



United Community Credit Union

Members Quarterly

www.unitedccu.org

560 South Barre Road • PO Box 550 • South Barre, VT 05670
Toll Free: 877-288-8228 • Tel: 802-479-2836 • FAX: 802-476-1063 • Tele-Teller-24: 802-476-1062

VOL. 8, NUMBER 3 • JULY 2005

Drive Off the Lot With Credit Union Financing

Did you know you can get credit union financing—right at the car dealership? That's right. Through an arrangement with the Vermont Credit Union League and participating dealerships you can secure credit union financing right at the dealership.

The process is designed so credit union members benefit several ways:

- First, as a member of a cooperative, you reap the benefits of lower rates offered by United Community Credit Union. Credit union members paid \$2.3 billion less in loan interest in 2002 than if they'd conducted all their business with banks.
- Second, it's quick and easy. There's a fast turnaround time when filling out applications, and the process is user-friendly. Also, there's a smooth flow of paperwork between participating dealerships and UCCU. The accommodating business relationship will benefit you, the loan customer.
- Third, you have the ability to choose a variety of credit union financing options right at the dealership. The innovative lending approach clearly gives you—the credit union member—the benefit of choosing the option that's best for you.

We're still happy to pre-approve you for a car loan at the credit union if you like the flexibility of shopping dealerships. But if you're at the dealership, ask for United Community Credit Union financing. It's almost always your best deal.

Following is a partial listing of the currently participating dealerships in our area:

Cody Chevrolet
Lowery's Auto Sales
Midstate Dodge Hyundai
Walker Imports
Burlington Hyundai
Classic Auto Exchange
Goss Dodge
Heritage Ford Toyota
Shearer Chevrolet
Wiley Racine Jeep Isuzu
Foster Motors
Imported Car Center
Marcotte & Son Auto Village
Paquin Chrysler Ford

Courtesy Motors
M's RV Sales and Service
Walker Motors
Berlin City Car Center
Capital Lincoln Mercury
Freedom Nissan Chrysler Plymouth
Handy Chevrolet Olds Dodge Toyota
McMahon Chevrolet Buick
Shearer Pontiac Cadillac
Snowfire Auto
Green Mountain Harley Davidson
Mansfield Motor Cars
North Country Nissan
Greensboro Garage

For more information about UCCU's indirect loan program, contact one of our lending specialists at 802-479-2836 option 4.

E-STATEMENTS

Would you like to receive your statements sooner? If so, E-statements are for you. Typically your E-statement will be ready for you to review on the last day of the month (possibly earlier if the last day falls on a weekend). While others have to wait typically 5-7 days to receive their statement by mail, you will be able to easily review your statement.

How does it work? You'll receive an e-mail as soon as your statement is ready. A PDF version of your statement is ready for you to review over a secure connection. You will also be able to view any enclosures e.g., newsletters, inserts, etc. The PDF is identical to your mailed statement and it's your choice whether to print it out or save it to your computer. We will also archive 16 months of Statements for you if you need to refer back to an old statement.

How do you enroll? Go to www.unitedccu.org. Click on Home Financial Services. Select HFS Services and choose E-statement options. That's all there is to it. If you don't already have a logon for Home Financial Services you will need to first choose HFS signup before electing E-statements. They both use the same password. Both services are free and you will find them to be convenient, informative, safe and secure.

For more information about E-statement or Home Financial Services, call 802-479-2836 option 3.

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.

#897 #5013 #7372
#9500 #12772 #92174

Office Closings

July 4 Independence Day
August 13 Company Picnic



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

UCCU STAFF

CHIEF EXECUTIVE OFFICER

Timothy W Golden, CCUE

LOAN OFFICERS

Lorie Heath, Supervisor
Stephanie Boucher
Joanne Boutin

MEMBER SERVICE

REPRESENTATIVES

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

OPERATIONS SPECIALIST

Cynthia Bresett

Internet Users Have False Sense of Security

About three-quarters of Americans believe they're safe from online threats, according to a study by American Online and the National Cyber Security Alliance.

In reality, many computer users are remarkably unprepared for the online dangers from Internet viruses, hackers, spam e-mails, and spyware.

The problem is that computer users suffer from complacency and a lack of knowledge about how to keep their computers secure. Who's responsible? Computer users don't believe they should have to purchase additional software to keep their systems safe, and computer companies blame the consumer. As fingers point back and forth, the number of online viruses and attacks keeps going up.

Even computer users who have a firewall, virus scanner, and antispyware package installed on their computers are complaining about unwanted Internet activity on their systems. According to industry experts, most spyware scanners are adware scanners with a few keyloggers (which capture your keystrokes and thus, passwords and account numbers) thrown in as an afterthought. In other words, they're not effective. If an ex-spouse or identity thief planted a surveillance program on the computer, that software can steal an identity.

What can you do?

- Download critical updates for Windows from Microsoft.
- Purchase an antivirus software package and set it for daily updates.
- Avoid free software offers from the Internet, which almost certainly add spyware of their own.
- Purchase a program to remove spyware. Some free spyware removal programs install their own spyware.



