

Membership Matters



President & CEO's Remarks

This issue of *Membership Matters* coincides with our Annual Meeting, which was held on September 26, 2023, at Maple Chase Golf and Country Club in Winston-Salem. Therefore, my message is a summary of three themes from my Annual Meeting remarks.

Thriving with a Culture of Service

In August, I had the opportunity to represent your credit union at the 75th Anniversary Celebration of Piedmont Airlines at the North Carolina Transportation Museum in Spencer. After all these years, the culture of service and the loyalty to Piedmont Airlines from the fine men and women, who once were employed with the airlines, remain as strong as ever and are truly an inspiration!

One of the ongoing legacies of Piedmont Airlines is Piedmont Advantage Credit Union (PACU), a thriving credit union, which was formed by the leaders of Piedmont Aviation just one year after the airlines was founded. Even though PACU grew and now serves communities beyond our aviation roots, we will never forget where we came from and will remain true to the airlines' culture of service as we celebrate our 75th anniversary in 2024.

Rising Above Economic Challenges

The broader economy has brought a number of challenges over the past year, such as increasing interest rates, inflation and liquidity. As a consumer, you see higher prices at the gas pump and grocery stores and higher borrowing costs. After years of low borrowing costs and low deposit rates, savers finally saw increases in deposit rates. PACU has featured certificate specials and the Simple* Checking Account to give back even more to our member-owners in this higher rate environment. In terms of liquidity, PACU has more than adequate sources available to meet the needs of members.

We have weathered the storm of the pandemic and are now weathering the storm of the current economic climate. We remain safe and sound. For example, loan growth and loan quality remain bright spots for PACU from 2022 into the current year. Past due loans and loan losses remain below 1.00% as a combined ratio, which is strong. Furthermore, our regulatory net worth ratio remains well above the requirement of 7.00% to be considered well capitalized.

Fueling Growth and Simply Service® Promise

Looking ahead to the next 12 months, we will be upgrading our core processing system. The new system is projected to be completed in June 2024, so be on the lookout for upcoming detailed communications. This upgrade is a significant investment as it will fuel future growth by expanding our capabilities for new in-house service offerings and ensuring the member experience is continuously improved upon and consistently delivered.

In closing, we look forward to celebrating with you our 75th anniversary throughout 2024. These past 74 years would not have been possible if it were not for you, our member-owners. We will always remain committed to what got us to this point and what will sustain us in the future: Our Simply Service® promise. We strive each and every day to serve our member-owners throughout their financial life with our talented employees, who come to work with a servant's heart and empowered to be a difference. Investments in technology will complement your experience, not replace our culture of people helping people. Our branches remain central to our service delivery strategy. PACU has a winning formula, and we embrace it for future generations of members.



President & CEO Dion L. Williams at the Annual Meeting



Bylaws Update

Please be advised that our bylaws have been amended to remove the following select employer groups (SEGs) from our bylaws effective September 15, 2023, since Piedmont Advantage is now a community charter credit union: USO of North Carolina, Piedmont Aircraft Company LLC, Chiquita Brands International, Budd Group, Ridge Care Inc., Digestive Health Specialists PA and Carolinas Credit Union Foundation.

This change does not impact the membership eligibility of existing members, and employees of the removed SEGs continue to be eligible for membership so long as they are an immediate family member of an existing member and/or live, work, worship or attend school in one of the following counties in North Carolina: Davie, Forsyth, Guilford, Iredell, Mecklenburg and Rockingham.



PACU Foundation awards funds to area charities

On September 26, 2023, the PACU Foundation awarded \$4,000 to each of the following North Carolina charities:

A Storehouse for Jesus: Food, clothing and household goods distribution and free medical care services and prescription medications

Community Link: Financial literacy programs and monetary assistance for residents facing homelessness, foreclosure or eviction

Financial Pathways: Financial literacy classes to residents who struggle with job loss and low wages

Gold Shield Foundation of North Carolina: Support for families of fallen or critically injured law enforcement officers and firefighters

Help Inc.: Financial safety resources to victims of domestic violence, sexual assault, elder abuse and human trafficking

Mooresville Area Christian Mission: A holistic approach to combat intergenerational poverty

The Foundation was founded in January 2020, grown out of the desire to expand Piedmont Advantage Credit Union's capacity to be the difference within the communities the Credit Union is privileged to serve. Since 2020, it has awarded a total of \$69,000 to area charities that strive to help North Carolina residents overcome financial hardship.

