



## *Board of Directors has selected new President & CEO*

AOD Federal Credit Union's Board of Directors announced the selection of Richard H. Simonton, Sr. as the organization's new President & Chief Executive Officer (CEO). Rich "looks forward to building on the excellent successes that AODFCU has achieved, propelling the organization forward with new initiatives, and expanding services to serve the needs of our diverse and expanding membership."

Rich holds a Masters of Arts degree in Corporate Communication and Technology from Rollins College and Bachelor of Business Administration in Accounting from Florida Atlantic University. His strong desire to serve others led him to become a Peace Corp

Volunteer in Botswana, Africa, after graduating from college. There he helped cooperative societies improve their business acumen to better serve their members.

Prior to becoming the President & CEO for AODFCU, Rich served as a Conservatorship CEO at the National Credit Union Administration (NCUA). Prior to that appointment, Rich served as both the CEO and Chief Financial Officer (CFO) for Insight Credit Union from 1993 to 2010. Rich has also held positions as CFO for Community Credit Union, VP of Finance at Community First Credit Union, and began his career in financial services as an Examiner for the NCUA.

Rich is involved in a number of organizations and is currently serving on the Calhoun County Chamber of Commerce Board of Directors. He has served on the Board of Directors for several companies as either President or Treasurer, and was a member of the Audit Committee of Southeast Corporate Federal Credit Union. He has participated as a panelist representing credit unions for the Orlando Business Journal. Rich has represented credit unions before our elected representatives in both Washington, D.C. and Tallahassee, Florida. He has served as a financial advisor and merger consultant for several credit unions.

"We are extremely pleased to have Rich joining the credit union, and we welcome him to the area" said Chairman of the Board, Gordon "Doc" Williamson. "With his knowledge and over 30 years experience in the credit union industry, as well as his dedication to member service, Rich will be a strong leader as the credit union continues to grow. We are excited about the future of AOD Federal Credit Union."

## *2013 Annual Meeting*

AOD Federal Credit Union's Annual Meeting will be held on Tuesday, February 26th, 2013, at ANAD Fitness Center. The meeting will start at 6:00 p.m. The past year will be reviewed. Refreshments will be served and door prizes will be given away. Everyone is invited!

Please note that this year's election will not be conducted by ballot and there will be no nominations from the floor since there was only one nominee for each position to be filled.

**Bynum Office**  
334 Victory Drive  
Bynum, AL 36253

**Depot Office**  
Anniston Army Depot,  
Bldg. 141  
Anniston, AL 36201

**Greenbrier Office**  
216 E. Greenbrier Dear Rd.  
Anniston, AL 36207

**Jacksonville Office**  
1060 JD & L Drive S.W.  
Jacksonville, AL 36265

**Lenlock Office**  
150 Bill Robison Pkwy.  
Anniston, AL 36206

**Oxford Office**  
12 Elm Street  
Oxford, AL 36203

**ESI**  
Excess Share  
Insurance Corporation  
Your savings also privately insured  
for an additional \$250,000 by  
Excess Share Insurance  
Corporation (ESI). ESI is a subsidiary  
of American Share Insurance.



Equal Housing  
**LENDER**  
We Do Business In Accordance with  
the Federal Fair Housing Law and the  
Equal Credit Opportunity Act

**Federally insured by  
NCUA.**

**Local (256) 237-9494**  
**Toll (800) 637-0299**  
**Fax (256) 237-3285**

**Correspondence Address:**  
Please be sure to use  
AODFCU's correspondence  
address (P.O. Box) when  
communicating by mail. The  
post office may not deliver  
mail addressed to a street  
address.

**P.O. Box 608**  
**Bynum, AL 36253**

## LEADERSHIP TEAM

### Board of Directors

#### Chairman

Gordon "Doc" Williamson

#### Vice Chairman

Ken Reid

#### Secretary

Gloria "Jean" Newton

#### Treasurer

Jim Webb

### Board Members

Larry Daugherty

Bobby Israel

Clyde Wesson

### Supervisory Committee

#### Chairman

Larry Daugherty

#### Vice Chairman

Thomas A. Smith

#### Secretary/Recording Officer

Elaine Glass

### President and Chief Executive Officer

Richard Simonton

### Chief Operations Officer

Nina Gilbert

### Chief Financial Officer

Jeffrey Napper

### Chief Information Officer

Victor Morales

## AODFCU Scholarship Program

Recognizing that tuition rates continue to rise at a rapid pace, AOD Federal Credit Union (AODFCU) decided to establish a scholarship fund to assist members who plan to pursue a college degree or certification from a technical/vocational school.

