



SHARELINES

YOUR ALLEGACY NEWSLETTER

1st Quarter - 2013

SWEET SIMPLICITY

In addition to Allegacy's mission of helping you make smart financial choices, we also have six service promises that outline exactly how we intend to deliver on our mission. Could you name all six? Hint: They're printed across the inside of every Sharelines.

While each of the service promises is important, there's one that seems to rise to the top around this time of year: We promise to find ways to offer simplicity and convenience. When the chaos of the holidays has begun to die down and you're left with a stack of bills or a list of good intentions for improving your finances in the new year, the promise of simplicity and convenience can bring a welcome sense of relief.


If you're wondering where to start on the path to simplifying your life, perhaps you should look into a personalized debt consolidation loan from Allegacy.

This is one of the smartest ways to take control of your finances because it enables you to pay off your debt faster by combining your high interest debt into one low interest loan.

Using a debt consolidation loan from Allegacy, you can combine debt of up to \$25,000 from multiple high interest rate

loans and lines of credit, including all of those store and personal credit cards you may have opened over the holidays. At a fixed rate of as low as **8.00% APR**, our **debt consolidation loans** offer a much lower interest rate than you're likely paying — possibly less than half the rate your credit cards are charging you.

By consolidating your high interest debt into one, low monthly payment, you can save thousands of dollars in interest and pay off your debt much more quickly — even if you qualify for repayment terms of up to 60 months.

At Allegacy, the process of applying for a debt consolidation loan is personalized. We don't believe in a one-size-fits-all debt consolidation strategy. Instead, we examine your debts, your spending habits, and seek to understand your financial goals before crafting the debt consolidation loan that's the smart choice for you. 

SMART FINANCIAL CHOICES



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that clicks
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LIMITED TIME ONLY
Debt Consolidation Loan for as low as

8.00% APR

By consolidating your high interest debt into one low monthly payment, you can save thousands of dollars in interest and pay off your debt faster — and smarter.

If you're seeking more simplicity in your life, call 336.774.3400 / 800.782.4670 to learn more about our debt consolidation options.

Subject to credit qualifications. Taxes & insurance extra. Terms, conditions & restrictions apply. For example, a \$9,500.00 loan amount financed at 9.00% APR for a term of 60 months would result in an approximate monthly principal and interest payment of \$197.17. This example as of 12/03/12 and your rate may vary. Rates, loan products & fees subject to change without notice.


Allegacy
AllegacyFCU.org

OUR SERVICE PROMISES

TO YOU, ALLEGACY OWNERS

1 WE PROMISE TO TREAT YOU WITH THE RESPECT DESERVING OF AN OWNER

2 WE PROMISE TO FIND WAYS TO OFFER SIMPLICITY AND CONVENIENCE

3 WE PROMISE TO TAKE OWNERSHIP OF YOUR REQUEST

IRA SPECIALS

Bring your IRA and make it smarter!

If you are like most people, the new year has you thinking about taxes, savings, and smarter ways to grow your money. Right now, Allegacy is offering two IRA Certificates that could help you achieve everything you want in all of these areas.

Our Special 13-month IRA Certificate earns 0.75% APY on balances up to \$100,000 and 0.80% APY on balances over \$100,000. Best of all, it only takes \$10,000 to open this account. At 13 months, your funds will be available to reinvest penalty-free, or you can take advantage of a withdrawal (subject to IRS rules).


For those with a little more time and money to invest, we offer our Bump-Up IRA Certificate, which requires a minimum of \$50,000 to open and matures in 23 months. You will earn

0.75% APY on balances up to \$100,000 and 0.85% APY on balances over

\$100,000. Plus, as the name implies, it offers you the chance to “bump up” your rate once over the life the certificate to potentially lock in a higher dividend rate for the remainder of your original term.

Funding for an IRA Certificate can come from any number of sources. This may include an IRA currently held at another financial institution, 401(k) rollovers, or

multiple IRAs that need to be combined.

IRA Certificates offer many tax advantages, too, but they also come with certain stipulations, such as a maximum annual contribution limit. Be sure to consult with your CPA before making any sudden moves with an existing or new IRA account. 

Your savings is federally insured up to \$250,000.

Which IRA Certificate is right for you?	SPECIAL IRA CERTIFICATE	BUMP-UP IRA CERTIFICATE
Lets you take advantage of a rate increase		•
Can be opened with as little as \$10,000	•	
Offers a higher dividend rate on balances over \$100,000	•	•
Automatically rolls to a regular IRA certificate at maturity	•	•

To learn how Allegacy's IRA Certificates could help you save for retirement and grow your money safely, visit AllegacyFCU.org

The mission of Allegacy Federal Credit Union is to help you make smart financial choices.

