



United Community Credit Union

# Members' Quarterly

[www.unitedccu.org](http://www.unitedccu.org)

560 South Barre Road • PO Box 550 • South Barre, VT 05670  
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## We Can Make Life Easier For You

We understand that many of our members lead a busy life juggling family and work responsibilities on a daily basis. That's why UCCU has many convenient services to help you conduct your credit union business on your terms wherever and whenever you need to. Today's technology has added many new channels that you can utilize to do all of your transactions, safely and securely.

**HFS:** Short for Home Financial Services, this free online service can be found on the web at [www.unitedccu.org](http://www.unitedccu.org). Here you can view your account balances, transaction histories, conduct account transfers and loan payments and much more. If you have internet access and are not taking advantage of this convenient services we strongly encourage you to check it out as soon as possible.

**Tele-Teller-24:** This is the telephone version of HFS. If you don't have internet access you can do virtually everything with this that you can do online. Simply call 476-1062 and you can sign up for this service.

**E-Statements:** If you use HFS, this is a must have. Signing up for E-Statements ensures you receive your periodic statement 5-7 days earlier than you can expect to receive a traditional mailed statement. We e-mail you to notify you when it's available and you can print it out if you prefer a hard copy. It's identical to the mailed version and we archive 15 months of statements should you need to refer back to a past statement. Don't wait several days to receive your statement, sign up for E-Statements today and start receiving your statements on the first day of the month.

**CuCard:** If you have a UCCU checking account (and if not, what are you waiting for?), our combination ATM/Debit Card will provide you with access to your money anytime, anywhere. You can use your CuCard to make purchases, get cash back at point-of-sale transactions and withdraw cash at ATMs. The transactions post directly against the funds in your checking account and it saves you from having to write checks or carry lots of cash. See one of our Member Service Representatives to order your CuCard today.

**Bill Payer:** Do you still write out checks for all your bills? We can save you the hassle of sitting down each month and making out checks, writing out envelopes, buying stamps and delivering them to the post office. With our FREE Bill Payer service on our website at [www.unitedccu.org](http://www.unitedccu.org), you set up your payees one time then all you have to do is enter the amount of your payment and you're done. You can set up recurring payments, set e-mail reminders, schedule payments to be made on a future date and

*Continued on page 3 (sidebar)*

### CHRISTMAS CLUBS Paid October 1st.

On September 30, UCCU paid dividends on all Christmas Clubs. Clubs were disbursed into your Regular Share Account on October 1st. If you would like a check mailed to you, please let us know and we will be happy to forward it to you.

If you had a Christmas Club this year, you need do nothing to continue forward with a club for next year. Week one for the 2006 Christmas Clubs begins October 17. You can open a new Christmas Club anytime between now and December 31. The dividend rate for next year has been set at 1.00%.

Remember you can have your direct deposit make your club payments for you. Just let us know and we'll set it up for you.

### CHECK YOUR STATEMENT

Your Supervisory Committee is conducting a 100% verification of accounts as required on a bi-annual basis. You are asked to verify the account information on your statement for accuracy and report any discrepancies in writing to:

Julianne Monty  
Supervisory Committee  
24 Osborne Road  
Barre, VT 05641

### Check Out Our Website:

[www.unitedccu.org](http://www.unitedccu.org)

## Are You A Winner?

If your account number appears below, let us know, and we'll credit your share account \$10.

#905 #7966 #9123  
#10303 #11264 #92599

## Office Closings

October 10 ..... Columbus Day  
November 11 ..... Veteran's Day  
November 23 ..... Closing at 3:00  
November 24 ..... Thanksgiving  
December 24 ..... Christmas Eve  
December 26 ..... Christmas  
December 31 ..... New Year's Eve  
January 2 ..... New Year's Day



### Members' Quarterly

is published each quarter by the  
United Community Credit Union

### BOARD OF DIRECTORS

Donald Denko, President  
Dorothy Gavin, Vice-President  
Mario Lorenzini, Treasurer  
Patrick Timothy Mullikin, Secretary  
Daniel Lambert  
Mark McCarthy

