

bulletin

TELCOE

Cut Your Auto Loan Interest Rate With the Power of Payroll Deduction

Choosing the power of payroll deduction to make your auto loan payments will cut your auto loan interest rate by .25%. As an added bonus, Telcoe members who choose to put 10% down, cash or trade, on their new or used vehicle purchase can cut their auto loan interest rate an additional .50%.

	Already Low Interest Rates As Low As	With Payroll Deduction As Low As	With 10% Down As Low As	Savings
NEW	4.74% APR*	4.49% APR*	3.99% APR*	.75%
USED	6.00% APR*	5.75% APR*	5.25% APR*	.75%

While you're saving money on your loan interest rate, don't forget to let Telcoe's friendly loan staff help you save time and money with:

FREE Auto Valuation

Let us help you determine invoice pricing on the new vehicle you're purchasing or the value of your trade-in.

One-Hour (or less) Loan Approval

We'll cut through the red tape usually associated with credit approval and have you in the driver's seat of your new car fast. Better yet, get pre-approved for your auto

purchase and pay cash at the dealership!

Simplified Loan Process

Give us a call, 501-375-5321 or 800-482-9009. We can get your loan in process with just a few easy questions.

Employee Discounts Help Members Rack Up Savings

Employees of SBC and Superior Industries can take advantage of great employee discounts on new vehicle purchases through the GM Supplier Discount program available through their employer. Entergy employees have auto purchase discounts available through their employer sponsored "X-Plan."

Check with your employer's human resources department to find out if you have auto purchase discounts available. If not, Telcoe is always there to help you understand the car-buying process and get a good deal the next time you trade.

PROTECT YOUR INVESTMENT WITH GAP INSURANCE

Protect yourself and your family with GAP Insurance on your next auto purchase. GAP will pay off your auto loan deficit balance in the event of an accident resulting in a totaled vehicle up to the current NADA retail value. Many Telcoe members are delighted when their GAP insurance pays thousands of dollars on the totaled vehicle; most find that GAP pays the entire balance off!

GAP Insurance is modestly priced at \$225, can be added to the amount you finance with Telcoe and represents a few cents each week in your loan payment amount. Ask about GAP insurance with your next auto purchase.

* The advertised Annual Percentage Rates (APRs) on new and used autos reflect a .25% rate discount for payroll deducted payments and a .50% rate discount for 10% down on the purchase. Offer does not apply to vehicles already financed with Telcoe - only those refinanced from other lenders. Certain credit and collateral requirements must be met. Loan interest rate and amount financed subject to application and/or credit approval. Offer could end at any time.

Telcoe Makes Home Equity Loans Easy and Convenient

We know our members are busy with work and home responsibilities. That's why we've made it so easy and convenient to apply for a Home Equity Loan.

Apply on-line at www.telcoe.com by clicking on the picture of the house on our home page. Just fill out the Home Equity Worksheet completely. Or call 501-375-5321 or 800-482-9009 and ask to speak with someone in our mortgage loan department.

Great Home Equity Rates

As low as 3.25% APR* for 36 months
As low as 3.99% APR* for 60 months (longer terms are available)

*Home equity loans are available in all states except Texas. Additional costs and fees may apply. Telcoe reserves the right to determine financing value on all collateral loans. Loan interest rates and amount financed subject to application and/or credit score approval. Offer could end at any time.

A newsletter for our membership.

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TELCOE ANNOUNCES BRANCH CHANGES AND ENHANCEMENTS

In the fall of 2003, a professional membership survey was conducted to gauge member satisfaction with Telcoe services and to find out what changes and enhancements members wanted to see in their credit union. Responses to the membership survey, studies of branch transaction levels and the recent merger of another credit union with Telcoe have all contributed to what are some very positive branch changes and enhancements.

