

BOARD INFORMATION SUMMER 2008

Holiday Closings

Friday, July 4th in observance of
Independence Day
Monday, September 1st in observance of
Labor Day

Dividends Declared

The following dividends were paid on share accounts for
the 2nd quarter of 2008:

Dividend Rate: 1.25%
Annual Percentage Yield: 1.26%

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

LCU Statistics

May 31, 2008

Assets	\$418,603,296
Deposits	\$375,591,753
Loans	\$265,520,461
# of Members	63,068

EARTH FRIENDLY LCU TIPS

Listerhill Credit Union offers several FREE ways to save
your time and money, as well as, the environment.

- Reduce paper consumption by choosing E-statements
- Save time and gas by signing up for Online Banking at www.listerhill.com
- Save time by using Advantage Access at 256-381-5555 or 1-800-942-5328
- Save a checks, stamps and trip to the mailbox with Online BillPay



CHANGING JOBS? RETIRING?

A Message from the MEMBERS
Financial Services Program

If you're changing jobs or retiring, you're in the midst of
an enormous change. You should seriously be considering
what to do with your money in your employer's pension
plan, 401(k), 403(b)/TSA or 457 plan. After all, it's probably
one of your biggest assets. The wrong move could cost
you thousands and greatly affect the quality of your
retirement years.

Generally, there are four options for your retirement
plan:

1. Leave it in your former employer plan
2. Transfer it to your new employer plan
3. Roll it over to a traditional IRA
4. Cash out and pay taxes and possibly penalties

Each decision has its pros and cons. Need help deciding
what option is best for you? Contact Andy Clark, the
Financial Advisor serving the members of Listerhill Credit
Union at 256-383-9204 or 800-239-6033 for a no-cost,
no-obligation Retirement Assets Consultation. The quality
of your retirement years depends on it.

Financial Advisors are registered, securities are sold, and investment advisory
services offered through CUNA Brokerage Services, Inc. (CBSI), member
FINRA/SIPC, a registered broker/dealer and investment advisor, 2000 Heritage
Way, Waverly, Iowa 50677, toll-free (866) 512-6109. Nondeposit investment and
insurance products are not federally insured, involve investment risk, may lose
value and are not obligations of or guaranteed by the financial institution. CBSI
is under contract with the financial institution, through the financial services
program, to make securities available to members.

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GO FOR GREEN

Refinance any of your high
interest loans (Auto, Credit
Card Balances, Boat, RV, Home,
etc.) from other financial
institutions with Listerhill and
receive up to **\$200 cash** plus a
rate discount.

We may be able to save you
hundreds of dollars over the
life of your loan and lower
your monthly payment.*

THERE'S A BETTER CHOICE, PAYDAY LENDING ALTERNATIVE



What is a Better Choice loan?*

An alternative to the extremely high interest
rates and fees of payday or cash advance loans,
costly bounced checks, overdraft protection
fees, late payment charges, and tarnished
credit ratings.

What's different about Better Choice loans?

- No application fees
- 18% Annual Percentage Rate (APR)
- \$35 annual participation fee for a loan
limit of \$250 (First year's fee paid at time
of initial loan advance. Fee can be taken
from loan proceeds or paid out of pocket).
- \$70 annual participation fee for a loan
limit of \$500 (First year's fee paid at time
of initial loan advance. Fee can be taken
from loan proceeds or paid out of pocket).
- \$250 minimum loan limit; \$500 maximum
loan limit

What are some other benefits offered?

- 30-day repayment term
- Payments can be made at any of the
14 LCU branches
- Flexible payment options
- Free & confidential financial
counseling

***Better Choice Requirements:** Annual fee required.
Advance must be paid in full before any subsequent
advance. First year's fee paid at time of initial loan
advance. Must qualify. Borrowers must meet credit
union membership requirements. Member must be 18
years and married or 19 years old and legally capable
of entering into a binding contract. An established
member of Listerhill Credit Union for a minimum of 60
days. A member in good standing at the time the loan
is applied for and/or at the time each advance is made.
Employed continuously for a period of 6 months, or be
receiving verifiable fixed income for a period of at least
6 months, and must provide proof of income at the time
of application. Not in the process of filing for bankruptcy
under any chapter of the bankruptcy code.

*Refinance pertains to non-LCU loans only. Terms
and rate subject to change without notice. Loan
approval and Annual Percentage Rate (APR)
are based on creditworthiness. Reward will be
deposited into your LCU account. Excludes LCU
VISAs. Limited time offer April 1-July 31.



YOUNG AT HEART

Call Amber Morgan at 256-383-9204 for more information.