### CREDIT COMMITTEE

C Martin Prevost Sr., Chairman  
Gregory Bergeron  
Forrest Rouelle

### SUPERVISORY COMMITTEE

Julianne Monty, Chairman  
Barbara Menard

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### **LOAN OFFICERS**

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Joanne Boutin

### **MEMBER SERVICE REPRESENTATIVES**

Kimberly Sumner, Head Teller  
Deborah Brothers  
Doreen Hutchins  
Betsy Kelly  
Hannah Hayford  
Amelia Drown

### **OPERATIONS SPECIALIST**

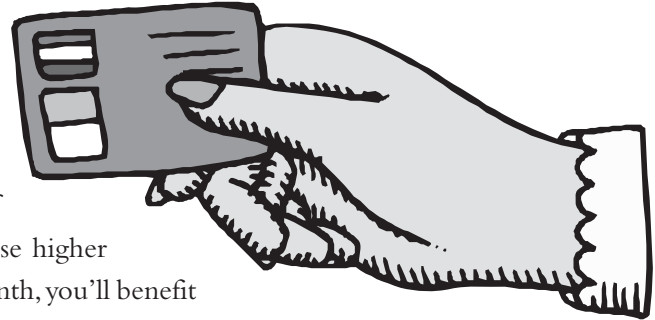
Cynthia Bresett

# Credit Cards: Pay More than Minimum for Faster Payoff

A handful of credit card issuers have raised minimum payments from 2% to 4% of the balance due. If

you can afford these higher payments each month, you'll benefit

over the long haul. If you can't afford this increase, chances are you're in over your head.



Consider the example of a \$2,000 balance at 18% interest. If your minimum payment is 2% of the balance due each month, it will take you about 19 years to pay it off and you'll pay \$3,862 in interest. (A 2% minimum payment would start at \$40 and taper to \$20. Maintain the \$40 and you'll pay off the debt faster.)

If you're paying 4% of the balance due, you'll pay off the balance in seven years and four months and cut your interest costs to \$1,031. (A 4% minimum payment starts at \$80 and tapers to \$20.)

By paying 8% of the balance due, much more than minimum, it will take you three years and nine months to pay off, and you'll pay about \$433 in interest. (An 8% minimum payment starts at \$160 and tapers to \$20.) Remember, these calculations assume you add no more charges to the card.

Always pay at least the minimum amount due so you don't incur a late fee, and if possible, charge only as much as you can pay in full each month or within a few months.

And if you're paying high credit card rates elsewhere, check out United Community Credit Union's everyday low-rate credit card or consider a consolidation loan for consistent savings.

## OFFICE HOURS

	<u>Lobby</u>	<u>Drive-up</u>
<b>Monday-Wednesday</b>	8:30-5:00	8:00-5:00
<b>Thursday</b>	9:00-5:00	8:00-5:00
<b>Friday</b>	9:00-5:30	8:00-6:00
<b>Saturday</b>	9:00-12:00	9:00-12:00

## UCCU RATEBOARD

(As of October 1, 2005)

DIVIDEND RATES	APY
Regular Shares	1.01%
Share Drafts (checking)	0.25%
Multi-Purpose Club	1.01%
Christmas Clubs	1.00%
IRAs	3.04%
Hi-Yield	
\$500-\$9,999	1.50%
\$10,000-\$49,999	1.90%
\$50,000 and above	2.30%
Term Certificates	
6 Months	2.80%
12 Months	3.30%
18 Months	3.65%
24 Months	4.00%
36 Months	4.35%
48 Months	4.70%
60 Months	5.10%

### LOAN RATES

Secured: includes Cars, Trucks, Campers, RVs, Motorcycles, ATVs, Snowmobiles and Boats.

TERM*	RATE*
24 Months	4.00%
36 Months	4.50%
48 Months	5.00%
60 Months	5.25%
72 Months	5.75%

Add 1.25% for 1998 to 2001 model years  
 Add 2.50% for 1997 and older model years  
 Add 2.00% for non-titled RV vehicles  
 Add 2.00% for vehicles over 100,000 miles

#### Signature:

60 Months	9.50%
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\* Rates and terms are determined by an evaluation of your credit.

