

THE

# LOCAL RECORD

Brought to you by **Vermont Federal Credit Union**

FALL 2010



## WELCOME...



This year, credit unions have received a lot of positive press for being trustworthy and resilient institutions during a tumultuous time. More people are looking to credit unions for a sense of security in ownership and a personal, local approach to banking. Credit unions exist to serve their members,

not to make a profit. This "people-first" philosophy compels credit unions and their employees to get involved in their community and support worthwhile causes.

Vermont Federal takes pride in our local heritage. We're a Vermont company that will always be a Vermont company and the service members receive here is personal, friendly and welcoming. We believe that local business is better business and we take our commitment to the community seriously. We feel strongly that keeping our focus local strengthens our relationships with members, strengthens our local economy and strengthens our community as a whole, which benefits everyone.

This fall, Vermont Federal joins credit unions around the world to celebrate and promote awareness for credit unions on International Credit Union Day. Join us during the week of October 18<sup>th</sup> to celebrate Vermont Federal's proud local history and local future.

Sincerely,

*Bernard P. Isabelle*

Bernard P. Isabelle  
President/CEO

## ONLINE ACCOUNT OPENING WITH e-BRANCH24

We love when you come into the branches to conduct transactions and say hi. But for those days that a trip to the credit union is just one more errand on a busy day, experience the freedom of online banking with e-Branch24.

Online banking allows you to access and perform transactions on your online account and it's available 24 hours a day, seven days a week. Use e-Branch24 to make loan payments (some restrictions apply regarding real estate loans), transfer funds between accounts and view balances and account activity. You can also utilize mobile banking to complete transactions and view balances from your phone.

Using e-Branch24 also allows you to pay bills online from the convenience of your home or office computer, as well as schedule one-time or recurring payments in advance. Members receive confirmation numbers for each payment and can create reports from historical payments.

And now, members can open accounts right from their home computers or laptops with Online Account Opening, part of the secure environment of e-Branch24. Open Savings or Special Savings (i.e. Holiday, Vacation, etc.) accounts, ReWARD Checking accounts, Term Share Certificates and Money Market accounts.

Finally, you can link your accounts from other financial institutions with your accounts here at Vermont Federal and transfer funds with ease with Account to Account Funds Transfer. Funds can be transferred to and from your Vermont Federal accounts at any time by scheduling them when you're logged into e-Branch24.

If you have questions during the process, you can chat online with a member service representative during business hours using Secure Chat. You can get live online support for your personalized online banking with Co-Browse; both are available through e-Branch24. And of course, you can always give us a call, visit the website or stop by a branch for more information.

We still welcome you at our branches –but we also want to provide you with different options to do your banking the way that works for you.

**MONEY MANAGEMENT TIPS**

**TIPS**

## CHANGES IN FEES EFFECTIVE DECEMBER 1, 2010

Description	Current Fee	Beginning Dec. 1, 2010
<b>NSF Fee</b> (which includes deposit items and loan payment returns)	\$24.00 each \$120.00 max per day	\$25.00 each \$125.00 max per day
<b>Excessive Transfer Fee</b>	\$5.00 each after six transfers	\$7.00 each after six transfers
<b>Foreign Wire Transfer</b> (outgoing)	\$30.00 each	\$40.00 each

## SEEKING MORTGAGE RELIEF? BEWARE OF REFINANCING SCAMS

It usually starts with a phone call: "Would you like to refinance your current mortgage at a lower rate, even if your credit isn't the greatest?" Or "Could you use help to save your home from foreclosure?"

If this happens to you, watch out! You may be the target of a scam. Falling for one of these frauds could cost you hundreds or thousands of dollars, sink you deeper into debt, or cause you to lose your home for good.

**Here are some signs that an unsolicited offer of help may not be legitimate:**

- You're asked to pay a sometimes hefty fee before any services are provided. Whether this is supposed to be a refinancing fee or a charge for "consultation", it typically doesn't buy you a thing. You end up with the same mortgage but poorer than before.
- You're asked to sign over the title to your home.
- You're told to send your mortgage payments to the company, which promises to forward them to your lender while refinancing arrangements are being worked out. In reality, the scammer pockets these payments – leaving you in an even deeper financial hole.
- Fees and rates aren't disclosed upfront. Or you're told that a certain interest rate will apply, but then the rate mysteriously rises or extra charges come out of nowhere.

The best way to refinance or modify a mortgage is to contact your mortgage lender. Here at Vermont Federal, our mortgage specialists have a number of options to help you lower your payments. Just give us a call at (888) 252-0202, Option 2.

