



Got Green...Grow it at your Credit Union. National Youth Week

Heritage South Credit Union does not believe that the future is wasted on our youth. Please join us again this year during National Youth Week as we educate our children in the importance of making wise financial decisions. Our youth cannot begin too early in learning the principals of long term savings and proper money management. Please join us during this important week as we teach our children these important skills.

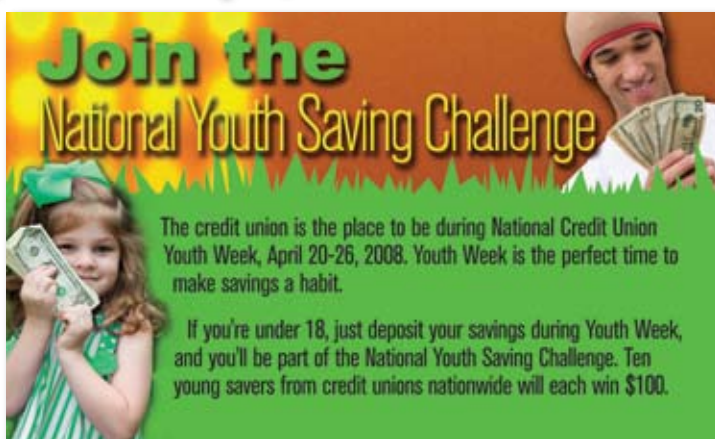
Activities for the week of April 20-26

Got Green Art Contest

Our art contestants will be divided into two age groups, 0-12 and 13-18. Each contestant will draw a picture of what saving money means to them. The winner of each age group will receive a PRIZE of \$50.00 deposited into their savings account.

Teen Money Management Seminar

Our Teen Money Management Seminar will be held on April 22, 2008. Participation will be limited to 60 high school juniors and seniors. Topics for the seminar will consist of savings, checking, credit, borrowing and insurance needs. Pizza and drinks will be provided along with a special gift for each participant. NOTE: We are currently working with the schools in an attempt to get extra school credit for attendance. Please ask us for details.



Bring a Friend

During National Youth Week, all members age 18 and younger who bring a friend that joins Heritage South Federal Credit Union receives a special gift.

Also check out our Kids's Club Blast party on May 31st. For more details, go to our website at www.myhscu.com.

BRANCH LOCATIONS
Main Branch
60 Gene Stewart Blvd.
Sylacauga, AL
(256) 245-4776

Broadway Branch
Sylacauga, AL
901 North Broadway

ATM LOCATIONS
Coosa Valley Medical Center
315 West Hickory Street
Sylacauga, AL
located in lobby

Citizens Hospital
Talladega, AL
located in emergency room

OFFICE HOURS
Lobby Hours
Mon - Wed 8:30a - 4:00p
Thu - Fri 8:30a - 5:00p

Drive Thru Hours
Mon - Wed 7:30a - 4:30p
Thu - Fri 7:30a - 6:00p

Call Center Hours
Mon - Wed 8:00a - 4:30p
Thu - Fri 8:00a - 5:00p
phone: (256) 245-4776

HOLIDAY CLOSINGS
Memorial Day
May 26th, 2008
Independence Day
July 4th, 2008
Labor Day
September 1st, 2008

visit us online at
www.myhscu.com

On-line Bill Pay

It's so easy, Even an Adult can do it.



Check out the easiest way to pay your bills. No stamps, No hassle. Sign-up Today!

Stress Less with a Holiday Club Account

Do you always scramble to pay for gifts and other holiday items when the season arrives? One way to relieve your holiday finance anxiety is to open a holiday club account. Figure out approximately what you spent last year, and put this into your account monthly. You also can arrange to have that amount automatically deducted from you paycheck. For more information, talk with someone at your credit union.

Message from CEO Daphne Harrell

These are indeed exciting times for our credit union. The conversion to State Charter will enable the credit union to expand our services and position the credit union to remain a strong institution for years to come.

As members this transition will be transparent. All accounts are still insured by NCUA. We also offer additional insurance through ESI, which gives you more coverage for your deposits.

This conversion will allow the credit union to make the best decisions for growth opportunities that will benefit potential new members as well as strengthen the credit union for all members.

CU Thru Loan



Did you know that when you go to a *pay day lender* you pay as much as 400% interest. What happens when you pay that loan off with your next paycheck? You don't have money until your next paycheck and have to do it again, making a vicious cycle that is almost impossible to break.

Credit Union members have a better choice with a CU Thru Loan.