These funds would not be possible without the hard work of Foundation volunteers and donors. For more information about the organization and how to donate, please go to PacuFoundation.org.



PROTECT YOURSELF AGAINST FINANCIAL CRIME

October is National Crime Prevention Month, a time to raise awareness about the importance of protecting ourselves against financial crimes. At Piedmont Advantage, we are committed to your financial well-being and want to share three essential tips to help you stay safe and secure.

1. Stay Vigilant

In today's digital age, it is crucial to remain vigilant and aware of potential scams, fraud and identity theft. Regularly review your financial statements, monitor your credit reports and report any suspicious activity immediately by calling our Membership Relationship Center, 800.433.7228. By staying proactive, you can detect and promptly address any unauthorized transactions, minimizing potential damage.

2. Protect Personal Information

Protecting your personal and financial information is paramount. Use strong, unique passwords for your online accounts and avoid sharing sensitive information online or over the phone unless necessary. Be cautious of phishing attempts, where scammers impersonate legitimate organizations to trick you into revealing personal details. Remember, we will never ask for your sensitive information via email or phone.

3. Utilize Security Features

Take advantage of our security features and tools. Enable two-factor authentication for an extra layer of account security. Set-up fraud alerts to receive notifications of suspicious activity on your accounts.



Additionally, our mobile banking app offers advanced security measures to protect your financial transactions. Make sure to keep your app updated to benefit from the latest security enhancements.

At Piedmont Advantage, we work to provide you a safe and secure banking experience. We continuously invest in robust security measures to protect your financial information and transactions. Your active participation is equally important in safeguarding your finances.

Together, let's make National Crime Prevention Month a reminder to prioritize our financial well-being and protect ourselves against financial crimes. Stay vigilant, protect your personal information and utilize our security features available to you. By working together, we can create a safer banking environment for all.

When debt consolidation warrants consideration

Imagine carrying around a heavy ball and chain everywhere you went. It weighs you down and restricts your activities. Now, think of credit card debt in a similar light.

While credit cards provide convenience and purchasing power, they also can become that metaphorical ball and chain that keeps you trapped in a cycle of debt and financial stress. If you find yourself in or wanting to avoid this situation, consolidating your credit card debt may be a smart financial move. Here are a few situations where consolidating credit card debt warrants further consideration.



Lower interest rates. One of the primary benefits of consolidating credit card debt is the potential to secure a lower interest rate. If you have high-interest credit cards, transferring your balances to a debt consolidation loan with a lower interest rate makes your monthly payments more affordable and allows you the opportunity to pay off your debt faster.

Improve credit score. By reducing your credit utilization ratio, which is the amount of credit you're using compared to your total available credit, you can improve your credit score over time. Additionally, making consistent payments on your debt consolidation loan demonstrates responsible financial behavior to credit bureaus.

Simplify your finances. Having multiple credit card balances makes it challenging to keep track of due dates, interest rates and payment amounts. Consolidating your credit card debt allows you to combine all your balances into a single loan. With just one monthly payment to manage, you can better organize your budget and stay on top of your debt repayment.

Streamline debt repayment. Consolidating credit card debt provides a structured repayment plan. With a fixed monthly payment and a clear timeline, you can create a roadmap to become debt-free. This streamlining also helps you to stay motivated and focused on your financial goals as you will have a clearer understanding of when you will be debt-free.

Before you proceed with consolidating credit card debt, watch for any costs associated with the consolidation process, such as balance transfer fees or loan origination fees. At Piedmont Advantage, we have no balance transfer fees or loan origination fees on any personal loans.

If you're considering consolidating your credit card debt and unsure if this is a viable option for you, schedule an appointment with one of our in-house certified financial counselors, who can provide personalized guidance based on your specific financial situation. You may be eligible for our Debt Simplified Loan, our credit card debt consolidation special offer with an unsecured, fixed-interest rate loan as low as 7.00% APR¹. This special is a limited-time offer, expiring October 30, 2023. See below, *Debt Simplified at-a-Glance*, for additional highlights.

To schedule an appointment with one of our certified financial counselors, go to PACU.com/FinancialCounselors.