This year, AODFCU is pleased to announce that your Board of Directors approved fifteen (15) scholarships to high school graduating seniors who are AODFCU members. The scholarship will be paid at the beginning of the student's freshman year and will be issued directly to the college, university, community college or technical/vocational school of the student's choice. Only graduating high school seniors who have been AODFCU members for at least one year are eligible to submit an application. Application packets may be printed from our website [www.aodfcu.com](http://www.aodfcu.com) or will be mailed to AODFCU members upon their request.

Completed applications **MUST** be submitted by mailing them to: AOD Federal Credit Union, P.O. Box 608, Bynum, AL 36253. The application must be complete with all requested information and supporting documentation and be received by AODFCU no later than Saturday, March 31st, 2013. The scholarship recipients will be notified by mail in April.

## Member Spotlight



James G. Ellis is one of AOD Federal Credit Union's newest members. He was born and raised in Wilmington, Delaware. When he graduated from St. Peter the Apostle Cathedral School he joined the US Army. After serving for 30 years as Chemical Operations Specialist in the US Army, he relocated to our area and began working at the Anniston Army Depot.

James and his wife of 53 years, Mary Ellis, currently reside in Jacksonville, Alabama. They have 6 children and 7 grandchildren living all throughout the United States. James is also active in the community as a member of the Knights of Columbus.

James is an avid coin collector who sorts through hundreds of coins every week. In fact when asked why he joined the credit union he replied it was for our CoinLink machines. He said they are a big savings to him because other businesses charge a fee and other financial institutions have you roll the coins. He brings in on average \$500 in coins every month so the savings add up quickly. He also stated he enjoys visiting the Jacksonville Office because the staff is always very friendly.

## Credit Union Service Centers

The Credit Union Service Center Network, known as shared branching, allows AODFCU members access to their accounts from multiple office locations nationwide. The locations are actually offices of other credit unions that allow AODFCU members to conduct business at their offices. When visiting any existing CUSC location (there are more than 4900), members are asked to provide their credit union name, picture ID, and account number in order to conduct certain transactions just as they would at their AODFCU home office. To find the nearest CUSC location, visit [www.aodfcu.com](http://www.aodfcu.com), call 1-800-919-CUSC (2872) or visit [www.cuservicecenter.com](http://www.cuservicecenter.com). If you have an iPhone, there is now a CUSC mobile application available and it's FREE!



## Limited time offer on balance transfers

### 0% APR<sup>1</sup> Balance Transfers

#### For 6 Billing Cycles\*

#### Rates Thereafter

12.40% APR<sup>1</sup> Classic

10.42% APR<sup>1</sup> Gold

8.20% APR<sup>1</sup> Platinum

5.20% APR<sup>1</sup> Secured

**Transfer and save today!**

<sup>1</sup> APR = Annual Percentage Rate. \*Promotion valid for balance transfers made between January 15, 2013 and June 30, 2013. Balance transfers will receive the promotional rate of 0% APR for six (6) full billing cycles. Rates thereafter: 5.20% APR on Share Secured Visa/MasterCards, 12.40% APR on Classic Visa/MasterCards, 10.42% APR on Gold Visa cards, 8.20% APR on Platinum Visa cards. Subsequent balance transfers during the promotional period will receive the promotional rate for the remainder of the six (6) billing cycles. Members must be in good standing to participate. Offer available only for transfers from foreign cards. Membership Required. \$25.00 deposit required to open share account. Other conditions may apply. Limited time offer, promotion may be discontinued without notice.

## World's *LARGEST* Christmas Stocking Winners

AOD Federal Credit Union gave away six (6) of the World's Largest Christmas Stockings during December. One giant stocking was hung inside each branch office, and members who came inside any branch office were encouraged to enter the drawing. Pictured below are the six lucky winners:



Bynum: Michael Mitchell



Depot 141: Greg Maddox



Greenbrier: Judy Lewis



Jacksonville: Joey Turner



Lenlock: Dallis Snow



Oxford: Paul Kemp

## Community Involvement

AODFCU was a sponsor for the East Alabama Credit Association's annual Christmas Party for the physically and mentally challenged adults of Calhoun County. The event was held December 3, 2012 at the Anniston City Senior Citizens Center and served approximately 150 area adults. Eighteen (18) AODFCU staff members contributed more than 54 volunteer hours collectively.