Katherine Beacham,
Mortgage Loan Specialist,
Westbrook Financial Center

For Member Services, call **336.774.3400** (Local) / **800.782.4670** (Toll-Free)

To receive this newsletter online, visit **AllegacyFCU.org/Sharelines**

For news & tips, follow us on  Facebook/**[Allegacy](https://www.facebook.com/Allegacy)** and  Twitter **[@Allegacy](https://twitter.com/Allegacy)**

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4 WE PROMISE TO RECOGNIZE YOUR NEEDS AND RECOMMEND INNOVATIVE SOLUTIONS THAT WILL HELP YOU MAKE SMART FINANCIAL CHOICES

5 WE PROMISE TO ENSURE THE SECURITY OF YOUR FINANCIAL INFORMATION

6 WE PROMISE TO EXPRESS OUR APPRECIATION FOR THE OPPORTUNITY TO SERVE YOU




Q My friend says her bank offers home equity loans for up to 85% of the available equity. I've heard that Allegacy offers up to 100%. What do these ratios mean to me as a potential borrower?

A It's true that, unlike most banks, Allegacy offers qualified applicants up to 100% of their available equity. This allows you to take full advantage of money that's already yours. To better understand what a difference these percentages can make, let's examine how banks calculate your available equity as compared to Allegacy.

When a bank says they offer up to 85% of your available equity, that means they are starting with only 85% of the estimated value of your home. Allegacy starts with the full value of your home, so you end up with a larger amount of equity. Here's an example of what that looks like:

	BANK	ALLEGACY
Est. Home Value	\$200,000	\$200,000
Multiplied (x) by	85%	100%
	\$170,000	\$200,000
Minus (-) Mortgage Balance	- \$130,000	- \$130,000
Available Equity	\$40,000	\$70,000

As you can see, when you're offered 100% of your available equity, as opposed to only 85%, your borrowing power increases dramatically. For information about how home equity loans and lines of credit can be used, or to apply online, visit AllegacyFCU.org. 



Scholarship helps local athlete build a solid future.

While he may not be playing outside linebacker for the Wolfpack, Daniel "Chase" Mills is definitely living his dream of staying active in sports while attending his top choice of schools — North Carolina


State University. This energetic sophomore manages to balance a heavy load of classes with participation on several club and intramural teams, all without missing a moment of the college social scene.

Raised in the small town of Pilot Mountain, Mills developed a passion for football and baseball while playing for East Surry High School. At the urging of his parents, he also dedicated himself to academics. It was through his studies that Mills recognized his aptitude for math and science, while electives like art and drafting helped strengthen his creative talents.

All of these interests, combined with his lifelong loves of creating Lego structures, building forts in the woods and tinkering with mechanical devices, helped Mills realize that he wanted to follow in his older brother's footsteps of studying engineering.

Today, Mills is well on his way to realizing his dream of becoming a mechanical engineer, thanks in large part to the **Mel Hughes Scholarship**. Awarded to four Allegacy members annually, this scholarship provides financial assistance to high-achieving students in the Triad.

"I am very thankful to the Mel Hughes Foundation and to Allegacy Federal Credit Union for their support of local students and for helping me achieve my dreams," Mills said.

"I realize there are many students who would not have the opportunity to attend college without scholarships. Allegacy's generosity inspires me to help others by giving back to the community, and I hope one day I will be in a position to help someone else achieve their educational goals." 

The application process is open now through February 11, 2013. To learn more about the Mel Hughes Scholarship or to apply online, visit AllegacyFCU.org/scholarships



Letter from the President

With so many obligations and distractions in our lives, simplicity is often the one thing we crave more than anything. Whether it's paring down our schedules to spend more time with family and friends or a bigger desire to return to a less complicated way of life, simplicity helps us enjoy a bit of order amid all the chaos.

Over the past year, Allegacy created many new products and tools that deliver on our promise to help simplify your life. From the Mortgage Eliminator Loan to mobile device and iPad apps, we never stop working to provide you with the means to take control of your finances in the smartest, most convenient ways possible.

Keep an eye out for more exciting product, service and personnel introductions from Allegacy throughout the new year. When it comes to offering time- and money-saving solutions, expert advice on ways to help grow and protect your wealth, educational workshops and much more, everything you need is always at Allegacy.

While we try to keep you in the loop on all the innovative ideas and solutions we offer, sometimes the news that matters most to you may become lost in the background noise. Please remember that our Member Services Representatives are always there to provide knowledgeable recommendations on the best products or services to simplify your life and help you achieve your financial goals. You can trust that they have your best interests at heart when assisting you with transactions, answering questions or addressing your concerns in person, over the phone or online.

I want to thank each and every one of our members for the opportunity to serve you. Without your support, our service promises, mission and passion for helping others realize their dreams would simply be in vain. You make us who we are. You make us proud to be Allegacy.

