



United Community Credit Union

Members' Quarterly

www.unitedccu.org

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LET'S ALL COOPERATE

Credit unions are not-for-profit financial service cooperatives, owned and controlled by their members, and operating in a democratic way. What difference does that make?

Co-ops are businesses, in many ways like any other business. But a cooperative operates solely for the members' benefit. All co-op businesses run in accordance with seven basic principles, many of which have been part of the co-op philosophy from their beginnings more than 150 years ago.



- 1. Open and voluntary membership.** It's important that members voluntarily choose to become members. Ideally, according to the principles reaffirmed at the Manchester (England) Congress of the International Cooperative Alliance in 1995, cooperatives are "open to all persons able to use their services and willing to accept the responsibilities of membership...."
- 2. Democratic member control.** Members ultimately control their cooperatives. When you attend your credit union's annual meeting or vote for the board of directors, you're exercising your member-owner control.
- 3. Member economic participation.** According to the Manchester Congress, "Cooperatives operate so that capital is the servant, not the master, of the organization."
- 4. Autonomy and independence.** While governments determine the legislative framework within which co-ops function, this principle asserts that co-ops also have an "essential need to be autonomous in the same way that enterprises controlled by capital are...."
- 5. Education, training, and information.** This principle says members can play their role in the cooperative only when they understand that role and the co-op. That's one reason, for example, that your credit union provides you with this information and other educational tools.
- 6. Cooperation among cooperatives.** Cooperators believe that co-ops have a unique opportunity to protect and expand the interests of ordinary people. This kind of one-for-all and all-for-one idea is unique among businesses. Even in localities where they compete, it's common for them to also cooperate on numerous activities.
- 7. Concern for community.** Cooperatives exist primarily for the benefit of their members. Because of this strong association with members, they also are often closely and actively tied to their communities.

All of us at UCCU sincerely appreciate your support in the past. You have helped us to help others which is the essence of a cooperative organization.

CEO Message

By Tim Golden, CCUE

2003 is already half over and we are well on our way to another outstanding year at UCCU. Assets are up to \$27 million at mid-year representing an increase of about \$2.5 million from year-end. We continue to add many new members each month and we now have over 5,600 total.

We hope to have (2) new services available in July. Both are lending related products and some of the details are not complete, but I wanted to give you advance notice in this newsletter.

The first is a new mortgage program. We think this new mortgage program will be competitive and convenient for our members. We will assist you from application to closing for new purchases and refinances. You should be able to find a link on our website in July that will include current rates and even an application you can complete. If you are interested in learning more about how you can take advantage of our new mortgage program stop by or call Lorie Heath at 479-2836 x106.

The second new program is our indirect auto lending service. We are currently establishing financing relationships with a number of area auto dealers that will enable you to finance your next vehicle through us without even having to come to the credit union. If you are buying on the weekend or in the evening, you can request the dealer to finance your deal through your credit union and you'll be eligible for the same low rate offered in person at the office. The dealers are authorized to make deals on qualified applicants on the spot and they will do all the paperwork. We will provide you a list of participating dealers on our web site when more details are available.

Are You A Winner?

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

#678 #4875 #7127

#9106 #10799 #12094

Office Closings

July 27 Office closing at 5:00
 July 28 Company Picnic
 September 1 Labor Day



Members' Quarterly
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 United Community Credit Union

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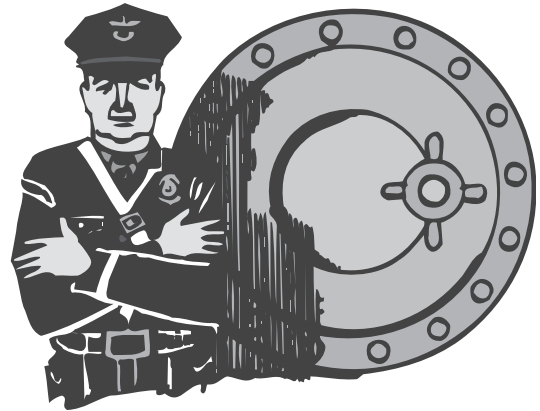
Deborah Brothers
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OPERATIONS SPECIALIST

Cynthia Bresett

GAP: SECURITY FROM FINANCIAL LOSS

You could lose more than your vehicle if it is stolen or involved in a major accident. You could also lose your investment. The value of your vehicle rapidly declines within the first few years of ownership. At the same time, most insurance policies will only cover the diminished value of your vehicle (actual cash value) not the purchase price. As a result, your loan balance could be higher than what your vehicle is worth!



At UCCU, you can protect your vehicle with **Guaranteed Asset Protection (GAP)**. GAP covers the "gap" between the vehicle's value and the amount you still owe, protecting you and your entire investment from substantial loss. GAP coverage will pay your primary physical damage insurance deductible up to \$1,000.

We also offer a **GAP Plus** option which gives you \$1,000 as down payment toward the purchase of a replacement vehicle when financed through UCCU.

