



United Community Credit Union

Members' Quarterly

www.unitedccu.org

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APRIL LOAN SALE

With interest rates at the lowest level in years and with the weather warming up, now is a great time to consider financing your next major purchase with UCCU.

From **April 15th to April 30th** we are offering all qualified applicants who purchase any 2000 to 2003 model year car, truck, motorcycle, boat, camper, RV, ATV or snowmobile up to 100% financing at the following rates:

<u>TERM</u>	<u>APR</u>
24 Mos.	4.25%
36 Mos.	4.50%
48 Mos.	4.75%
60 Mos.	5.00%
72 Mos.	5.25%

Rates above require auto-pay, otherwise add 0.50% to the rate shown.

Even if you are not currently in the market for a vehicle, if you have an existing loan with a finance company or other lender at a higher rate, we will be happy to show you the savings potential available to you if you would like to refinance it with us.

We want to remind you that our Home Equity options are also extremely attractive these days. If you have equity in your home, you may want to take a close look at the benefits of using it for home improvements, college tuition, major purchases and many other purposes. Right now we offer two home equity options:

Line-of-Credit (adjustable rate)	3.75%
Closed-End (fixed rate)	5.50% up to 60 Mos.
	6.75% up to 120 Mos.
	7.95% up to 180 Mos.

The adjustable rate plan is priced at prime minus 1/2%. It has an annual cap of 2% and a lifetime cap of 6%. The rate is adjusted semi-annually February 1st and August 1st. The line-of-credit feature allows you to make periodic advances from time to time up to your limit. It's flexible and convenient and a great choice if you want borrowing access into the future. The fixed rate plan is a traditional plan with a fixed term and level payment. This plan is ideal if you have a single purpose and want the comfort of a fixed payment and term.

If you are interested in taking advantage of our low rates, simply stop by our office, call 802-479-2836 or apply online at www.unitedccu.org.

UCCU'S 60TH ANNUAL MEETING

UCCU held its 60th Annual Meeting on Saturday, March 1st at the Canadian Club in Barre. Nearly 300 members and guests attended this year's meeting.

President Daniel Lambert presided over the business meeting. Elected to the Board of Directors were John McKinley, Lorraine Bishop and Mario Lorenzini. Elected to the Credit Committee was C. Martin Prevost Sr. At an organizational meeting held later Daniel Lambert was elected President, John McKinley Vice-President, Lorraine Bishop Treasurer and Dorothy Gavin Secretary.

Marko the Magician was on hand to entertain and amaze attendees with his array of tricks and illusions. Joseph Bergeron, President of the Vermont Credit Union League also attended and congratulated us on our 60th anniversary.

Following the business meeting, door prizes were awarded and the \$250 cash grand prize was won by Alison Black. Special thanks to Loyal American Insurance and Cabot Hosiery for donating door prizes.

2003 SCHOLARSHIP APPLICATIONS

Again this year, UCCU is offering \$500 Scholarships to (2) college-bound seniors who are members of UCCU or whose parent is a member. Interested individuals may request an application from the Credit Union office or e-mailing us at info@unitedccu.org. Deadline for your completed application is May 30, 2003.

Check Out Our Website:

www.unitedccu.org

Are You A Winner?

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

#662 #4744 #6852
#8755 #10392 #92545

Office Closings

May 26 Memorial Day
July 4 Independence Day
July 5 Closed Saturday



Members' Quarterly
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United Community Credit Union

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PAYMENT SHAVER – LEASE ALTERNATIVE LOAN

Should I lease or should I buy? If you are considering buying a car, you've probably wondered which will make the best financial sense. UCCU has a great way to finance the car of your dreams that offers all of the advantages of a lease, without all of the hassles. It's called a Payment Shaver Loan.

With most leases, restrictions, hidden charges, and confusing contracts are par for the course. While leasing does offer lower payments, lease agreements often result in more negatives than positives. A big drawback to leasing a car is a mileage allowance restriction. Drivers who exceed the 15,000 miles a year allowance are charged a penalty – often up to 20-cents per mile!

