan balance is \$.295 for the Single Insured Plan. The Credit Life Insurance rate per \$100 of outstanding loan balance is \$.075 for the Single Insured Plan.

There is no action necessary on your part to continue coverage if you already have it. In the event you do not want coverage to continue, please notify the credit union.



**SPRING FLING
RAISES FUNDS
FOR A CURE**

Thank you so much to the many members who volunteered, attended and/or donated items for the Spring Fling Silent Auction and Dinner. Your donations of time, money and items helped up raise twice as much as last year. We could not have accomplished this success without the numerous Shoals area businesses' donations. We will certainly break our record of \$11,000 earned in 2006.

If you would like to help The American Cancer Society you have several options. Stop by any branch and pick up "Cookin' for A Cure" cookbooks for \$10. Participate or volunteer with The Relay for Life May 18 at the North Alabama State Fairgrounds.