Credit union merger brings new branch location to Midtown

On May 1, 2004, Telcoe welcomed 1,900 new members into the Telcoe family with the merger of St. Vincent Employees Federal



Credit Union with Telcoe. With that merger, Telcoe is proud to announce our newest branch – the Telcoe St. Vincent Branch located at 100 S. University, Suite 120. The Midtown Branch is open 7:30 a.m. to 4:30 p.m. Monday through Friday and has a drive-thru window for transaction convenience. Also, a satellite office located on the first floor in the St. Vincent cafeteria is open 9:00 a.m. to 12:00 p.m. Mondays and Thursdays. If you live, work or shop in the Markham and/or University area, be sure to check out our newest branch location.

Telcoe has Saturday hours

Members living and working in the downtown Little Rock area are now enjoying our new Saturday hours of operation. The drive-thru windows at our Main Branch, 820 Louisiana, are now open from 9:00 a.m. until 11:30 a.m. on Saturday mornings. Telcoe will be closed on Saturdays of holiday weekends.

Northwest Arkansas members prefer technology

Recent studies of transaction levels and loan requests by Telcoe members living and working in northwest Arkansas have revealed some interesting facts about member preferences and Telcoe's Fayetteville Branch.

In the area of loan processing, more than half of the loan applications that originated from the Fayetteville area are coming by phone. Members are using the toll free number to call Telcoe's central loan center for fast, friendly loan service.

In the areas of transactions on savings and checking accounts, transaction levels for the Fayetteville Branch have not grown in a number of months. Why? More members are using automated services such as Telcoe's toll free telephone number, direct deposit, surcharge-free ATMs, Telephone Teller and Internet Banking to manage their financial affairs.

Because of these transaction/loan studies and Telcoe's dedication to reducing operating expenses the decision was made to close the Fayetteville Branch located at 3075 Market Street effective May 28, 2004. According to Telcoe President/CEO Sarah Mosley, "Member response has been overwhelmingly positive since we closed the branch. Clearly, northwest Arkansas members prefer using technology to access their credit union accounts and avoid drive time."

ACCOUNT FEES

Share Draft Accounts		Other Fees	
Temporary Checks (min. book of 10)	\$ 2.00	Check Cashing	\$ 3.00
Inactive Draft Account (monthly)	\$ 3.00	with no checking account	
(for balances below \$200, 3 months inactive)		Returned Checks/Deposits or Payments	\$10.00
2nd or more Checking Accounts monthly	\$ 7.00	Money Orders	\$ 2.50
Returned Check for Deposit	\$10.00	Cashier's Check (free with Golden	\$ 2.50
Returned Check for Deposit Members Account	\$25.00	Plus Checking or \$10,000 balance)	
Corporate Check Collection (electronic)	FREE	Traveler's Check (free with Golden	1% of
Corporate Check Collection (across counter)	\$20.00	Plus Checking or \$10,000 balance)	value
Statement Reconciliation by Telephone Teller	FREE	Source Document Research (\$10 min.)	\$10.00/hr.
Budget Pay Checking Account	\$ 3.00	Research Old Outstanding Checks	\$20.00
Share Accounts		Wire Fees Incoming	\$10.00
Account Opening	\$10.00	(free w/ \$10,000 balance)	
(\$5 membership fee + \$5 deposit)		Wire Fees Outgoing	\$15.00
Dormant Account	\$ 3.00	Bill Payment Fee	\$ 2.75
(below \$200, 24 months inactive)	per month	MasterCard Replacement/Lost/Stolen	\$15.00
Returned Statement (bad address)	\$ 5.00	Credit Research (per creditor contact)	\$10.00
More than 2 Cash, Check or ATM		Stock Transfer (per company)	\$25.00
withdrawals per month (per each)	\$ 5.00	Safe Deposit Box Initial Setup Fee	\$ 3.00
Close out w/in 90 days of opening	\$10.00	Re-drill Fee (lost keys)	cost
Quarter Plus Account		Incoming Collection Items	\$10.00
6 Withdrawals allowed per month		Credit Union Remote Funds	\$ 5.00
(3 by cash or check & 3 by transfer)		Navy CUMO (Overseas)	\$ 8.40
all others charged	\$10.00	Navy CUMO (USA)	\$ 6.00
ATM & Check Cards		Garnishment & Levy	\$25.00
ATM or Check Overdrawn (NSF)	\$20.00	Budget Draft	\$ 1.00
Re-Issue of Additional ATM Card	\$ 3.00	IRA Account	
1st 5 ATM Withdrawals per month	FREE	Closeout/Transfer Fee	\$25.00
(all others will be charged)	\$ 1.50	Accounts under \$500 on Dec. 31st	\$15.00
More than 2 Cash, Check or ATM	\$ 5.00	Self-Directed Brokerage Accounts (IRA)	\$30.00/yr.
Withdrawals per month from Share		Loan Fees	
Account (per each)		Loan Late Fee (5% of Loan Payments)	
ATM Balance Inquiry & Transfer (ea.)	\$ 1.00	Minimum Late Fee	\$ 8.00
Balance & Transfer Inquiry by	FREE	Maximum Late Fee	\$35.00
Telephone Teller		FHA Title I Loan – Maximum Late Fee	\$10.00
Check Card Monthly Fee	\$ 1.00	Written Loan Payoff	\$10.00
		Loan Extension Fee (10% of loan payments)	
		Minimum Fee	\$ 5.00
		Maximum Fee	\$30.00