GAP coverage is available for cars, light trucks, motorcycles, snowmobiles, ATV's and personal watercraft. We can even finance the premium into your loan transaction. GAP sells for \$180 and GAP Plus is \$210. The following is a typical example of how GAP can protect you:

Original purchase price:	\$25,000
Loan balance after one year:	\$21,000
Insurance Settlement covering vehicle's current cash value:	<u>\$16,000</u>

Your remaining unpaid loan balance (the "gap"):

- \$5,000

GAP Plus pays:

The unpaid balance:	\$5,000
Down payment on replacement vehicle financed at UCCU:	<u>\$1,000</u>
Total GAP Benefit:	\$6,000

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 June 15, 2003)

DIVIDEND RATES APY

Regular Shares	1.00%
Share Drafts	0.25%
Multi-Purpose Club	1.00%
IRAs	3.04%
Hi-Yield	
\$500-\$9,999	1.35%
\$10,000-\$49,999	1.55%
\$50,000 and above	1.75%
Term Certificates	
6 Months	1.65%
12 Months	2.00%
18 Months	2.10%
24 Months	2.25%
36 Months	2.65%
48 Months	3.00%
60 Months	3.40%

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 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

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	3.00%
Hi-Yield Secured	4.00%
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)

Five Tips for Getting Low-Priced Airfare

Many variables go into the price of an airline ticket. The result is that few passengers on the same plane pay the same price.

1. Timing is everything—Twenty-one day and 14-day advance fares usually are the lowest. Search for fares a few minutes after midnight—when reservations previously put “on hold,” but not ticketed, are released. Avoid peak travel times including holidays. Travel before 7 a.m. and after 7 p.m. Fly Tuesday through Thursday; include a Saturday night stay.

2. Search the Web—Lower priced fares often are offered online. In fact, the same ticket may be \$25 more if you buy it over the phone.

- www.Bestfares.com
- www.Expedia.com
- www.Orbitz.com
- www.smarterliving.com
- www.Travelocity.com
- www.TravelNow.com

3. Choose an alternate city—Can't find the airfare you want from Chicago's O'Hare International Airport to La Guardia Airport in New York City? Consider leaving from and arriving in alternate cities.

4. Budget airlines—Smaller airlines are good options if you missed advance purchase deals on major airlines. Budget airlines also offer the best deal if you're flying one-way. Typically major airlines charge hefty prices for one-way fares.

5. Promotions—When an airline begins service to a new city look for introductory discounts good for 30 days or 60 days. Don't book without asking about promotions.

AVOIDING THE RUSH TO SIGN—TAKE YOUR TIME AT THE DEALERSHIP

“Always get pre-approved at a credit union before you shop dealership financing,” suggests Remar Sutton, an Atlanta-based auto consultant and author of the book “Don’t Get Taken Every Time: The Ultimate Guide to Buying or Leasing a Car in the Showroom or on the Internet.” “Car dealerships’ entire environment is based on always finding a place to make more money on the consumer. That means that everything becomes negotiable at the car dealership. If consumers don’t know how to negotiate, they can be hurt.”

Buying a new car requires you to take your time and do your homework before visiting a dealership. Rushing through a car deal invites a dealer to potentially take advantage of you.



Before you sign or agree to anything, ask the following questions:

1. What is the total price of the vehicle?

“The most important thing on a purchase order is what the end price of a vehicle is going to be,” says Dianne Craft, marketing analyst at American Airlines Federal Credit Union in Fort Worth, Texas. The end price, according to Craft, is “minus the trade, down payment, and all of the fees that might be on there. You have to be sure to validate all the charges that are on a purchase order because sometimes, even though it’s on a preprinted form, that doesn’t mean it’s a valid fee.”

2. Does the dealer require an arbitration agreement in order to buy a car from that dealership?

“Arbitration agreements are bad for the consumer because they take away the consumer’s rights for any legal redress if they have any problems with that dealership,” according to Sutton.

“Arbitration agreements are being forced on many consumers because clauses are hidden in contracts or they’re presented at the very last minute, before a person signs the paperwork to take delivery on a car. Do not buy from a dealership that requires arbitration agreements,” adds Sutton.

3. What will the dealership do with your personal information?

According to Sutton, “Many dealerships are asking consumers to sign an acknowledgement that the dealership has a right to sell personal information about that consumer to anyone.” If a dealership asks you to sign a statement acknowledging they can sell your private information, Sutton recommends not signing it.

Some other things a dealer contract should spell out, from the Web site auto.consumerguide.com:

- What’s your down payment or how much will you have to pay immediately out of pocket, either in cash or combined with a trade-in or rebate?
- What’s your trade-in value? “Make sure you have shopped the trade so that you know what its value is. Don’t just take the dealer’s opinion of what your trade is worth,” recommends Craft.
- Are all fees spelled out in the contract and how much are those fees? Look for destination charges, sales tax, and title fees.

Our experienced lending staff at UCCU is here to assist you with your next purchase. Stop by or call today and ask for Lorie, Stephanie or Joanne.

Items of Interest

For the 12th consecutive year, UCCU has awarded a pair of scholarships to college bound high school seniors. This year \$500 scholarships were awarded to:

Kimberly Jane Dickinson is a graduate of Spaulding High School. Kimberly is planning to attend Castleton State College. She is interested in the forensics and will take courses in science and criminal justice.

Shaun A Loati is also a graduate of Spaulding High School and is planning to attend Vermont Technical College. He will enroll in the computer engineering program so he can become a computer programmer.

Congratulations and good luck to both and thanks to all of the outstanding candidates who submitted applications for this year’s award.

Please welcome our newest employee Doreen Hutchins. “Dee” as she prefers to be called is working on our front teller line as a member service representative. We have made some recent organizational changes as well. Victoria Jewett is now the supervisor of our front-line MSR’s. Joanne Boutin has transferred to our consumer loan department and Cynthia Bresett is now working behind the scenes as our operations specialist.

Please note that the office will be closing at 5:00 on Friday July 25. The drive-up will remain open until 6:00 as usual. The Credit Union will be closed completely Saturday July 26 so our staff can attend our company picnic.

Check Out Our Website:

www.unitedccu.org