## MONEY MANAGEMENT TIPS FOR UNDER 25's

You're off to college at last or your first job, with your parents' hopes that the experience will help you become a savvy, responsible adult. Some of the most important lessons of college or your first job involve learning to manage money on your own. Take these tips from us:

1. Get familiar with online banking. Train yourself to review your account status often, so you don't spend more money than you have. You may be able to sign up for low-balance alerts by text or email. If you're responsible for paying your own bills – gas or rent, for example – consider enrolling in online bill payment, too. Remember, bill payments will reduce the money in your account.
2. Own a savings account, not just a checking account. If you receive financial aid, a stipend, or a lump sum from your folks, deposit it in an interest-earning savings account. Pay yourself a weekly allowance by transferring a regular amount from savings into your checking account.
3. Keep financial info private. Your online banking ID and password, the PIN you use at ATMs, your Social Security number, and your account numbers are all keys to your personal money space. Don't share them.
4. Learn to stretch your cash. Shopping around for the best price, online or with a cell phone app, can save you in the long run.

Here at your Credit Union, we're always ready to help you manage money more easily and economically. You're likely to find a better deal on checking and savings accounts here than at most other financial institutions. Contact a Member Service Representative for more information at (888) 252-0202, Option 3.

## BETTER RATES LOWER FEES

With changing credit card legislation, you may have noticed that your credit card rates, fees and terms have changed drastically.

Vermont Federal offers more favorable rates and terms on their credit cards than you can get elsewhere. Check out our Visa® Platinum with NO ANNUAL FEE.

# 8.95% APR\*



\*APR is the Annual Percentage Rate. Offer applies to basic Visa Platinum Credit Cards without rewards. As of September 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.

# TAKE THE LEAP

## A NEW TOOL FROM VERMONT FEDERAL

Environmental concerns impact our world in many ways, but they can also impact your personal financial situation.

Vermont Federal has recently implemented a new tool on our website that can help you learn how "green" you are, how "green" you can be and how you can save some of the green in your wallet. Make good choices and take advantage of the money-saving, eco-friendly option offered by Vermont Federal.

Visit our website to take a user-friendly quiz relating to your energy and financial habits. The calculator will then determine and summarize your cost savings or extra expenses. When you finish, icons will direct you to Vermont Federal products and services that can help you make greener (and less expensive) choices, including direct deposit, e-Statements, debit cards and online banking.

Take The Leap at [www.vermontfederal.org](http://www.vermontfederal.org) and learn how we can help you save money and go green.

## HOME BUYING SEMINAR

### OCTOBER 28, 2010 – Echo Center

Come learn the ins and outs of the Home Buying process with the experts from Vermont Federal Credit Union's Mortgage team. In conjunction with Seven Days. Check out our website in early October for details.



**VERMONT FEDERAL**  
CREDIT UNION



ready for the real thing?

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

[vermontfederal.org](http://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 December 31, 2010.

## SKIP-A-PAYMENT

## RELAX THIS WINTER WITH OUR SKIP-A-PAYMENT

The holiday season will be here before we know it. Make the time less stressful by skipping one monthly payment on your Vermont Federal loan, November 2010 – January 2011. Contact a Member Service Representative at (888)252-0202, Option 2 or visit our website at [www.vermontfederal.org](http://www.vermontfederal.org) for more information.

\*Loan holder must be current on loan, must have had the loan longer than six months and have had no other extensions in the last 12 months. Loan holder must complete the Skip-A-Loan Payment Extension Coupon and submit it to the Credit Union at least five days before loan payment is due. Coupon is available at any branch location and online at [www.vermontfederal.org](http://www.vermontfederal.org). You may choose one month (November, December or January) to skip a loan payment. Finance charges on the loan will continue to accrue on balance from the date of last payment. Regular payments will resume as scheduled. Mortgage loans, home equity lines of credit, home equity closed end loans, unsecured lines of credit (including overdraft lines of credit and fresh start loans) and Visa/Mastercard credit cards are not included in this offer. All requests for a loan extension are subject to approval by the Credit Union.