#### Other:

Home Equity Line-of-Credit	6.00%
(Over 80% LTV)	7.00%
Home Equity Fixed	
60 Months	5.50%
120 Months	6.25%
180 Months	6.99%
Share Secured	3.00%
Hi-Yield Secured	4.00%
VISA Credit Card	11.90%
Home Mortgages	call for current rates

All Rates are subject to change.  
 (For current rates, visit our website at [www.unitedccu.org](http://www.unitedccu.org))

*We Can Make Life Easier For You*  
*Continued from page 1*

much more. Bill Payer saves you money, time and insures you have no more late payments. You can demo this for yourself or you can stop by the office and we will show you the ease of this convenient and secure service.

**Direct Deposit:** Why do you want to rush to the credit union on pay day just to deposit your paycheck? With the weather in Vermont you may be rushing through a snowstorm or ice storm just to make your deposit. With direct deposit, your check is here on time and you never have to leave your home. We will even split the deposit to whatever deposit or loan accounts you have with us. Once your deposit is here, you can also use HFS and/or Tele-Teller-24 to move your funds around in any manner you choose.

**Online Loan Decisions:** You can now apply for most loans on our website at [www.unitedccu.org](http://www.unitedccu.org) and you will receive an instant decision. You can apply online when you want to any day of the week on your terms. What's easier than that?

Many of the services above work best in conjunction with a UCCU checking account. Our free checking pays dividends on your average daily balance and we have no minimum balance requirement. We offer an overdraft advance program that pays your drafts even if you overdraw. If you aren't checking with UCCU, be sure to compare our benefits to your checking account and consider switching to us. If you already have your checking with us, enhance it further by utilizing the many free services we offer.

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# Rent-to-Own: The Costly Allure of Low Weekly Payments

Initially, the offer in the rent-to-own ad sounds like a deal. You take home a 51-inch rear projection television set for a low weekly payment of \$40.

What's the catch? After 118 weeks, interest charges alone total twice the purchase price at a reputable retail store. Bottom line: That \$1,700 TV set just cost you \$4,719. Now it doesn't seem like such a deal after all.

The allure of low weekly payments is enticing if you don't have the cash to pay full purchase price, don't think you have financing options, and you want immediate use of the product. Frequent targets of this high-priced financing include low-income consumers, college students, and military families.

The benefits of rent-to-own financing rarely outweigh the costs. Often, the total cost to rent an item may be two to four times the cash price or even what you would have paid on conventional credit. In testimony before the House Committee on Financial Services, an attorney for the National Consumer Law Center explained that some rent-to-own APRs (annual percentage rates) could be 400% or more.

The rent-to-own trade association boasts that it's a \$5 billion a year industry serving more than three million customers a year. However, a Federal Trade Commission survey found that 19% of rent-to-own customers were dissatisfied with their experience, and most cited high price as the reason. Consumer advocates cite several additional problems, including misleading information from salespeople, penalties for returning items and for stopping payments, additional fees hidden in small print in the contract, and finding out that an item is used.

***What questions should you ask? Before signing on the dotted line of a rent-to-own agreement, ask several questions:***

- Does the contract jibe with what the salesperson said? Do the math. Multiply the weekly (or monthly) cost by the number of payments.
- How does the cost of rent-to-own compare with the cost of purchasing the item at a reputable retail store?
- Is there a penalty or late fee for missing a payment? Will the rent-to-own store take away the item?
- Has the item been rented by anyone else?
- Are there charges for delivery, returning merchandise, or repairs? Who is responsible for making repairs?

***What are alternatives to rent-to-own?***

Saving for the purchase is one option. For example, if you deposited \$142 a month for 12 months into a savings vehicle at your credit union, you could pay cash.

A credit card is another option. Let's return to the example of the 51-inch rear projection television. If you financed the TV on your credit union credit card with an interest rate of 14% and make the minimum payments for 11 years and seven months, you'd pay almost \$1,500 in interest. (And remember, if you make other charges on the card, you extend payment and interest cost even more.) That \$1,700 TV now costs \$3,190. If you decide to purchase the item with a credit card, make sure it's a low-rate card and you pay more than the minimum payment monthly.

If you can't save up to pay the cash price, the least expensive alternative may be to finance the item with a personal loan from United Community Credit Union. Our affordable rates are easy on the wallet, and they far outweigh the costly allure of rent-to-own.

