



credit union

Member Connection

SPCO Federal Credit Union

70th ANNUAL MEETING

February 17, 2007

6:00 PM

Tickets \$3.75

Purchase tickets at either credit union branch.

Held at: Knights of Columbus Hall
607 East Whitney Drive
Houston, Texas 77022

Warning Signs You Have Too Much Debt

- Only make minimum payments
- At or near credit limit on cards
- Don't know how much you owe
- Use cash advances to pay bills
- Denied credit, or denied credit purchase
- Get calls from collection agencies
- Lie to spouse or family about spending
- More of total income going toward debts

Holidays Ahead

The Credit Union will be closed in observance of the following:

Martin Luther King, Jr. Day, January 15

SPCO

Federal Credit Union

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"We do business in accordance with the Federal Fair Housing Law and the Equal Credit Opportunity Act."

ARE YOU SUFFERING FROM A HOLIDAY SPENDING BINGE?

It can happen to the best of us. We intend to stay on budget but then end up spending more. Many of us believe that we will pay off our credit cards within a month, but just when we think we will have the money, our income and property taxes come due, or we are hit with other unexpected expenses.

Debt has become a part of life for millions of people and paying it back can be very daunting. High-interest credit cards, student loans, auto loans, medical expenses and other bills can really weigh you down. One of the best ways to tackle the debt is to pay off high interest bills as soon as possible, especially as the average credit card interest rate is 14%.

The beginning of a new year is a great time to commit to improving your financial situation. For many people with high-interest credit card debt, it makes good financial sense to them to consolidate or pay off that debt by refinancing their existing mortgage.

Some of the reasons to consider refinancing to consolidate and pay off your debt are:

- 1) The interest rate on the refinanced home loan may be considerably less than that on a credit card, making it easier to pay off your debts.
- 2) The interest on your mortgage is usually tax-deductible whereas the interest on a credit card is not (please consult a tax advisor).
- 3) When you consolidate your debt, you typically only have to make one monthly payment as opposed to several payments to several different companies (as long as you do not bring the balances back up on your cards).

Contact Fieldstone Mortgage Company, your credit union's mortgage source, for a FREE consultation regarding your current financial situation. Fieldstone offers mortgages for a wide variety of customers including those with less-than-perfect credit.

If you are thinking about purchasing or refinancing, call Fieldstone first at **866-901-3622** for a no-cost evaluation of your mortgage options. In addition, close a loan with Fieldstone's Affinity Lending Office by March 31, 2007 and receive a **\$300 AMERICAN EXPRESS® Gift Card!**
Call **866-901-3622** today for more information!



*Loan must fund by March 31, 2007 in order to receive this offer. Mention this offer at time of application. Special can not be combined with any other offers. Offer void where prohibited. Please allow 15 days after funding for processing and delivery of the gift card. This offer is contingent upon receiving a valid first lien on an owner occupied, one-to four family residence or condominium, excluding all mobile homes or co-ops. Minimum and maximum property values may apply. Loan approval subject to verification of acceptable income and credit and underwriting approval. A property appraisal is required. Rates and terms may vary, and restrictions may apply. Fieldstone Mortgage Company, has corporate offices at 11000 Broken Land Parkway, Ste 600, Columbia, MD 21044.

Four Strategies to Bring Out the Millionaire in Everyone

What do you think your chances are of becoming a millionaire? Here are some proven wealth-building strategies that have helped create many millionaires and that almost any motivated individual can master.

1. Believe you can build wealth.

Researchers found that income differences alone had little to do with disparities in wealth. Observing that some of the lowest-earning households in the study had managed to accumulate significant wealth, the researchers concluded that most of the disparity was a result of how much the households chose to save.

People who build wealth are optimistic about their ability to achieve their financial goals in spite of an average income or other apparent limits.

2. Live the millionaire lifestyle.

Think you can't afford to live like a millionaire? The reality is that you can't afford not to live like one.

The wealthy typically live comfortable but not extravagant lives, believing that financial independence is more important than displaying high social status. They consistently spend less than they earn.

3. Actively manage your money.

Studies show that households that put a couple of hours a week into planning and managing their finances have a much greater chance of accumulating

wealth and achieving their financial goals.

Rather than constantly checking stock prices, use your money management hours doing such things as researching and learning how to invest, learning about the tax system, calculating your net worth, tracking your expenses, designing a budget, and writing down your financial goals.

4. Think like an investor, not just a saver.

To build the kind of wealth that gives you independence and security, you have to be an investor, putting your savings into things that become more valuable over time, such as securities (stocks and bonds) and real estate.

You might be surprised to learn that investing success is within reach of even newcomers to the market. People who make money in the stock market buy and hold a diversified portfolio, which you can easily achieve through a good mutual fund having minimal expenses. Regardless of where you put your savings, your long-term investment strategy should be to achieve adequate growth so that, ultimately, you can live on the income your fortune produces and never have to dip into the principal.

Visit the credit union today. We can help you get on the road to building wealth.

Retirement: How Much Do You Need to Save?

Do you know how much you can expect from Social Security in retirement—or from any pension plan you have? Do you know how much you need to save to make up the shortfall in your desired retirement income?

Gather information about any traditional pension and other retirement plans you have. Request a benefit summary plan, including when and how you'll receive your payments. For an estimate of your future Social Security benefit, watch your mail for the annual statement now sent automatically to all workers age 25 and older.

Then estimate your retirement expenses. In general, you'll need about 70% to 80% of preretirement expenses. But these traditional formulas may leave you short—due to longer

life expectancies, active retirement lifestyles, higher medical expenses, long-term-care costs, and higher property taxes.

If anything, overestimate for unexpected spending and factor in annual cost-of-living increases between now and the time you retire, as well as throughout retirement.

A financial adviser, retirement planning software, or Internet calculator can help you calculate how much you need to save to make up the shortfall in your desired retirement income. Your results will change based on actual investment returns, inflation rates, tax law changes, changes in Social Security, and how long you live, among other things.

Privacy Notice and Disclosure

It is the policy of SPCO Federal Credit Union to maintain the confidentiality and privacy of our members to the best of our ability. While transacting financial business, it is sometimes necessary for us to transmit and receive confidential member data with 3rd party providers. We have chosen to conduct business with those 3rd party providers who are committed to maintaining member privacy and confidentiality.

Member Information

We collect information about members from the following sources:

- Membership Applications
- Loan Applications
- Credit Reporting Agencies
- Employers (past and present)
- Other Financial Institutions

We dispense member information to the following parties:

- Credit Reporting Agencies
- Our Data Processing provider
- Insurance Companies
- Government Agencies (only when required)

SPCO Federal Credit Union has not authorized those 3rd parties to release confidential member information to any other parties. We do not sell or distribute our membership information.

If you have any questions about our Privacy and Confidentiality Policy, please feel free to contact us at:

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