Debt Simplified Loan at-a-Glance

- Limited-time offer, expires October 31, 2023
- Unsecured, fixed-interest rates as low as 7.00% APR¹
- Loan proceeds used to pay off existing, non-PACU credit card debt¹
- Maximum loan amount \$10,000 and total combined PACU unsecured loans may not exceed \$30,000¹

For more information, go to PACU.com/DebtSimplified.

2023 HOLIDAY CLOSINGS

Holidays	Date Observed
Columbus Day	10.09.2023
Veterans Day	11.10.2023
Thanksgiving	11.23.2023
Day After Thanksgiving	11.24.2023
Christmas Day	12.25.2023

¹APR (Annual Percentage Rate). Fixed-rate between 7.00% APR and 8.50% APR depending on credit history and profile. All loans are subject to credit approval; minimum credit score of 650 required to qualify. Loan proceeds paid directly to credit card issuers. Underwriting may require credit cards being consolidated to be paid to a zero balance and closed as a condition of closing. Additional information regarding assets and liabilities will be required during the application process for any unsecured loan request which, if approved, would result in the member's total aggregate unsecured direct and indirect liability to the credit union exceeding \$10,000. The maximum aggregate amount of unsecured debt any member may directly or indirectly owe the credit union at any one time is \$30,000.

Scholarship Opportunities

We believe academic achievement and continuing education of our members should be recognized and rewarded.

Each year, we award at least six scholarships to Piedmont Advantage members in collaboration with the Carolinas Credit Union Foundation and Forsyth Technical Community College Foundation.

Piedmont Advantage Credit Union General Scholarships

High school seniors and beyond, who plan to continue their education, are invited to apply for one of our \$1,000 scholarships.

These scholarship opportunities are administered by the Carolinas Credit Union Foundation. Applications are accepted between October 1 and February 1 for consideration for the following academic year.

Piedmont Advantage and Davidson Family Aviation Scholarship Fund

Since 1949, we have had strong ties to the aviation industry. In continued support of those individuals who want to pursue a career in aviation systems technology, in 2022, the credit union and Mark and Elizabeth Davidson established an annual \$2,000 scholarship fund at Forsyth Technical Community College.

This scholarship fund is administered by the Forsyth Technical Community College Foundation. Applications are accepted between April 1 and May 15 for consideration for the following academic year.

Board of Directors

The Piedmont Advantage Board of Directors represents the history and tradition of the Credit Union as well as a commitment to the members and communities we serve. Directors are volunteers and serve without compensation; so their time, talent and knowledge are shared with the Credit Union as a labor of love.

Tom Mekis, Chairman
Steve Gilliland, Vice Chairman

Mark Saunders, Secretary
Mark Linville, Treasurer

Darren Cranfill, Director
Justine Lerch, Director
Brian Myers, Director
George Price, Director
Diana Santos-Johnson, Director

Ramon Hoots, Director Emeritus
John Reece, Director Emeritus
Gene Sharp, Director Emeritus
Jim Taylor, Chairman Emeritus

Supervisory Committee

The Supervisory Committee ensures the Board safeguards assets and management complies with the organization's established policies. Committee members also are volunteers.

Diana Santos-Johnson, Chair
Toni Douglas

AJ Eaker
Mara O'Neil



Youth Learning Series

Empowering youth with financial know-how.

Our MoneyY-ZER Learning Series helps children and teens in grades K-12 take a financial journey to learn how and why to save; budget; manage and invest money; and avoid frauds, scams and predatory lending practices in the future. It has two special upcoming youth workshops.

Virtual Event | Shielding Identity, Dodging Scams & More

As spooky season lurks around the corner, we want to remind parents and guardians that your teen's financial security doesn't have to be scary.



Tuesday | October 24, 2023
5:30 p.m. to 6:30 p.m.
Kids 13+ and Parents/Guardians

Virtual Event | Penny or Benji? Ultimate Money Showdown

Don't miss this enchanting workshop that's perfect for parents and kids to bond, learn and make money decisions together.



Saturday | November 4, 2023
10:30 a.m. to 11:30 a.m.
Kids 7-12 and Parents/Guardians

To register for each event and learn more about our Youth Program and MoneyY-zer Learning Series, please go to PACU.com/MoneyYZER.