Happy Shopping

As of June 21, 2004
Wal-Mart stores
will accept your
Mastercard payment



when used as a credit. Telcoe suggests
when using your Mastercard as a form of
payment select "CREDIT." This will save
the card holder the excessive withdraw fee
of \$1.50 for ATM/POS transactions over
five per month.

Credit Repair Service Now Available

Tired of hearing "No" every time you apply for credit? Let Telcoe help you rebuild your credit with our new Credit Repair Service. Our friendly loan staff will guide you through the credit repair process and help you get the house or auto loan you've always wanted. Just call 501-375-5321 or 800-482-9009 to get started on a bright credit future.

IS YOUR FINANCIAL PLAN ON TRACK?

A Message from the MEMBERS Financial Services Program

Few things are certain in life, but change is one of them. Periodically reviewing your asset allocation is a key ingredient to ensure your financial plan stays on track and continues to suit your current objectives, time horizon and risk tolerance.

Is your financial plan on track? Consider a professional review of your current situation by contacting the MEMBERS Financial Services Program located at Telcoe Federal Credit Union for no-cost, no-obligation analysis. Richard Clements, the MEMBERS Financial Services Representative can take a look at your current allocations, evaluate the changes in your life (i.e. taking a new job, adding a new member to your family, changes in income, child graduating from college, etc.) and weigh this information with current financial

trends. Then he can recommend any necessary adjustments.

If you would like to have Richard visit your place of employment to conduct a free seminar or if you would like a free appointment for yourself, call 501-375-5321 or 800-482-9009 and press extension 29.

Representatives are registered through, and securities are sold through, CUNA Brokerage Services, Inc. (CBSI), member NASD/SIPC, 2000 Heritage Way, Waverly, Iowa 50677, toll-free (866) 512-6109. Insurance sold through licensed CUNA Mutual Life Insurance Company Representatives, and in New York, licensed insurance representatives of other companies. Nondeposit investment products are not federally insured, involve investment risk, may lose value and are not obligations of or guaranteed by the credit union.

Your Financial Privacy Rights

To assure the continued privacy and confidentiality of your personal financial information, your credit union observes these practices and procedures:

Information We Collect

- We collect nonpublic information about you from some or all of the following sources:
- Information we receive from you on applications or other forms;
- Information about your transactions with us, our affiliates, or others; and,
- Information we receive from a consumer reporting agency.

Information We Disclose

We do not disclose any nonpublic personal information about our members and formers to affiliates or non-affiliated third parties except as permitted by law.

