



United Community Credit Union

# Members' Quarterly

www.unitedccu.org

VOL. 4, NUMBER 3 • 560 South Barre Road • PO Box 550 • South Barre, VT 05670 • Tel: 802-479-2836/FAX: 802-476-1063/Tele-Teller-24: 802-476-1062 • FALL 2001

## UCCU Auto Loans: Easy, Quick, Low-Cost

**W**ith falling interest rates, now is a great time to look to us for all your fall and winter financing needs.

If you are in the market for a new or used car loan, talk to us and we can insure your car-buying experience is a satisfying one. We can help you:

- Find the value of your trade-in
- Find the value of the car your buying including the invoice cost on most 2002 models
- Fit you with a comfortable repayment plan at low rates starting at:

5.50% for 24 Months  
6.50% for 48 Months

6.00% for 36 Months  
7.00% for 60 Months

(Rates are determined by an evaluation of your credit. Your rate may vary from the rate shown)

Even if you have financed a car in the past year or two with another lender, we can potentially save you hundreds of dollars in financing costs by refinancing your existing vehicle with us. If your rate with another lender is 2% higher than our current rates, we suggest you check with us to see if we can save you some interest costs. Our loan officers will be happy to calculate how much we can save you and then set you up with a convenient repayment plan that meets your budget.

### Payment Shaver Loans – lower your monthly payments without leasing

We have heard from many of our members that the leasing decision was not one they would repeat anytime soon. That's why we offer a program that combines some of the best features of leasing with the benefits of ownership. Take a look:

- Offers lower payments than a traditional loan
- The vehicle is owned and titled in your name
- There is no security deposit, disposition fee or prepayment penalties
- There are no Wear and Tear charges found in leases
- You may drive up to 18,000 miles per year, higher than that found on most leases

Best of all, at the end of the loan term, you have several convenient options:

- Sell or trade the vehicle, pay off the final payment, and keep any profit or use towards your next purchase
- Keep the vehicle and refinance the outstanding balance
- Return the vehicle and walk away from any further payments

#### An Example of a traditional loan and a Payment Shaver Loan

	<u>Traditional</u>	<u>Payment Shaver</u>	
Loan Amount	\$20,000.00	\$20,000.00	
Term	48 Months	48 Months	
Rate	6.50%	7.50%	
Balloon Payment	-0-	\$9,500.00	
Monthly Payment	<b>\$474.29</b>	<b>319.00</b>	(Save \$155.29 each month)

### Christmas Clubs Paid October 1

On September 30, UCCU paid dividends on all Christmas Clubs. Clubs were disbursed into your Regular Share Account on October 1<sup>st</sup>. If you would like a check mailed to you, please call us and we would be happy to do so.

If you had a Christmas Club in 2001 and would also like one in 2002, you have nothing more to do. Your 2002 Club is all set for you. Week one of the 2002 Christmas Clubs is October 15. You can start a new Club anytime between now and December 31<sup>st</sup>. We have set the dividend rate for next year's Club at 2.50%. Remember, we can set you up to have your club payments made through your Direct Deposit/ Payroll Deduction. Consider opening your Christmas Club now and get a head start on next year's holiday season.

### Check Our Website:

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

Home Banking  
Bill Payer  
Car Pricing  
Loan Applications  
Reorder Checks  
VISA account Information  
Member's Financial Network  
Googplex for kids  
Home and Family Finance  
Online  
Rates, Links and much more

## Are You A Winner?

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

#565 #4608 #6536  
#8345 #9781 #10998

## Office Closings

October 8	Columbus Day
November 21	Closing at 3:00
November 22	Thanksgiving Day
December 24	Closing at 1:00
December 25	Christmas Day
December 31	Closing at 1:00
January 1	New Year's Day



**Members' Quarterly**  
is published each quarter by the  
United Community Credit Union

**UCCU STAFF**  
**CHIEF EXECUTIVE OFFICER**  
Timothy Golden, CCUE  
**CONSUMER LOAN OFFICERS**

Stephanie Boucher  
Lorie Heath

**HEAD TELLER**  
Victoria Jewett

**MEMBER SERVICE  
REPRESENTATIVES**

JoAnne Boutin  
Cynthia Bresett  
Deborah Brothers  
Tanya Bryan  
Kimberly Sumner