## Honoring World War II Veterans

AODFCU continues to honor the spirit, sacrifice, and commitment of members who served in the U.S. armed forces during World War II. If you are a WWII veteran or have a relative who is an AODFCU member and served during World War II, AODFCU would like to feature them on the third annual AODFCU World War II Veterans Honor Roll printed in the credit union annual report.

Any member who served on active duty during WWII, is eligible for listing. You may register yourself or a veteran for inclusion by calling Audrey Tinkey at 256-237-9494 Ext. 8216 or by visiting the "News/Press Room" section of [www.aodfcu.com](http://www.aodfcu.com). Please provide the veteran's full name, member number, branch of service, hometown, rank, and if living or deceased. By submitting the information above, you authorize AODFCU to publish the information in its Marketing publications.

On Sunday, March 10th, 2012 at 2:00 a.m., Daylight Saving Time will require us to spring forward an hour! Don't forget to set your clocks forward one hour before going to bed on Saturday night.





## SEG SPOTLIGHT:



### Cheaha Women's Health and Wellness

Cheaha Women's Health and Wellness, the OB/Gyn practice of Dr. Joshua Johannson, is one of our newest Select Employer Groups. Drawn by family, the beautiful natural settings, and the unfailing friendliness of the people in Alabama, Dr. Johannson left a busy OB/Gyn practice in Philadelphia to move to Anniston. As a graduate of Talladega College, he knew that the area was a great place to open Cheaha Women's Health and Wellness.

Dr. Johannson is a graduate of the University of Michigan Medical School and board certified by the American Board of Obstetrics and Gynecology. Before opening Cheaha Women's, Dr. Johannson trained and practiced at Pennsylvania Hospital, Philadelphia's busiest obstetrical unit for 11 years. At Pennsylvania Hospital, he served as the Medical Director of Labor and Delivery and was part of a large practice centered on general obstetrics and gynecology.

Dr. Johannson's current practice offers full OB/Gyn services, including routine and complex gynecology and minimally-invasive gynecologic surgery. He is supportive of low-intervention for low-risk pregnancy and individualized birth plans, including water labor. A strong advocate of breastfeeding, Dr. Johannson's practice offers help with breastfeeding problems. He views partnering and supporting women in health, pregnancy, and disease as fundamental to his practice. Dr. Johannson strongly emphasizes healthy lifestyles and preventive care, and through Cheaha Women's, he seeks to elevate women's health in Alabama.

Dr. Johannson's office location on Fort McClellan in Anniston offers plentiful parking and convenient early morning and evening appointments. Dr. Johannson also has an office location in Roanoke. Call 256-241-0885 today for an OB/Gyn appointment with Dr. Johannson. For more information, visit [www.cheahawomen.com](http://www.cheahawomen.com), find Cheaha Women's Health and Wellness on Facebook, and follow Dr. Johannson on Twitter.

## NON-VISA PINLESS DEBIT TRANSACTIONS



You may use your Visa Debit Card to initiate both Visa debit transactions and non-Visa debit transactions without using a personal identification number (PIN) to authenticate the transactions.

To initiate a Visa debit transaction, you may sign a receipt, provide a card number or

swipe your card through a point-of-sale (POS) terminal and choose to route the transaction over a Visa network.

To initiate a non-Visa debit transaction, you may enter a PIN at a point-of sale terminal or, for certain bill payment transactions, provide the account number for an e-commerce or mail/telephone order transaction after clearly indicating a preference to route it as a non-Visa transaction. We have enabled non-Visa debit transaction processing on the Star, Cirrus, and CO-OP networks.

The rights and protections applicable only to Visa debit transactions, including additional consumer liability limits and streamlined error resolution procedures (as described in your Electronic Fund Transfers Agreement and Disclosure), will not apply to transactions processed through non-Visa networks.

Please contact the Credit Union with any questions you may have regarding this notice.

### *Holiday Closings*

**Martin Luther King, Jr. Day** – Monday, January 21st

**President's Day** – Monday, February 18th

### **Key Financials**

(As of 11/30/12)

**Total Assets**..... \$248,130,675.98

**Total Loans**..... \$114,881,314.90



## **Changes to How Federal Benefits Will Be Paid In 2013:** **Does this affect YOU?**

The U.S. Department of the Treasury now requires all federal benefit and non-tax payments to be made electronically. (Non-tax payments include federal wage, retirement and vendor payments.) More than 540,000 Social Security and Supplemental Security Income (SSI) checks were reported lost or stolen in 2010 alone. Getting your federal benefit payments electronically is safer than paper checks. A paper check can be stolen from your mailbox and cashed without your permission. With electronic payments, your money is on time, every time. They also save taxpayer dollars.