Our Security Measures

We restrict access to nonpublic information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic and procedural safeguards that comply with Federal regulations to guard your nonpublic personal information.

This notification meets the notification requirements of the National Credit Union Administration regulation on privacy of consumer information.

Complement Your Employer Sponsored 401K with a ROTH IRA

With as little as \$5.00 payroll deducted each payday, you can contribute systematically to a Telcoe ROTH Individual Retirement Account (IRA) and supplement your employer-sponsored 401K retirement savings. Getting started with a ROTH IRA is easy. Just open your new ROTH IRA with a minimum \$25.00 deposit, and then use payroll deduction to add to your IRA each payday. Telcoe ROTH IRA's are earning a dividend of 1.65% APY for balances up to \$20,000 for quarter ending 06/30/04.



Assets: \$150,569,925

Loans: \$59,788,864

Savings: \$119,393,049

Members: 21,078

Telcoe Stats

as of June 30, 2004



Telcoe FCU Information

Telcoe Federal Credit Union

P.O. Box 34200
Little Rock, AR 72203

Local: 501-375-5321

Toll Free: 1-800-482-9009

Fax: 501-375-6233 or 376-1709

Report Check Card Lost/Stolen:
1-800-325-3678

E-Mail: telcoe@telcoe.com

Web Site: www.telcoe.com

24-Hour Telephone Teller Automated Balance
& Account Transactions

Little Rock: 501-375-2648

Toll Free: 1-800-368-2648

BRANCH LOCATIONS

TFCU Little Rock Main Branch

820 Louisiana St.
Little Rock, AR 72201
M-F 8:30 a.m. to 5:00 p.m.
Saturdays 9:00 a.m. to 11:30 a.m.

TFCU St. Vincent Branch

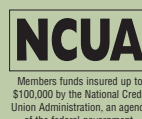
100 S. University, Suite 120
Little Rock, AR 72201
M-F 7:30 a.m. to 4:30 p.m.

TFCU St. Vincent Satellite Office

St. Vincent Health System
1st Floor Cafeteria
Mondays and Thursdays 9:00 a.m. to 12:00 p.m.

TFCU Russellville Branch

2504 West Main Street, Suite L
Russellville, AR 72801
M-F 8:30 a.m. to 5:00 p.m.
Local: 479-967-8018



Dinner for two at Cagle's Mill

A special thanks to Cathy Gilbert and staff at Holiday Inn Russellville for donating dinner for two at Cagle's Mill. A drawing was held on May 28th and all donations went to the Children's Miracle Network. Scott Rentfro a Pope County Sheriff's Department Lieutenant was the winner. Thank you again to all who participated.



SECOND QUARTER

DIVIDENDS

As of April 1, 2004

APY*

Prime Savings	.50%
\$5.00 to \$199	1.00%
\$200 to \$20,000	1.25%
\$20,001 & up	
Club Accounts	1.00%
\$5.00 & up	
IRA Variable	1.00%
.00 to \$2,499	1.65%
\$2,500 to \$20,000	1.95%
\$20,001 to \$100,000	2.05%
\$100,001 & up	

*All rates quoted Annual Percentage Yield. Dividend rates are declared for the previous quarter. Earnings are paid on the first day of the month and are compounded quarterly. Rates and terms for savings and loans are subject to change without notice.

Telcoe is Your Vacation Headquarters

See Us for Vacation Loans and Discounts to Popular Theme Parks

Planning your family's summer vacation? Let Telcoe help you make your vacation dreams come true with a vacation loan and discount tickets to the area's most popular theme parks. Vacation loans are easily paid back using effortless payroll deduction. Loan interest rates and terms are based on individual requirements including credit

application and approval. Call today for information on a possible vacation loan to fund your summer fun!