**BOARD OF DIRECTORS**

**PRESIDENT**  
Daniel Lambert  
**VICE PRESIDENT**

Donald Denko  
**TREASURER**

Lorraine Bishop  
**SECRETARY**

Dorothy Gavin  
**DIRECTORS**

Donna Fuller  
John McKinley  
Patrick Timothy Mullikin

**CREDIT COMMITTEE**

**CHAIRMAN**  
C. Martin Prevost, Sr.  
Gregory Bergeron  
Donald Jewett

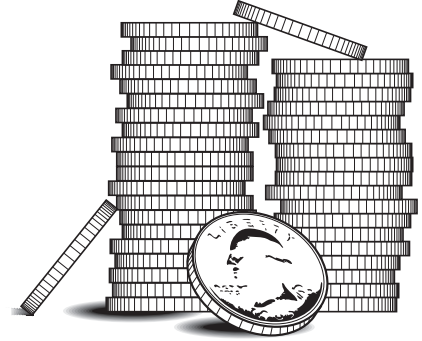
**SUPERVISORY COMMITTEE**

**CHAIRMAN**  
Julianne Monty  
Michael Beaudin  
Barbara Menard

# How Do Your Credit Habits Stack Up?

Take this test from the National Foundation for Credit Counseling in Silver Spring, MD.

- Are you unsure about how much you owe?
- Do you skip some bills to pay others?
- Do you have insufficient cash saved for an emergency?
- If you lost your job, would you have trouble paying for your basic living expenses?
- Have you postponed medical or dental appointments because you can't afford them right now?
- Do you and your spouse argue about money?
- Are creditors calling you about overdue bills?
- Are you exceeding your monthly budget for necessities such as groceries?
- Are you using an increasing percentage of your monthly income to pay off debts?
- Can you make only minimum payments on your credit card bills?



If you answered "yes" to –

- 1-2 questions: You may be developing financial problems.  
3-5 questions: You're on the brink of financial disaster.  
6-10 questions: You're in over your head.

UCCU can help show you strategies to assist you in freeing yourself from excess debt. If you need credit counseling, give us a call and we will be happy to work with you.

## Check Your Statement

Your Supervisory Committee is conducting a 100% verification of accounts as required on a biannual 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 Rd  
Barre, VT 05641

## Office Hours:

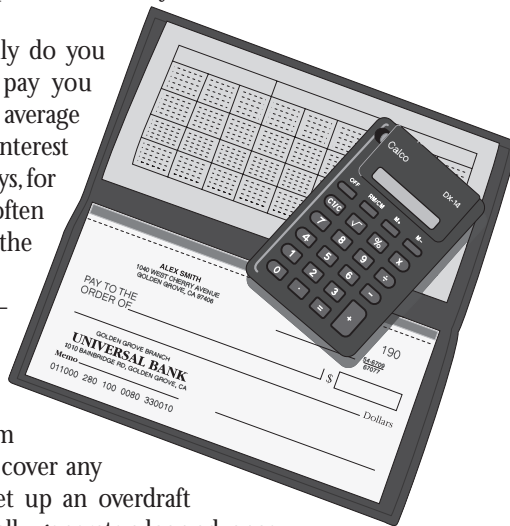
Monday-Wednesday ..... 8:00 - 5:00  
Thursday ..... 9:00 - 5:00  
Friday ..... 9:00 - 6:00  
Saturday ..... 9:00 - 12:00  
*(Lobby and drive-thru only)*

# UCCU Checking - The Smart Choice

There are many reasons that over 2,300 of our members have checking with us. Other than the fact we offer friendly, personal service, we also have the following benefits to consider when looking for the best checking deal around:

1. **FREE Checking** – You pay no monthly service fees or per check fees. There is no minimum balance requirement and you have unlimited check writing privileges.
2. **Earn Dividends** – Not only do you pay no fees, we actually pay you monthly dividends on your average daily balance. Although interest rates are way down these days, for most people the dividends often add up to enough to cover the cost of their checks.
3. **Overdraft Protection** – Never again worry about embarrassing overdrafts. We will automatically transfer the funds from accounts you designate to cover any overdrafts. Or you can set up an overdraft line-of-credit to automatically generate a loan advance to cover your overdrafts.
4. **Convenient Hours** – We are open Monday-Wednesday, 8-5; Thursday, 9-5; Friday, 9-6 and Saturday 9-12.
5. **MasterCard ATM/Debit Card** – We offer a free MasterCard debit card for your convenience. Accepted worldwide, you can use your debit card to make purchases as well as make ATM withdrawals when you need cash.
6. **Home Financial Services** – This free service lets you have access to your account activity at your home, office or anywhere you have internet access. You can view a summary of your accounts, make transfers, review your check clearings and much more.
7. **Bill Payer** – If you prefer to pay your bills online, this is for you. Once you set up your account payees, your bills are paid with a couple of mouse clicks. Set up recurring bills to be paid automatically each month. We offer this service FREE for 90 days for you to try on a trial basis. After that, pay only \$4.95 per month.
8. **Tele-Teller-24** – You call also access your account with a touch-tone phone with our audio response service. You can do many of the same things offered by our Home Financial Services product with this service.