People applying for federal benefit payments must choose an electronic payment option at the time they apply for the benefit. **People currently getting federal benefit checks must switch to electronic payments by March 1, 2013.** The Treasury Department recommends direct deposit to a bank or credit union account or to a Direct Express card account. People who do not choose an electronic payment option by March 1, 2013, or at the time they apply for benefits, will receive their federal benefit payments via the Direct Express card, so they will not experience any interruption in payment. **People who are already receiving their benefit payments electronically do not need to take action. They will continue to receive their payment as usual on the payment day.**

These changes apply to federal benefit payments from the following federal benefit agencies: Social Security Administration, including: Social Security and Supplemental Security Income (SSI) payments, Veterans Affairs (VA), Railroad Retirement Board, Office of Personnel Management & Department of Labor (Black Lung).

### **Frequently Asked Questions:**

- **How do I make the switch to electronic payments?**

It's fast, free and easy to switch to electronic payments. You can sign up online any time at [www.GoDirect.org](http://www.GoDirect.org) or call the U.S. Treasury Electronic Payment Solution Center at (800) 333-1795 Monday – Friday 8 a.m. to 8 p.m. EST. You can also switch at your bank or credit union (for direct deposit only) or at your local federal benefit agency office.

- **Are there certain types of electronic payments the Treasury Department recommends?**

The Treasury Department recommends that you get your federal benefit payments by **direct deposit** to a bank or credit union account. If you don't have a bank account or prefer a prepaid debit card, you can sign up for the **Direct Express®** Debit MasterCard® card.

- **What do I need to know so I can sign up for electronic payments?**

When you switch to electronic payments, make sure you have on hand your most recent federal benefit check. You will need to know the amount of your last check and your 12-digit federal benefit check number, which is in the upper right hand corner of the check. If you would like to get your payments by **direct deposit** to a bank or credit union account, you'll also need your account type (checking or savings), account number and your financial institution's routing transit number. Your account number and the routing transit number can often be found on a personal check.

- **How do electronic payments work?**

The U.S. Department of the Treasury sends your money through a safe electronic transfer directly to your bank or credit union account or the **Direct Express** card account. Your personal information is not sent over the Internet.

- **How can I help ensure my money stays safe with electronic payments?**

Once you have switched to electronic payments, you can rest easy knowing you will get your money in a safe, secure way. For information on protecting yourself from identity theft and other financial crimes, visit the [Federal Trade Commission's Identity Theft Site](http://www.ftc.gov/bcp/edu/microsites/idtheft/) at [www.ftc.gov/bcp/edu/microsites/idtheft/](http://www.ftc.gov/bcp/edu/microsites/idtheft/).

## LITTLE WAYS YOU MIGHT IMPROVE YOUR FINANCIAL LIFE

*Some things to think about this year – and every year.*

Provided by Michael R Hindman



**This is the year!** Yes, you can make 2013 the year you alter your financial life for a better financial future. Let's look at some steps you might think of taking with the goal of financial freedom in mind.

No, we're not talking about those ridiculously obvious steps the usual articles recommend, like "write your goals down" and "set a budget". Let's go past the clichés and get into the real issues.

**Look at your income source, your expenses and your debt.** How do you earn income? If you earn it from one source, is there effectively a ceiling on it, or is there real potential for your income to rise in the next few years? Now look at your core living expenses, the ones you can't avoid (such as a mortgage payment, car payment, etc.). Can any core expenses be reduced? Investing aside, you position yourself to gain ground financially when income rises, debt diminishes and expenses stay (relatively) the same.

**Maybe you should pay your debt first, maybe not.** If you are a business owner or a professional, for example, you'll likely always have some debt. Your ultimate goal should be to build wealth – and you can plan to build wealth and minimize debt at the same time.

Some debt is "good" debt. A debt is "good" if it brings you income. If you buy a rental property, you're paying a mortgage, but that's considered a "good" debt because you're getting passive income from the rent payments. Credit cards are "bad" debts.

If you'll be carrying a debt for a while, put it to a test. Weigh the interest rate on that specific debt against your potential income growth rate and your potential investment returns over the term of the debt. If the interest rate on that debt looks like it will outpace your income growth and investment returns, then you should really think about paying that debt down fast, because you can't afford that interest rate.

Of course, paying off your debts, paying down balances and restricting new debts all works toward improving your FICO score, another tool you can use in pursuit of financial freedom (we're talking "good" debts).