Telcoe offers the following savings on theme park tickets, and a portion of your ticket price is a donation to Arkansas Children's Hospital:

Ticket Type	Discount \$\$	Regular \$\$	Your Savings
Silver Dollar City	\$40	\$86	\$46
Branson, Missouri	\$30	\$64	\$34
Adult Season Pass	\$56	\$76	\$18
Child Season Pass	\$46	\$63	\$17

At Silver Dollar City, children 3 and under are FREE. With purchase of a coupon book for Branson area mer-chants, restaurants and other attractions. Season passes are also good for "Old Time Christmas." Silver Dollar City is open daily through August 22nd, Wed. through Sun. Aug. 26th through October 30th. The "Old Time Christmas" schedule is Thurs. through Sun. Nov. 6th through Dec. 30th. For operating hours call 800-888-7277 or visit www.silverdollarcity.com.

Ticket Type	Discount \$\$	Regular \$\$	Your Savings
Six Flags Over Texas			
Adult 1-Day Pass	\$26	\$41.99	\$15.99
Good all of '04	\$24.99		
Guests 48" & under	\$24.99		
Seniors 55 & older	\$24.99		

At Six Flags Over Texas, children 2 and under are FREE. Two-day Combo Tickets to both Six Flags and Hurricane Harbor are also available through Telcoe for \$44.00 – a substantial savings off regular ticket prices.

Ticket Type	Discount \$\$	Regular \$\$	Your Savings
Wild River Country			
Adult 1-Day Pass	\$17	\$28.59	\$11.59
Child 1-Day Pass	\$13	\$20.89	\$7.89

To get your discounted tickets to Wild River Country visit our web site at www.telcoe.com and click on the Wild River Country link. When asked for the password enter memberdriven. For more park information visit the website www.wildrivercountry.com.

Through our Movers and Checkers program, Telcoe will assist you in closing out your existing checking account, moving your direct deposit and moving any automatic payments (debits) you currently have to your new account with your credit union. Call us today for more details on the crowd standout – Telcoe's Free Checking.

We also make it easy for you to move your checking account from another financial institution. Through our Movers and Checkers program, Telcoe will assist you in closing out your existing checking account, moving your direct deposit and moving any automatic payments (debits) you currently have to your new account with your credit union. Call us today for more details on the crowd standout – Telcoe's Free Checking.

- Free checks for our members 55 and older with Direct Deposit
- Saturday morning drive-thru hours at our Main Branch
- Direct Deposit of your paycheck saves you time and money
- Free checks for our members 55 and older with Direct Deposit
- FREE Internet Banking
- FREE Telephone Teller access
- FREE 24-hour Telephone Teller access
- Saturday morning drive-thru hours at our Main Branch
- Direct Deposit of your paycheck saves you time and money
- Free checks for our members 55 and older with Direct Deposit

(a service like no other financial institution)
 • Can't find a surcharge-free ATM near you? Telcoe will refund up to 5 bank surcharges each month
 • Dividends daily balance of \$1,000 or more
 • Over 100 surcharge-free ATM locations in Arkansas
 • Direct Deposit of your paycheck daily balance of \$1,000 or more

These features also offer lots of savings and convenience

- No monthly service charge
- No per check charge
- No minimum balance required
- No monthly service charge
- No per check charge
- No minimum balance required

These features also offer lots of savings and convenience

With so many options to choose from in the financial marketplace, Telcoe's Free Checking really stands out in the crowd as the consumer-friendly, convenience-offering, money-saving choice. Take a few moments to compare your current checking account with Free Checking at Telcoe:

crowd standout



P.O. Box 34200
 Little Rock, AR 72203-4200

Holiday Closings

Labor Day
 Observed Saturday, September 4 and Monday, September 6, 2004
Columbus Day
 Observed Saturday, October 9 and Monday, October 11, 2004

NOTICE

When transacting business with your credit union by mail, always use our standard post office box address:

Telcoe Federal Credit Union
 P.O. Box 34200
 Little Rock, AR 72203

BULLETIN BOARD

Presorted Standard
 U.S. Postage Paid
 Little Rock, AR
 Permit No. 2437