Compare UCCU's Payment Shaver Loan with a typical lease:

	PAYMENT SHAVER	TYPICAL LEASE
Lower monthly payments	Yes	Yes
Drive a new car more often	YES	Yes
Registered title	In borrower's name	In lender's name
Down payment required	No	Usually
1st month payment required	No	Yes
Charge for excess wear	No	Yes
Annual mileage allowance	up to 18,000	10,000-15,000
Excess mileage fee	\$.08 per mile	\$.12 to \$.20 per mile
Drive off charge	No	Yes
Interest rate disclosure	Yes	No legal requirement
Pre-payment penalty	No	Yes
Available on used cars	Virtually any vehicle up to 4 model years	Usually only high-end vehicles

And unlike a typical lease, at the end of a Payment Shaver Loan you have four options:

- Trade the vehicle in and pay off the loan balance.
- Sell the vehicle, pay off the balance and keep any profit.
- Keep the vehicle and refinance the balance.
- Return the vehicle and walk away

To learn more about Payment Shaver call 802-479-2836 or visit our website at www.unitedccu.org.

OFFICE HOURS

	Lobby	Drive-up
Monday-Wednesday	8:30-5:00	8:00-5:00
Thursday	9:00-5:00	8:00-5:00
Friday	9:00-5:30	8:00-6:00
Saturday	9:00-12:00	9:00-12:00

UCCU RATEBOARD

(As of March 15, 2003)

DIVIDEND RATES	APY
Regular Shares	1.26%
Share Drafts	0.50%
Multi-Purpose Club	1.26%
IRAs	3.30%
Hi-Yield	
\$500-\$9,999	1.50%
\$10,000-\$49,999	1.75%
\$50,000 and above	2.00%
Term Certificates	
6 Months	1.75%
12 Months	2.05%
18 Months	2.20%
24 Months	2.40%
36 Months	2.85%
48 Months	3.20%
60 Months	3.60%

LOAN RATES

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

TERM	RATE* (up to 80% Loan to Value)
24 Months	4.25%
36 Months	4.50%
48 Months	4.75%
60 Months	5.00%
72 Months	5.25%

Add 1.00% for Payment Shaver Loans
Add 1.00% for 1996 to 1999 model years
Add 1.50% for 1995 and older model years
Add 2.00% for non-titled vehicles
Add 2.00% for vehicles over 100,000 miles
Add 0.50% without Auto-Pay

Unsecured:

36 Months	12.00%
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* Rates are determined by an evaluation of your credit. Other Loan to Value rates available.

Other:

Home Equity Line-of-Credit	3.75%
(Over 80% LTV)	4.75%
Home Equity Fixed	
60 Months	5.50%
120 Months	6.75%
180 Months	7.95%
Share Secured	3.25%
Hi-Yield Secured	4.25%
VISA Credit Card	11.90%
Overdraft Line-of-Credit	16.90%

All Rates are subject to change.

(For current rates, visit our website at www.unitedccu.org)

New Electronic Payments

Baffled by the myriad of new electronic payments? Here's an overview of some you will face from time to time.

One of the largest categories of the new electronic payments is called e-checks. Originating in your checking account, they are handled through the same "automated clearinghouse" network that routes other electronic funds transfers, such as direct-deposit of payroll checks. E-checks may be used at the point of sale, or over the Internet, such as to pay credit card balances.

Checks also can become electronic through "electronic check conversion." With electronic check conversion, your check is scanned to obtain your account number, your financial institution, and the check number. That information is used to make an electronic fund transfer—a one-time electronic payment from your account. The voided check is given back to you. If you have a share draft or check converted at the checkout, destroy the check or file it with your receipt.

Another new payment mechanism, popular on the Internet auction firm eBay, is called PayPal. You can use a PayPal account, though, to pay anyone who has an e-mail address, such as small businesses that don't want to go through the expense and hassle of accepting credit cards.