OFFICE HOURS

	<u>Lobby</u>	<u>Drive-up</u>
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 July 1, 2005)

DIVIDEND RATES	APY
Regular Shares	0.75%
Share Drafts (checking)	0.25%
Multi-Purpose Club	0.75%
Christmas Clubs	0.75%
IRAs	3.04%
Hi-Yield	
\$500-\$9,999	1.40%
\$10,000-\$49,999	1.70%
\$50,000 and above	2.00%
Term Certificates	
6 Months	2.50%
12 Months	3.00%
18 Months	3.25%
24 Months	3.50%
36 Months	4.00%
48 Months	4.50%
60 Months	5.00%

LOAN RATES

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

TERM*	RATE*
24 Months	3.75%
36 Months	4.25%
48 Months	4.75%
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 9.00%

* Rates and terms are determined by an evaluation of your credit.

Other:

Home Equity Line-of-Credit	5.50%
(Over 80% LTV)	6.50%
Home Equity Fixed	
60 Months	5.25%
120 Months	6.00%
180 Months	6.75%
Share Secured	2.75%
Hi-Yield Secured	3.75%
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)

ITEMS OF INTEREST

Again this year UCCU has awarded (2) \$500 Scholarships to college bound seniors who are members or whose parents are members. This year we received some outstanding applications from many worthy candidates making the final decision very difficult. The 2005 awards go to:

Janice Lyn Beach – the daughter of Lester and Marcia Beach, Janice is a graduate of Spaulding High School. She is planning to attend Castleton State College and study sports management.

Nicholas R Copping – the son of Randall and Judie Copping, Nicholas is a graduate of Spaulding High School. Nicholas is planning to attend New Hampshire Community Technical College in Laconia, NH to study Fire Protection/Investigation.

Congratulations to both seniors and good luck in their future endeavors.

◆◆◆◆

You may have noticed that we have installed a new ATM at our office. The Diebold Opteva 740 was delivered on June 27 and it will be a substantial upgrade over our outdated NCR machine.

◆◆◆◆

UCCU will be closed on Saturday, August 13 for our company picnic. We will also be adding a storm drain to our back parking lot that day so access to the credit union may be limited.

◆◆◆◆

We currently have vacancies on both our Board of Directors and Supervisory Committees. If you are interested in either position, or would like more information, please contact Tim Golden at 479-2836 x104.

Understanding “Dream Vehicle” Costs Helps Keep You in the Driver’s Seat

Understanding the true cost of your dream vehicle may be the best way to stay in the driver’s seat as you search for a purchase that reconciles your desires with your pocketbook.

Keep in mind, the sticker price of a new vehicle is just one element of its total cost. Its overall impact on your long-term budget will depend on loan terms, operating expenses, insurance, rebates, and even supply and demand. These factors can increase the cost of the car even as they decrease its value, sometimes before it leaves the dealer’s lot.

The monthly payment for a 60-month vehicle loan on a fully financed \$40,000 purchase at an interest rate of 4.5% will be \$746, although experts say higher interest rates quickly can push payments up. For example, a 7% interest rate results in monthly payments of \$793. That’s a difference of \$2,820 over the life of the loan.

Generally, experts advise buyers to avoid spending more than 15% to 18% of their monthly income on total vehicle costs. The sticker price is just the beginning of these costs. Kauffeld says the sticker price typically excludes some costs such as extended warranties, dealer handling fees, “protection packages” of sometimes dubious value for services such as “invisi-shield,” title fees, and state sales taxes, where applicable.

The cost of insurance is likely to rise with the cost of the vehicle, especially if the model is deemed more likely to be stolen or involved in an accident. Ask your insurance agent for a quote. Gasoline costs are another ongoing expense, especially on larger models with high gas consumption. Opting for a global positioning system (GPS) to obtain directions or roadside assistance can create an additional monthly charge once the free trial period ends.

Many owners also are unprepared for the higher costs of routine service and repairs for luxury cars, which sometimes can cost twice as much to service when compared with more mundane vehicles.

Some buyers attempt to manage the cost of high-end vehicles by extending the term of the loan. Sixty months was once the longest term offered on standard vehicle loans, but many lenders now offer extended terms. Lenders typically charge an additional 1% interest for each year added to the term beyond 60 months.

Extending the term costs the borrower. As an example, on a \$30,000 loan, a 60-month option with an interest rate of 3.99% would mean monthly payments of \$553 and a total finance charge of approximately \$3,146 over the life of the loan. Extending the term to 72 months reduces monthly payments to \$483, but increases the interest rate to 4.99% and results in a total finance charge of \$4,781.

Increasing the length of the loan also may contribute to being “upside down” in an automobile loan. “Upside down” buyers owe more to the lender than the vehicle is worth. This can occur because the buyer has little or no down payment, the term of the loan is so long that the vehicle depreciates faster than the buyer accrues value through payments on the principal, the manufacturer offers rebates that reduce the vehicle’s resale value, or because the popularity of a new vehicle model creates an oversupply in the used market.

Buyers whose car is damaged in an accident or taken by thieves may discover that the amount they owe on the loan is thousands more than their insurance coverage, which typically is based on the vehicle’s current market value. UCCU sells guaranteed automobile protection (GAP) insurance to cover the difference between the amount paid by insurance and the amount you owe on your loan.

Whatever route you take, experts agree that doing your homework will pay off. For example, understanding the trade-in value of your used car helps you negotiate a fair price with the dealer. Meeting with a UCCU loan officer before you visit the dealer will help you decide how much car you can afford, help you obtain a competitive interest rate, and pre-qualify you for a loan.

