

THE

LOCAL RECORD

Brought to you by Vermont Federal Credit Union

WINTER 2011



PERMIT IN PROGRESS FOR NEW BRANCH LOCATION

Vermont Federal Credit Union is excited to announce that we will be expanding our branch locations to the Milton Market! With a significant portion of our membership residing in Milton and surrounding areas, we feel this will be an added convenience. We also feel that this market has many potential members that will benefit from a Credit Union at this location and the products and services that our very capable staff have to offer them.

We have just finished the first round of permitting for a new 3,000 square foot branch that will be located along Route 7, between the new Kinney Drugs and the Redwood Plaza Convenience Store. The entrance to the branch will be on Centre Drive. The current plan is to break ground in late Spring of 2011 and open sometime in late Fall. As we get closer, dates will be announced on both our Web Site and our Facebook page.

Our new branch will be a full-service location with both ATM and Teller Drive-Thru lanes as well as the full array of products that Vermont Federal has to offer, including:

- Mortgages
- Home Equity Loans
- Credit Cards
- Auto Loans
- Business Services
- Investment Services
- ReWARD Checking
- Share Savings Accounts
- Term Share Certificates
- Money Market Accounts
- Youth Accounts



IRA **TIPS**

WELCOME...



Happy New Year! We enter into 2011 with a very strong Credit Union and thank you for your continued loyalty.

There are many positive changes in store for the upcoming year. In response to how our membership said they would prefer to get

information from us, we will be moving to a semi-annual newsletter. In the near future, we will be offering regular email communication, so check our Web Site for updates about this effort and to sign up when it becomes available. You will also see enhancements to our online banking platform throughout the year. We continually strive to provide you with the most up-to-date technological tools available to help you reach your financial goals.

The Credit Union will be making some interior updates to our branches. Our Burlington branch will be receiving a much needed facelift. Lastly, there's a new location in the works! Details are in the article to the right.

Our best wishes for a healthy and prosperous 2011.

Sincerely,

Bernard P. Isabelle

Bernard P. Isabelle
President/CEO



Supporting Our Communities SINCE 1953

UNITED WAY 2010



For more than 15 years, Vermont Federal has been supporting the United Way in an annual donation drive in the workplace. Last year we had the highest employee participation rate of any Financial Institution in Chittenden County.

This year our annual drive was championed by employees, (left to right) Donna Bogue, Doug Robinson and Carmen Blatt. They worked tirelessly to promote the value of giving time or financial gifts to support the many programs that United Way touches in Vermont. Members supported the cause through our in-branch 50/50 raffle. This year we raised over \$19,000, a 17% increase over 2009.

FEED YOUR NEIGHBOR

Once again, Vermont Federal was the presenting sponsor for the annual Feed Your Neighbor event that takes place each year at Costco Wholesale in Colchester. Donations of non-perishable food items were provided by shoppers the day before Thanksgiving. This year, the event surpassed last year, raising 9,684 lbs of food for the Chittenden Emergency Food Shelf. Thank you to all of our staff who went out to help at this event as well as any members who made a donation. Together, we have made a difference in the lives of people in our communities.

Upcoming Events

RESTAURANT WEEK 2011 – April 29th - May 5th

Vermont Federal is again the presenting sponsor of this event, which brings awareness and financial assistance to the Vermont Foodbank. It also supports local restaurants and farmers by highlighting special price fix menus that often feature locally grown/raised products. The week-long event also provides educational opportunities to learn more about the sustainable food movement in Vermont.

ANNUAL MEETING 2011 – April 28th

Our meeting will begin at 5:30 pm at the Double Tree Hotel in South Burlington. Light snacks and refreshments will be provided.

MEMBERS Financial Services



Fred Dufresne, CRPC®
Financial Advisor
The MEMBERS Financial Services Center located at:
80 Midas Dr
South Burlington, VT 05403
Phone: (802) 923-1116 or
(888) 252-0202 ext. 1116

A Message from the MEMBERS Financial Services Program
Content developed by CUNA Brokerage Services, provided by Fred Dufresne

How Much Should I Withdraw From My Retirement Nest Egg?

When it comes to mapping withdrawals from your retirement account, there are a series of steps that you can follow to help determine a withdrawal rate that may work best for you.

Step 1: Set Realistic Expectations - One useful rule of thumb is that for a 30+ year retirement a withdrawal rate in the 3% to 5% range is prudent.

Step 2: Customize Your Number - Fine tune your withdrawal rate based on your individual situation.

Consider the following:

Timeframe: How long will you need an income from your nest egg?

Lifestyle: If your expenses require a higher withdrawal rate than the 3% to 5% range, are you willing to risk the additional strain that a higher rate will put on your portfolio?

Asset Allocation: Do you have a portfolio that suits your withdrawal rate and risk tolerance?

Step 3: Monitor Your Withdrawal Rate - By carefully monitoring your withdrawal rate throughout retirement, you can make adjustments to meet your changing income needs.