A radically different, but equally successful, approach to electronic payments is visible at Exxon-Mobil gas pumps. Wave a SpeedPass, a little key-ring size electronic coding gadget, at the pump, and funds are sucked out of your credit-card account. The five million SpeedPasses now in use could gain new talents. Soon, you may be able to buy convenience-store items and even burgers at McDonald's with the pass.

For financial institutions and retailers alike, electronic payment systems are supposed to bring convenience, security, and accuracy—all with a welcome reduction in paperwork.

Life Change To-Do Lists

Life changes—such as getting married, divorced, having a child, or facing widowhood—require more than the subsequent emotional adjustment. These milestones also signal the need to take stock financially and make any necessary adjustments.

MARRIAGE: Have the money talk. Sit down and set financial goals—do you want to save for a new house? Have five kids? Decide if you're going to pool your assets or maintain separate share draft/checking or savings accounts. Corral credit. Exchange credit reports and take a financial inventory. Focus on cleaning up any credit problems and curtailing future debt. Make name change notifications. Make a list of agencies to notify if you're changing your name, including credit card issuers, the Social Security Administration (www.ssa.gov), the motor vehicle department, and the U.S. Passport Office. Create or update your wills and powers of attorney. Check your insurance. Review your auto, health, property, disability, personal liability, and life insurance coverage. Update beneficiaries on your policies, your IRAs (individual retirement accounts), and other investments.

DIVORCE: Educate yourself. Go through financial accounts and figure out where the money is. Pull credit reports to see if there are any credit cards or loans that you don't know about. Collect information. Before your first visit to an attorney, make copies of all financial records, including statements from financial institutions and brokerage companies, tax returns for the past two or three years, mortgage, copies of financial statements on file at any financial institutions, insurance, safe deposit boxes, wills, and trusts. Establish credit. Open and fund a share draft/checking and savings account in your own name. Get a credit card in your own name and manage it carefully. Update wills and beneficiaries. Separate credit accounts. Debt incurred in a joint account will follow both spouses after the divorce. Talk to your lawyer about how to best close joint accounts and limit your liability. Maintain insurance coverage. During separation you'll still be covered under your spouse's health insurance, but once you're divorced, health insurance must be specified.

DEATH OF A SPOUSE OR PARENT: Get 10 death certificates. You'll need these extra copies for such things as insurance, 401(k) payouts, Social Security, probate, and to change the title on property. Organize finances. Go through all financial papers and make a list of assets and liabilities; gather statements from financial institutions and brokerage companies, insurance policies, employment records, tax returns, and so forth. Cancel accounts and services. Check for and cancel any automatic or online bill paying services unless you'll continue to use them. Notify any fee-based membership or subscription services to cancel accounts such as health clubs, magazine subscription, online services, and so forth. Contact income providers. Notify old employers, pension fund administrators, and financial institutions holding IRAs or other retirement income accounts. Each may have a different beneficiary. If the deceased received Social Security benefits, notify the Social Security Administration as soon as possible, since the estate will have to pay back money received after the death. Check with a certified public accountant or tax preparation service to see if there are tax considerations that need attention. Contact life and health insurance providers. Insurance companies will distribute money to the beneficiary listed on the policy. Don't cancel health insurance until all outstanding bills have been paid.

EXPECTING A NEW BABY (BIRTH OR ADOPTION): Understand your finances. If you're planning on moving, buying a bigger car, or want to quit work to raise the baby, you'll need to create a budget that allows you to forecast where you will be financially. Insure coverage. Visit your employee benefits department to find out what your policy covers, and how much time you have to add a new baby or adopted child to your policy. Research and understand other policies at work relating to such things as maternity or family leave, and flex spending accounts. Create or update your wills. Besides instructions about how the estate should be distributed, wills also should include the name of whomever the parents have chosen as their child's guardian. Parents also may wish to appoint a different person to be the guardian of the child's money.