September 2-4

Nashville Show Trip
Includes: Motorcoach Transportation, 3 days, 2 Nights
Lodging; 4 Meals (2 Breakfast; 2 Dinners); Guided tour of
Nashville; Admission to the Country Music Hall of Fame
Opry Mills, Tennessee's premier retail dining, and enjoyment
destination. 2 Great Shows: 1) The Grand Ole Opry 2)
Nashville Nightlife Dinner Theatre. Price Per Person
Single- \$319
Double- \$259
Triple- \$239
Deposit of \$ 75 per person is due by May 5, 2008.
Payment in full for each participant by July 5, 2008.

November 17-21

Smoky Mountain Show Trip
Motorcoach Transportation, video and restroom equipped,
4 nights lodging including 4 consecutive nights in the
Smokies. 8 Meals including: 4 Breakfasts and 4 Dinners
Guided tour of the Smoky Mountains. Four Evening Shows:
1)Country Tonight,, 2)The Miracle, 3)Magic Beyond Belief and
4)Black Bear Jamboree. One Morning Show: Patty Waszak
morning show at Dollywood.
Single- \$585 per person
Double- \$465 per person
Triple- \$445 per person
Deposit of \$ 75 per person due at booking.

FROM THE PRESIDENT



Dear Members,

As a credit union, Listerhill's primary focus has always been to provide helpful services and products to our membership. In these increasingly uncertain economic times, I believe it is essential for our credit union to continue encouraging growth, but to also help those with financial needs.

Payday lending and cash advance establishments now outnumber one of the most popular fast-food restaurant chains in the U.S. Their borrowers are being charged drastically high interest rates and exorbitant fees. Many find themselves trapped in a vicious borrowing cycle of ever-increasing balances, late charges, and ruined credit ratings.

In keeping with our philosophy, "People helping people," Listerhill has created a new loan program called Better Choice. Better Choice Loans are a much needed alternative to payday lending.

On June 9th the Better Choice Loans office opened for business at 915 Woodward Avenue in Muscle Shoals. Members who have been with the credit union for at least 60 days and have 6 months of verifiable income can borrow increments of \$250 or \$500 without a credit inquiry.

For a nominal annual fee, members can borrow money with a thirty-day repayment term. More money can be borrowed each time the previous loan has been paid-in-full. During the first day of business, several of our members took advantage of our new loan program and response has been overwhelmingly positive. Listerhill is working hard to help our members borrow the money they need and build or repair their credit rating.

On April 1st, we introduced our Go for Green Loan Campaign which has also been extremely successful. Members have refinanced 160 loans totaling \$4.1 million in high interest loans previously financed at other institutions. Members receive up to \$200 in cash for taking advantage of this great loan offer. They are saving hundreds of dollars over the life of their loans and have lowered their monthly loan payments significantly.

Listerhill believes our members are more than money and we want to continue to help those in need within our communities.

Sincerely,

Leonard Holcombe, President & CEO

GOING GREENER WITH YOUR NEXT CAR

By Jerry Edgerton

To the many options you have when you buy a car, add a new entry: a vehicle that does the least damage to the environment and minimizes the impact on global warming. The U.S. Environmental Protection Agency (EPA)—which regulates tailpipe pollutants as well as measures gas mileage—has combined data from both roles into a new Green Vehicle Guide. Consulting this and other Internet green car ratings will help you make a more informed decision.

Of course, your choice of car alone will not reverse the trend toward global warming and climate change. But as the environmental group Union of Concerned Scientists, Cambridge, Mass., points out, motor vehicles account for nearly 25% of all U.S. emissions of carbon dioxide—the major greenhouse gas culprit in global warming. So choosing the greenest vehicle possible is a step toward reducing that impact on the planet.

If you look at EPA ratings, you can see which of the cars, vans, pickups, or SUVs you're considering add least to your hometown air pollution as well as have the least impact on global warming. The agency gives scores of one to 10 (best) in two categories:

Tailpipe emissions of pollutants that contribute to smog and other regular air pollution, and

Emissions of carbon dioxide—as a measure of the impact on global warming.

Vehicles with a combined score of 13 or more (out of a possible 20) get a SmartWay designation. Very clean vehicles with a combined score of 18 or more are called SmartWay Elite. But even among cars that don't get the top ratings, you can see which are best of direct competitors. And there's a bonus: Cars with lower carbon dioxide emissions generally have higher gas mileage and so will cost you less to drive.

Unless you live in the Midwest, you'll likely have a hard time getting E85 fuel. "This information has been out there, but the EPA now has combined it into an easy way for consumers to compare vehicles," says Dan Edmunds, test-drive editor and alternative fuels expert for the auto Web site Edmunds.com. Other Web sites such as Yahoo autos and the American Council for an Energy Efficient Economy also give you lists of the greenest cars based on scores of one to 100, where 100 is best.

In trying to think green for your next car, here are some issues to consider:

Look hard at how you use your vehicle

If you bought a big sport utility vehicle to tow a boat or trailer you no longer own, consider a smaller vehicle. If hauling kids and their friends is a major consideration, look at a minivan, a less-thirsty, greener choice than most big SUVs. If you drive a big, full-size sedan because that's what you've always done, consider whether a smaller, more efficient sedan would work just as well. "To go greener, people have to consider their actual automotive needs instead of their wants," says Dan Edmunds of Edmunds.com, Santa Monica, Calif.