A Withdrawal Rate that Works for You - By working closely with a financial advisor you can create a strategy that will help you to reach your retirement goals without unduly risking outliving your retirement nest egg.

Fred Dufresne is a Financial Advisor with CUNA Mutual located at Vermont Federal Credit Union. If you have any questions, or would like to provide feedback, regarding the information presented in this article, you may contact Fred at (802) 923-1116.

*Representative is not a tax advisor or legal expert. For information regarding specific tax situations, please contact a tax professional. For legal advice, consult an attorney. Representatives are registered, securities are sold, and investment advisory services offered through CUNA Brokerage Services, Inc. (CBSI), member FINRA/SIPC, a registered broker/dealer and investment advisor, 2000 Heritage Way, Waverly, Iowa 50677, toll-free (866) 512-6109. Nondeposit investment and insurance products are not federally insured, involve investment risk, may lose value and are not obligations of or guaranteed by the financial institution. CBSI is under contract with the financial institution, through the financial services program, to make securities available to members. *CHARTERED RETIREMENT PLANNING COUNSELOR (SM) and CRPC® are registered service marks of the College for Financial Planning.® Ref: FR061021-8FA4

LOCAL HOME EQUITY LOANS

AS LOW AS
3.95% APR*

ready for improvements?

- LOW MONTHLY PAYMENTS
- LOCAL SERVICE
- 24/7 LOAN LINE



*APR is the Annual Percentage Rate on the loan. The "as low as" interest rate of 3.95% may vary with the credit of the borrower and is based on a loan to value not exceeding 80% of the combined loan to value of the property securing the loan. Member paid fees may range from \$85.00 to \$600.00. Other terms and rates are available. Offers subject to change or cancellation without notice. Credit Union membership is required.

vermontfederal.org 888-252-0202

MEET OUR NEWEST MORTGAGE OFFICER



Larry has over 20 years of customer service experience, with more than 5 years in the mortgage industry. Whether you are looking for a new home or want to refinance your current home, he is here to help!

Larry Forcier
Office: (802) 923-1324
Toll Free: 888-252-0202
lforcier@vermontfederal.org

Contact Larry or any of our Mortgage officers below to help you get started on the homebuying or refinance process or visit vermontfederal.org for more information.



Mark Antell
Office: (802) 923-1126
mantell@vermontfederal.org



Suzanne Johnson
Office: (802) 923-1305
sjohnson@vermontfederal.org



Patricia Boyce
Office: (802) 752-3706
pboyce@vermontfederal.org

REWARD CHECKING

Keep your money local with ReWARD Checking

- Better rates than most savings accounts and certificates
- FREE ATMs* • NO MINIMUM BALANCE • NO MONTHLY FEES

2.00% APY*

*To earn the Bonus Rates, perform the following each monthly statement cycle: • Receive the monthly e-mail indicating your e-Statement is ready • Access e-Branch24 (online banking) • Make one direct deposit or one ACH payment • Make at least 12 debit card purchases • *2.00% Annual Percentage Yield (APY) paid on balances between \$0.01 and \$25,000 and 0.65% APY paid on any amount above \$25,000 each monthly statement cycle the minimum requirements are met. ATM fee refunds up to \$25 per monthly statement cycle. Individual ATM fees of \$5.00 or more will be reimbursed into your ReWARD Checking account upon presentation of the ATM receipt. If you do not meet the requirements per cycle, your ReWARD Checking account will earn 0.10% APY and you will not receive ATM fee refunds for that monthly statement cycle. \$25 share deposit required for credit union membership, though no minimum balance necessary to earn rewards. Available for personal accounts only. Rates as of November 1, 2010 and subject to change without notice. The daily method is utilized to determine which rate will be applied. Dividends are compounded daily. Dividends will be credited to your account on the last day of each monthly statement cycle. If you close your account before dividends are credited, you will not receive the accrued dividend. ReWARD Checking is powered by BancVue - patent pending.

10% APY
EVEN IF YOU DON'T MEET REQUIREMENTS

OPENING AN IRA

TIPS

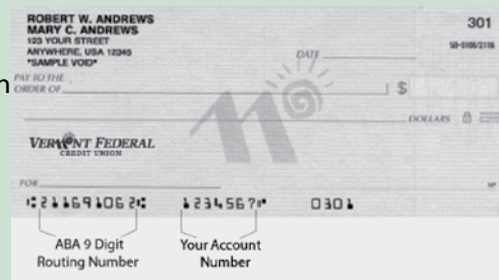
4 things you may not know about IRAs (but should)

Although individual retirement accounts have been around for almost 35 years, a surprising number of people are unclear about the tax-sheltered ways to save. In fact, a 2008 survey by AARP Financial found that half of all Americans between the ages of 18 and 49 weren't clear on how IRAs worked. Since these are the very years when savers have the most to gain from long-term compounding, we want to debunk four myths about IRAs:

1. You don't have to wait until April 15. You can start now. An IRA for the 2010 tax year can be opened and funded through April 15, 2011. In fact, many savers set up automatic deductions every month so they can stash away as much as the rules allow.
2. You can open an IRA even if you can't contribute the maximum. For 2010 and 2011, you can contribute as much as \$5,000 in any combination of IRAs, or \$6,000 if you're 50 or older. But if you wish, you can put in a smaller amount.
3. With Traditional IRAs, you pay taxes later. With Roth IRAs, you pay taxes now. Why pay now? Because everything your Roth IRA earns in the future will be tax-free. On the other hand, you might choose to postpone taxes with a deductible Traditional IRA if you think you might be in a lower bracket after retiring.
4. You can open an IRA with almost any financial institution, including ours. Ask us about opening a Traditional or Roth IRA savings account or share certificate. Often, our rates beat most competitors.

DIRECT DEPOSIT OF IRS TAX REFUNDS

In order to ensure that your tax refund is properly deposited to your Vermont Federal account, please make sure that you provide the IRS with accurate account information shown to the right:



Note: If you wish to have your refund deposited to an account suffix other than your checking, please specify your account number on your tax return as your member number followed immediately by the suffix. For example: The share account for member 12345 would be entered as: 1234500 (do not include any dashes between the member number and suffix number).

TURBO TAX® ONLINE

Remember that Turbo Tax® is now built into our online banking site, e-Branch24, for your use!

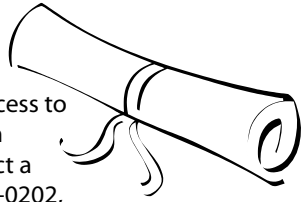
- TurboTax® guides you through your taxes step-by-step.
- Get every deduction you deserve.
- Get your maximum refund in as few as 8 days.
- Deposit directly into your Vermont Federal account.

If you start a tax return through TurboTax® in e-Branch24 from January 3 through February 13, 2011 you will be automatically entered to win a Grand Prize of \$25,000, provided by Intuit, our online banking vendor. You are eligible even if you don't complete and send the tax return. Visit vermontfederal.org for details and sweepstakes rules.

* Please note that some discount retailers may be able to offer TurboTax® software at pricing that is less than available through e-Branch24. This service is offered to provide convenience for you through your online banking site and to retain an online, secure record of your tax returns from year to year. Sign into e-Branch24 to learn more.

SCHOLARSHIPS 2011

Vermont Federal is offering six (6) \$1,000 educational scholarships for the 2011-2012 school year. Applications will be available beginning February 1, 2011 on our Web site, vermontfederal.org. If you do not have access to the Internet or would like more information about this year's scholarships, please contact a Member Service Representative at 888-252-0202, option 3. Good luck!



VERMONT FEDERAL
CREDIT UNION



ready for the real thing?

**\$100 TOWARDS
CLOSING COSTS***
ON YOUR REAL ESTATE LOAN

vermontfederal.org 888-252-0202

*Only one original coupon per closing. Offer valid for first mortgages only and not for home equity loans or lines of credit. This coupon can not be combined with any other offer and expires on June 1, 2011.

VISA PLATINUM

TRANSFER YOUR BALANCES



If you are paying too much in interest and annual fees on your credit card, consider transferring your balances to the Vermont Federal Visa Platinum. In addition to a no annual fee option and a low rate, the card comes with other great features such as:

- **Warranty Manager**
- **Emergency Cash & Card Replacement - 24 hours a day/7 days a week**
- **Rental Car Insurance**
- **Rates don't change if you have a late payment**
- **No liability on fraud (as long as you comply with Visa notice rules)**

8.95% APR*

*APR is the Annual Percentage Rate. Offer applies to basic Visa Platinum Credit Card without rewards. As of December 1, 2010 the rate was 8.95% APR. Minimum credit limit, \$250. Rates and terms are subject to change without notice. Rewards Visa also available with an annual fee.



Call Center: (888) 252-0202, Option 3
Monday-Friday, 8:00 am to 6:00 pm
Saturday, 9:00 am to 12:00 noon

Loan Line: (888) 252-0202, Option 2
24 Hours a Day, 7 Days a Week

Call-24: (800) 280-9630

Email: memberservices@vermontfederal.org

HOLIDAY CLOSINGS

All locations will be closed for the following holidays:
Martin Luther King, Jr. Day - Monday, January 17, 2011
Presidents' Day - Monday, February 21, 2011
Memorial Day - Monday, May 30, 2011
Independence Day - Monday, July 4, 2011

Dates of Interest

March 13, 2011, Daylight Saving Time
March 17, 2011, St. Patrick's Day
April 28, 2011, Vermont Federal Credit Union Annual Meeting

For branch locations and hours; visit our website at vermontfederal.org



This credit union is federally insured by the National Credit Union Administration.