**Implement or refine an investment strategy.** You can't refrain from investing, even when the bears are out. You're not going to retire on the relatively small elective deferrals from your paycheck; you're going to retire on the interest that those accumulated assets earn over time, plus the power of compounding. Investing can also potentially bring you passive income. Consistent investing, this year and in years to come, has the potential to help you improve your financial life.

**Manage the money you make on your way to financial freedom.** It's amusing: all these Internet gurus tell you they have a method to make you "financially free" or "debt free", but few tell you how to manage the money you make. Their not-so-subtle message seems to be "succeed and live lavishly" – if you make it financially, you've earned the freedom to blow it all on cars, boats and luxuries.

This is a classic *nouveau riche* mistake. If you simply accumulate unmanaged assets, you have money just sitting there open to risk – inflation risk, market risk, even legal risks. Don't forget taxes – while not technically a "risk", they are a threat to your money. The greater your wealth, the more long-range potential you have to accomplish some profound things – provided your wealth is directed.

If you want to build more wealth this year or in the near future, don't neglect the risk management strategy that could be instrumental in helping you retain it. Your after-tax return matters even more than your investment return, so risk management should be part of your overall financial picture.

**Request professional guidance for the wealth you are growing.** A good financial advisor will really help to educate you about the principles of wealth building. You can draw on that professional knowledge and guidance this year – and for years to come.

Representatives 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 800-369-2862. **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.

These are the views of Peter Montoya Inc., not the named Representative nor Broker/Dealer, and should not be construed as investment advice. Neither the named Representative nor Broker/Dealer gives tax or legal advice. All information is believed to be from reliable sources; however, we make no representation as to its completeness or accuracy. The publisher is not engaged in rendering legal, accounting or other professional services. If other expert assistance is needed, the reader is advised to engage the services of a competent professional. Please consult your Financial Advisor for further information.

# Privacy & Transaction Disclosure

Rev. 10/10

## FACTS

### WHAT DOES AOD FEDERAL CREDIT UNION DO WITH YOUR PERSONAL INFORMATION?

#### Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

#### What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and account balances
- account transactions and checking account information
- payment history and transaction history

When you are *no longer* our member, we continue to share your information as described in this notice.

#### How?

All financial companies need to share members' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their members' personal information; the reasons AOD FEDERAL CREDIT UNION chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does AOD FEDERAL CREDIT UNION share?	Can you limit this sharing?
<b>For our everyday business purposes</b> – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or to report to credit bureaus	Yes	No
<b>For our marketing purposes</b> – to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	Yes	No
<b>For our affiliates' everyday business purposes</b> – information about your transactions and experiences	No	We don't share
<b>For our affiliates' everyday business purposes</b> – information about your creditworthiness	No	We don't share
<b>For our affiliates to market to you</b>	No	We don't share
<b>For nonaffiliates to market to you</b>	No	We don't share

#### Questions?

Call 256-237-9494 or go to [www.aodfcu.com](http://www.aodfcu.com)

# FACTS

## WHAT DOES AOD FEDERAL CREDIT UNION DO WITH YOUR PERSONAL INFORMATION?

### What we do

<b>How does AOD FEDERAL CREDIT UNION protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. We maintain physical, electronic, and procedural safeguards that comply with federal regulations and leading industry practices to safeguard your nonpublic personal information.
<b>How does AOD FEDERAL CREDIT UNION collect my personal information?</b>	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>• open an account or apply for a loan</li> <li>• use your credit or debit card or show your government-issued ID</li> <li>• give us your contact information</li> </ul> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
<b>Why can't I limit all sharing?</b>	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> <li>• sharing for affiliates' everyday business purposes – information about your creditworthiness</li> <li>• affiliates from using your information to market to you</li> <li>• sharing for nonaffiliates to market to you</li> </ul> <p>State law and individual companies may give you additional rights to limit sharing.</p>

### Definitions

<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <p>- <i>AOD FEDERAL CREDIT UNION has no affiliates</i></p>
<b>Nonaffiliates</b>	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <p>- <i>Nonaffiliates we share with can include insurance companies, government agencies, plastic card processors (credit/debit/ATM), financial statement publishers or printers, consumer reporting agencies, check/share draft printers, and direct marketing companies</i></p>
<b>Joint Marketing</b>	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <p>- <i>Our joint marketing partners include advertising/marketing agencies, CUNA Mutual Group's MEMBERCONNECT, credit card companies, loan recapture programs, and financial advisors</i></p>

### Other important information

--