**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](mailto:memberservices@vermontfederal.org)

### HOLIDAY CLOSINGS

All locations will be closed for the following holidays:

**Columbus Day** – Monday, October 11, 2010  
**Veterans' Day** – Thursday, November 11, 2010  
**Thanksgiving Day** – Thursday, November 25, 2010  
**Post Thanksgiving** – Friday, November 26, 2010 – Vergennes only will be closed  
**Christmas Eve** – Friday, December 24, 2010 – Closing at 1:00 p.m.  
**Christmas Day** – Saturday, December 25, 2010  
**New Year's Eve** – Friday, December 31, 2010 – Closing at 3:00 p.m.  
**New Year's Day** – Saturday, January 1, 2011

For branch locations and hours; visit our Web site, [www.vermontfederal.org](http://www.vermontfederal.org)



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



Supporting Our Communities SINCE 1953

## Thursdays at the Intervale



This summer, Vermont Federal was proud to sponsor "Thursdays at the Intervale," a celebration of local food, music and fun held every Thursday evening from July 8<sup>th</sup> through August 26<sup>th</sup> at the Intervale Center in Burlington.

Visitors of all ages came to the farm to sample special tastings that ranged from yak meat and artisanal chocolate to apples and heirloom tomatoes. Themed evenings included Kids Circus, Farmer Appreciation and Know Your Neighbor, and featured local live music, dancing, kids games and activities.

Popular vendors selling flatbread, crepes, pulled pork sandwiches and ice cream made it possible for families to enjoy the beautiful summer weather and make an evening out of it. Thursday night crowds grew to over 200 people by the end of the summer. Vermont Federal was happy to support this great community effort to celebrate all things LOCAL.

## Festival on the Green

This year, Vermont Federal once again was a sponsor of Middlebury's "Festival on-the Green," which took place from July 11<sup>th</sup> through the 17<sup>th</sup>. The week-long event featured free live musical performances and entertainment in a family-friendly environment. Over the years, the Festival has introduced more than 430 performance artists or groups to collectively more than 120,000 audience members. The event was a success again this year, with hundreds of visitors attending on Middlebury's central green.

## Upcoming Events

**October 21<sup>st</sup> is International Credit Union Day** – our opportunity to celebrate our members and your opportunity to celebrate being part of a credit union! This year, we'll be focusing on why being local matters to our members and asking members to share personal stories with us for a chance to win some great local prizes. Visit your branch during the week of October 18<sup>th</sup>-23<sup>rd</sup> to participate.

**Feed Your Neighbor** – Vermont Federal will once again be joining radio stations 99.9 The Buzz and 106.7 WIZN at Costco on November 24<sup>th</sup> (the day before Thanksgiving) to help collect food for the Chittenden Emergency Food Shelf. Employees of Vermont Federal will be there accepting donations of non-perishable food items for this cause. This is the third year that Vermont Federal has been the presenting sponsor of this event. Last year, we helped collect 7,128 lbs of food in the single day. Please join us this year as we try to prevent our neighbors from going hungry this holiday season.

## MEMBERS Financial Services



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

### When You Change Jobs, Should You Change Your 401(k)?

#### A Message from the MEMBERS Financial Services Program

Content developed by CUNA Brokerage Services, provided by Fred Dufresne

Job transitions can be stressful. During these periods of change, it is easy to forget one of the most important decisions you have to make: What should you do with your qualified retirement savings, such as your 401(k)? The consequences of taking your money out rashly may include (but are not limited to) the following:

**20% Withholding:** Your employer is required to withhold 20% of the total amount to cover any potential federal taxes that you might owe. Keep in mind that you may owe more than the 20% that is withheld.

**The Tax Man Cometh:** You are subject to federal and state income taxes on both tax-deductible contributions and tax-deferred growth.

**10% Penalty:** Early withdrawal penalties of 10% may apply if you are age 59-1/2 or younger.

**Keep Your Retirement Money Working.** If you would like to keep more of your retirement savings growing tax deferred and minimize your current tax bill, there are options to consider.

**Consolidate Your Retirement Savings in One IRA.** By transferring your retirement plan to an IRA, you have the ability to consolidate several different IRA's into a single account.

**Move Your Retirement Savings to Your New Employer's Plan.** If your new employer allows it, this may be an attractive option for you.

**Keep Your Retirement Savings in Your Current Employer's Plan.** You might consider leaving your retirement savings in the existing plan even after you have left the company.

**Understanding Your Options.** Review and discuss your options with an experienced Financial Advisor. Together, you can identify a solution that will work for your needs today and throughout your retirement.

### Upcoming MEMBERS Financial Seminar Retirement Planning – November

Visit [www.vermontfederal.org](http://www.vermontfederal.org) for details

Fred is a Financial Advisor with MEMBERS Financial Services 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<sup>®</sup> are registered service marks of the College for Financial Planning.<sup>®</sup> Ref: B2MM-1205-4D02