Wishing you all a happy, healthy, and prosperous New Year! 🐉

Sincerely,

W. K. Keener, Jr.
President / CEO



Educational Workshops

ECONOMIC UPDATE & PLANNING IN 2013

hosted by Allegacy Investment Group*
January 8 at 6:30 pm

HOME BUYING WORKSHOP

January 17 & March 21 at 6:00 pm

TAX PLANNING WORKSHOP

hosted by Allegacy Investment Group*
February 12 at 6:30 pm

401(k) ROLLOVERS / IRAs

hosted by Allegacy Investment Group
March 12 at 6:30 pm

FOR BUSINESSES

NC HEALTH INSURANCE REFORM 2013

hosted by JBA Benefits, a subsidiary of Allegacy
January 17 & 31 at 2:00 pm

THE EMPLOYER AND MEDICARE

hosted by JBA Benefits, a subsidiary of Allegacy
January 23 at 2:00 pm

THE EMPLOYER AND SECTION 125

hosted by JBA Benefits, a subsidiary of Allegacy
February 21 at 2:00 pm

QUICKBOOKS MADE EASY

hosted by Allegacy Business Solutions
February 21 at 9:00 am

THE EMPLOYER AND HSAs

hosted by JBA Benefits, a subsidiary of Allegacy
March 7 at 2:00 pm

MEDICARE BASICS

hosted by JBA Benefits, a subsidiary of Allegacy
March 14 at 9:00 am

Reserve your spot today at
AllegacyFCU.org/workshops

Holiday Closings

MARTIN LUTHER KING, JR. DAY January 21

PRESIDENTS' DAY February 18

SMART BANKING
FAST FACTS



Need a new car but have no time to shop? Let Allegacy do it for you. Our **auto buying service** will search for the exact vehicle you want and negotiate the deal on your behalf. We can also handle the trade-in of your old vehicle, saving you the stress of trying to sell it outright or haggle over the value.

Contact us, browse cars, or schedule a test drive at AllegacyCars.com

Make the most of your automotive dollars with help from Allegacy. We can help you save money on the purchase of a new car. Or refinance your existing loan with **rates as low as 2.39% APR**. Either way, you could end up with a much lower monthly payment than you currently have.

Apply online and be pre-approved right away at Loans.AllegacyFCU.org

Allegacy raised \$47,000 at the **13th Annual DW "Don't Wait" Benefit Golf Tournament** held at Bermuda Run Country Club. The event, which benefits Cancer Services, Inc., a local United Way agency established "to enhance the quality of life for those living with cancer and to provide the gift of life through education," has raised more than \$631,000 to date. Allegacy is the founding sponsor of the event.

Read more about our community involvement at AllegacyFCU.org

Did you know that **Allegacy Investment Group** provides complimentary consultations through CFS*? Now there's no excuse to let your retirement, investing, college savings or insurance plans hang in limbo any longer. Our financial advisors, available through CUSO Financial Services, L.P., will examine your current financial status, desired goals and personal tolerance for risk before creating a tailored strategy for growing and protecting your wealth.

To schedule a complimentary, no-obligation planning session, call 336.774.3400 or visit AllegacyInvestmentGroup.org

*Non-deposit investment products and services are offered through CUSO Financial Services, L.P. ("CFS"), a registered broker-dealer (Member FINRA/SIPC) and SEC Registered Investment Advisor. Products offered through CFS: **are not** NCUA/NCUSIF or otherwise federally insured, **are not** guarantees or obligations of the credit union and **may** involve investment risk, including possible loss of principal. Investment Representatives are registered through CFS. Allegacy Federal Credit Union has contracted with CFS to make non-deposit investment products and services available to credit union members.

Convenience that clicks.

Are you earning dividends with your Smart Rate checking?

Make sure you are taking advantage of these high dividends each month by meeting the following requirements:


- Make 10 Check Card transactions per cycle
- Enroll and receive eStatements
- Set up one direct deposit or ACH auto debit per cycle

Not only does this account earn high dividends, but you will also receive the benefit of having your ATM fees refunded up to \$25 per cycle.

Members who currently receive the Smart Rate 'qualifier' email:

This distribution concluded as of the end of December 2012. Moving forward, a link will be provided for your convenience in your eStatement. This link will guide you directly to your account online to display whether dividends have been posted and whether you have met the account requirements.

Noticeably Different – Noticeably Smarter.

Beginning in 2013, you will notice a new look to your monthly statements. These modifications were designed to enhance our member experience. Statements will now feature messages to highlight products and services that may be of interest to you. You will also notice that your account descriptions and transactional data are more organized and streamlined. We hope you enjoy the new layout. 