- **90 Day Loan Term**
- **Repayment by Payroll deduction / ACH**
- **Borrow up to \$500.00**
- **Proof of Income Required**
- **Credit Union members minimum of 30 days**
- **18% APR. That's only \$16.00 on a 90 day repayment.**

Direct Deposit

Makes Saving Easy

Saving money can be difficult to do. Your credit union can help make it easier with direct deposit. Direct deposit automatically deposits your paycheck into your credit union account(s) – share draft/checking, savings, or and IRA (individual retirement account).

Direct deposit allows you to earn dividends on funds as soon as possible – if you're not working on payday, your paycheck still arrives at the credit union on payday. Direct deposit also saves time – no more waiting in line over your lunch hour to deposit your paycheck. To learn more, talk with someone at your credit union today.

Credit Union, Bank.... What's the Difference?

Credit Union founders had a motto that we still use today, describing why credit unions were started in the first place.

“Not for profit, not for charity, but for service.”

Heritage South Federal Credit Union has never forgotten our purpose for existing, providing members with better rates, better service and fewer and lower fees.

From the Board of Directors and staff we are very proud to announce that the credit union was able to pay earnings back in 2007, the owners, in a 10% bonus Dividend and 10% interest rate.

There is something different about a credit union!

Your Credit Union

believes you should be rewarded for your good credit.

We also believe you should not be punished just because you want to save money by purchasing a used car, boat or recreational vehicle.

At your Credit Union there is one rate, whether you are buying new or used.

5% APR FOR 60 MONTHS NEW OR USED

With rates as low as this how could you even think of financing anywhere but your Credit Union? Here you are not a customer, you are an owner.

Call us today! We Look forward to becoming your financial partner!

SIGNATURE LOANS:

A	10.25%	10.25%
B	11.25%	11.25%
C	17.00%	17.00%
D	18.00%	—

VISA:

BEACON SCORE:	LIMIT:	RATE:
700>	\$10,000	8.90% APR
640-699	\$5,000	11.95% APR
<640	\$2,500	13.95% APR

HERITAGE SOUTH CREDIT UNION LOAN RATES AS OF OCTOBER 24, 2007

	12 - 36 MONTHS	37 - 48 MONTHS	49 - 60 MONTHS	61 - 84 MONTHS	85 - 120 MONTHS
A >700	4.50%	4.50%	5.00%	5.25%	6.75%
B 640 - 699	4.75%	5.75%	6.00%	6.75%	7.25%
C 600-639	10.00%	11.00%	11.25%	11.50%	12.00%
D <600	18.00%	18.00%	18.00%	---- %	---- %

HERITAGE SOUTH FEDERAL CREDIT UNION REAL ESTATE LOAN RATES

TERM	RATE AS OF 1-14-08	MAX LTV	INDEX PER PRODUCT
30 Year 5/5 Index: 60 day Freddie Mac Rounded to nearest 1/4%	5.50% 6.25% 6.75%	90% A & B Paper 95% A & B Paper 85% C & D Paper	Index Rate Index + 75 basis points Index + 120 basis points
15 Year 5/5 Index: 60 day Freddie Mac -25 basis points	5.25% 6.00% 6.50%	90% A & B Paper 95% A & B Paper 85% C & D Paper	Index Rate Index + 75 basis points Index + 120 basis points
15 Year Fixed Index: 60 day Freddie Mac + 75 basis points	6.25% 7.00% 7.50%	90% A & B Paper 95% A & B Paper 85% C & D Paper	Index Rate Index + 75 basis points Index + 120 basis points
HELOC Variable Rate Adjust Annual	7.25% 8.25% 9.25%	A Paper B Paper C Paper Max 80% LTV	Prime Rate Prime Plus One Prime Plus Two
Express Equity FIXED	7.75%	700 > Beacon	Prime Plus 50 basis points



Credit Union Officials

Credit Union Management Team

- Daphne Harrell, *CEO*
 Jamie Payton, *Operations Manager*
 Tyler Beck, *Accounting Manager*
 Rhonda Dukes, *Loan Manager*
 Pam Ray, *Collection Manager*
 Cindy Smith, *Branch Manager*
 Dinelle Putman, *Call Center Manager*

Board of Directors

- Randall Morris, *Chairman*
 Larry Blanchard, *Vice President*
 Daphne Harrell, *Treasurer*
 Jim Morgan, *Board Member*
 Mindy Grier, *Board Member*
 Jim Patton, *Board Member*
 Angie Hughes, *Board Member*

Treasurer's Report

As of March 31, 2007

Assets	\$69,145,000.00
Loans.....	\$41,582,103.00
Investments.....	\$17,125,000.00
Member Deposits.....	\$58,833,119.00
Total Members.....	10,536

Dividend News

Annual Percentage Yield

As of March 31, 2007

Shares.....	1.05 APY
Money Market tiered rate.....	1.50 - 2.50
Club Accounts.....	1.05
IRA Club Accounts.....	3.00