Choose the greenest in your category

Once you've decided what kind of vehicle will haul the people or things you need to transport, look for the top-rated choices. For instance, if you're looking for a compact pickup, the EPA site gives the SmartWay designation to the Ford Ranger and GMC Canyon. But even

if the vehicles you're interested in don't show up in the EPA or other top ratings, there's another simple way to make a green choice. John DeCicco, automotive expert for the group Environmental Defense, New York, notes that better gas mileage translates to lower emission of the greenhouse gas carbon dioxide. So, whether you're buying a new or used car, he advises: "Look for the highest gas mileage you can in a vehicle that meets your needs and your budget. Don't assume a hybrid is the only answer"

Though gas-electric hybrids top the mileage and green rating lists in most categories, you can find other green choices as well. That can be an advantage because hybrids are in short supply in some areas, and because nonhybrids tend to cost less. For instance, among compact SUVs, instead of a Ford Escape Hybrid (list price \$25,655 before options) you

might get a standard-engine Subaru Forester 2.5X model with a list price of \$21,955. Among midsize sedans, instead of a Toyota Camry hybrid (\$25,200), you might get a Hyundai Elantra SE (\$17,225).

Be alert for quirks in the EPA Rating

Some vehicles flagged by the EPA as green standouts come with a caution. Take the case of large SUVs such as the Chevrolet Tahoe equipped with so-called flex-fuel engines that can burn either gasoline or E85 ethanol. The EPA listings give the SmartWay designation to this model only when it's running on ethanol—which produces fewer greenhouse

gases.

Cars with lower carbon dioxide emissions generally have higher mileage and will cost less to drive. Greener choices—from small vehicles to large—are becoming available. For that same Chevrolet Tahoe SUV, General Motors is introducing a hybrid version that will improve mileage in both city and highway driving. Diesel fuel, which produces higher mileage than gasoline, soon will be back in the mix. Cleaner fuel and new engine technology that can meet pollution standards will be reflected in new models from Honda, Volkswagen, and Mercedes Benz.

A little further ahead is the extended-range plug-in electric vehicle that would work for a daily commute. It is awaiting improvements in battery technology, and General Motors is pledging to get its Chevrolet Volt version to market by late in 2010. Note, though, that recent reports claim no net environmental gain for plug-ins, as the electricity generated to power them will produce its own pollutants.

For the latest on hybrids and other green cars, visit Edmunds.com and click on Tips and Advice.

What may be changing most is how people view their cars. "Car buying always has been emotional—with car companies promoting ever more horsepower," says DeCicco of Environmental Defense. "Now buying a greener car is a new kind of personal statement."

Jerry Edgerton is an automotive writer whose work has appeared in Money and other national magazines. He also is the author of "Car Shopping Made Easy."



LCU SCHOLARSHIP

WINNERS ANNOUNCED



Listerhill Credit Union proudly announces that three graduating high school seniors have each received a \$1,000 scholarship to assist in their pursuit of higher education.

Each of these scholarships award \$1,000 annually to fund any accredited post-secondary education. The scholarship is awarded to seniors who demonstrate financial need, excellence in community service, leadership potential and academic achievement.

- **Chaz Tylor Smith** is a graduating senior at Wilson High School in Florence, Alabama. He will begin his pursuit of a degree in Aviation Management at Auburn University in the Fall of 2008. Chaz has been very active in leadership activities, including being named as an Outstanding Student of America, Graduate of Alabama Boys State Aerospace Academy and numerous hours of volunteer activities with local non-profit organizations.
- **Jonathan Steven Cox** is a graduating senior at Florence Christian Academy. Jonathan will attend Trevecca University in the Fall of 2008. He plans to major in Secondary Education with a concentration in Mathematics. While at FCA, Jonathan was a member of the National Honor Society, recipient of Most Outstanding Student Award and the President Bush Education Award. Jonathan volunteers with local organizations as well as helping to provide housing for low income areas in South Dakota and Brazil.
- **Mary Katherine Osborn** is a graduating senior at Colbert County High School in Leighton, Alabama. Mary Katherine plans to pursue a degree in Pre-Professional Biology at the University of North Alabama in the hope of becoming an Optometrist. While at CCHS, Mary Katherine was her senior class vice-president, DAR Good Citizen winner, a member of the National Honor Society, and editor of the CCHS website. She volunteers with the local Wellington Assisted Living Facility, American Cancer Society, the March of Dimes, and the Salvation Army.

The Listerhill Credit Union Scholarship Program was created to provide financial support for Listerhill members who are pursuing higher education with demonstrated financial need who achieve academic excellence and contribute to the community in which they live.