A photograph of a smiling woman with dark hair, wearing a light-colored blazer, sitting in what appears to be a cafe or office setting. The background is slightly blurred, showing shelves with coffee cups and warm lighting.


Taking a Leap in 2013

With a new year comes new opportunities. Maybe it's the perfect time to start something new, become your own boss and take a chance on success. Before starting a business, you should do some initial planning to assess the financial requirements, daily activities and possible contingencies. With your future on the line, how do you know what to plan for? Here are a few considerations:

First, you will have to decide on the **legal structure** of your business. Will you conduct business as a sole proprietor, or will you create an entity separate from yourself, like a corporation, partnership or limited liability company? Each type has its own attributes. For example, certain forms of entities offer limited liability protection, allowing you to protect your personal assets from lawsuits involving the business.

Taxation is another especially important factor to consider. If you choose a C corporation as your legal structure, you may be subject to a double tax — one tax when the corporation makes a profit and another when those profits are distributed to the owners. On the other hand, if you choose a partnership, only the owners are taxed. For this and many other reasons, tax considerations must be weighed carefully.

Finally, while you might be gambling on a new business, your **retirement** is nothing to gamble away. The Financial Advisors at Allegacy Investment Group, available through CUSO Financial Services, L.P., can help you with many business considerations such as retirement savings plans for you and your employees.

Before starting your business, consult with an advisor, like those at Allegacy Investment Group, for advice on how best to capitalize on your new adventure. Call 336.774.3400 / 800.782.4670 to meet with an advisor today. 

Removing Roadblocks

Insufficient financing is a common obstacle to starting a business. In addition to calculating how much money you'll need to start and run your business, you have to decide where to get the funds. Options range from taking out a business loan to taking money from investors in exchange for a share in the ownership of the business.

Contact the Business Lending experts at Allegacy for advice on funding your business today.

Stay Covered

Before starting a business, you should consider your insurance needs, which may include property and casualty insurance, life insurance and liability insurance. If you have employees, you'll have to decide whether to provide medical insurance and benefits. Allegacy Business Solutions can help you weigh the options and find the plan that best fits your needs, size and business goals.


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Where to start when starting a business.

Interested in starting a business and don't know where to begin? The Small Business Administration (sba.gov) is an excellent resource for step-by-step instructions on how to write your business plan and create a checklist of items, like tax IDs, licenses and permits, that you'll need to get up and running. Winston-Salem's Small Business and Technology Development Center (sbtcd.org/offices/wssu) is a great local resource, too.

Then, when you're ready to apply for a loan to fund your new business, Allegacy will be happy to consider your financing needs. Before you meet with a Business Lending specialist, know that you should be prepared to pay for 20% of the total cost to start the project, including equipment purchases, payroll expenses and other costs, out of your own pocket. In addition to this, you will need to provide:


1. A complete Business Plan, including month-to-month projections for the first year and annual projections for the next two years
2. Acceptable collateral, such as real estate, marketable securities, etc.
3. Personal and business tax returns for the past three years
4. A Personal Financial Statement and good personal credit

While this might seem daunting, don't let the business of starting a business scare you off. Allegacy is here to help you every step of the way with advice, products and services tailored to meet the needs of start-ups and small businesses, just like yours. 

To learn how we can help, visit AllegacyFCU.org and click on Business.

Choosing a plan that truly benefits you.

When starting your own business, it's important to offer protection for your employees — even if you're the only one on the payroll. Providing valuable benefits like medical, dental, vision and disability coverage for your employees can help you recruit the best talent for your business and gives your employees peace of mind.


But with rising insurance costs, ever-changing coverage rules and more provider options available than ever before, it can be hard to identify the best plan at the best price. Turn to an experienced benefits consultant, like those at Allegacy Business Solutions, for help selecting the right level of coverage for your employees at a price that won't put you out of business before your grand opening. 

To review benefit options, call 336.765.2101 / 877.765.2101

Do what you do best. Let us handle the rest.

It makes sense that you would be successful doing what you love or know best. This is why most start-ups and new businesses spring from someone's hobby, personal interests or deep familiarity with a particular industry. On the other hand, this also means that many of the skills necessary for actually running a business fall outside of most people's knowledge or experience.

Areas like payroll require highly specialized skills and an intense understanding of government regulations, tax implications and processes for unique circumstances. Why leave something to chance when, if done incorrectly, it could have a huge financial impact on your business? Let the professionals at Allegacy Business Solutions handle all your payroll and tax processing needs.

Not only are we experts at what we do, staying up to date on ever-changing payroll laws and regulations that affect your business, but we also assume all liability for tax errors or delays. Plus, by outsourcing your payroll processing, you are able to keep overhead costs down while allowing your new business to grow. Now that sounds like a formula for success. 

For more on payroll and tax processing, contact us at
336.774.3490 / 888.398.4324