Hopefully after reviewing some of the benefits available with our checking service you'll agree that checking with UCCU is, indeed, a *Smart Choice!* Stop by today and we will show you how to move your checking to us. You'll be glad you did.



## Bankruptcy Ain't Cheap

A national credit counseling expert says consumers pay more – a lot more – for credit after filing bankruptcy. Steve Rhode, president and founder of Myvesta.org, says families with clean credit pay an average of \$1,100 each month for mortgage and auto loans. Because of higher interest rates, a post-bankruptcy family pays almost \$1,900 for the same items.

- \* A mortgage of \$132,930, with a fixed interest rate of 6.75% for 30 years, translates to a monthly payment of \$862. For post-bankruptcy filers, the interest rate jumps to 13%, and a monthly payment of \$1,470.
- \* An auto loan of \$17,000, with an interest rate of 9% for a five-year term, translates to a monthly payment of \$353. After bankruptcy, the interest rate jumps to 15%, and a monthly payment of \$404.
- \* The average credit card interest rate jumps from 17% to 24% for people who've filed bankruptcy. With a credit card debt of \$2,800 at 17%, you'd need about 32 years to pay off the debt by making only minimum payments. At 24%, you never would pay off the credit card debt; interest costs would keep payments going for eternity.

If you're concerned about your debt load, ask someone at United Community Credit Union for referral to a nonprofit credit counselor. You may be able to find cheaper and less painful solutions.

## CURRENT RATES As Of October 1, 2001

### DIVIDEND RATES

	<u>APY</u>
Regular Shares	2.53%
Share Drafts	1.02%
Multi-Purpose Club	2.53%
Christmas Club	2.50%
IRAs	4.86%
Hi-Yield	
\$500-\$9,999	3.04%
\$10,000-\$49,999	3.56%
\$50,000 and above	4.07%
Term Certificates	
6 Months	3.80%
12 Months	3.90%
18 Months	4.00%
24 Months	4.10%

### **LOAN RATES**

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

<u>Term</u>	<u>Rate*</u>
24 Months	5.50%
36 Months	6.00%
48 Months	6.50%
60 Months	7.00%
72 Months	7.50%
96 Months	9.50%
120 Months	10.50%
180 Months	11.50%

Add 1.00% for Payment Shaver Loans  
 Add 1.00% for 1995 to 1998 model years  
 Add 1.50% for 1994 and older model years  
 Add 2.00% for non-titled vehicles  
 Add 2.00% for vehicles over 100,000 miles  
 Add 3.00% for equipment loans  
 Add 0.50% without Auto-Pay

#### **Unsecured:**

36 Months	12.00%
-----------	--------

\* Rates are determined by an evaluation of your credit. Your rate may vary from the rate shown

#### **Other:**

Home Equity Line-of-Credit	6.25%
(Over 80% LTV)	7.25%
Home Equity Fixed	
60 Months	7.95%
120 Months	8.95%
180 Months	9.95%
Overdraft Line-of-Credit	16.90%
VISA Credit Card	11.90%
Share Secured	4.75%
Hi-Yield Secured	5.75%

*All Rates Are Subject To Change*

## The Four C's of Credit

**L**ending institutions – like United Community Credit Union – understand that every credit contract carries a certain amount of risk. When you apply for credit, four primary considerations affect the decision to approve or decline your loan application.

The four C's of credit:

- \* **Capacity**—What is your ability to repay the loan? Do you have a job or another income source? Have you held your job for a length of time? Do you have other debts?
- \* **Character**—Will you repay the loan? Have you used credit before? Do you pay your bills on time?
- \* **Collateral**—If you fail to repay the loan, is there something of value that you agree to forfeit? For example, if you're buying your first car, it would be collateral to ensure that you will repay the loan. If you default, you lose the car.
- \* **Capital (accumulation)**—What are you worth? Do you have other assets, such as a savings account, car, or share certificate you could use to repay the debt?

How you handle credit transactions determines your creditworthiness in the future and will affect your access to credit – and its cost. For example, if you wanted to finance a new car through us, someone with spotless credit might pay 6.50% of four years while someone with a poor credit history might pay 15.50%. That's a substantial difference and can result in hundreds of dollars in additional finance charges.

Talk to a loan officer at United Community Credit Union about your credit needs. We're here to help you.