



STRATHCONA CREDIT UNION

NEWSLETTER



December 2004

CHANGES IN ATM POLICY

Desjardins has changed some of the rules pertaining to ATM and Direct Payment services in order to make these types of transactions safer for the individual user and for the system. These security measures have been introduced over the past several months: you may be aware of some of them already, others may be new to you.

For some time now when making deposits or and withdrawals over a certain amount at an ATM machine the user will be asked to enter information that is not found on the ATM card. In this case one is required to enter their birth date. For example, someone born on December 10th would enter in dd/mm format their birth date as 10/12.

While one's birth date is easily remembered this security procedure has caused difficulty for some of our members trying to access their joint account. The birth date security code for jointly held accounts is based on the date of birth of **one** of the account holders and not necessarily on that of the current user. This system provides yet another good reason not to forget your spouse's birthday.

There is and has always been a daily ATM withdrawal limit. This maximum remains unchanged at \$1,000 per day for members using Desjardins ATM machines. The limit has been lowered to \$500 dollars per day for withdrawals made with one's Desjardins Access card at ATMs owned by other financial institutions.



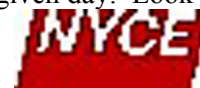
It is important to note that if one withdraws the maximum \$500 at a non-Desjardins machine no more money may be withdrawn that day from an any ATM, including Desjardins machines. This is another good reason (the other is to avoid the service charges applied by Desjardins and the other operator for non-Desjardins ATM transactions) to avoid using third-party ATM machines.

The good news is that Desjardins is making an effort to place more machines into areas not previously well served by the network. Most small

communities in Quebec have at least one Desjardins machine: the cities, particularly the western part of Montreal Island, traditionally have not fared as well. Desjardins ATMs are now appearing in settings other than at *caisse populaires*. There are new "stand-alone" machines (such as the ones on Sainte Catherine Street West opposite Christ Church Cathedral) and ATMs on the premises of commercial establishments (such as the one in a dépanneur on Charlevoix Street in Pointe-Saint-Charles in Montreal). New more traditional service centers have been established in Montreal suburbs such as Pointe-Claire (at the corner of St-John's Boulevard and Brunswick) and Laval (on Boulevard St-Martin near Boulevard Daniel-Johnson). Watch for more appearing in your neighbourhood and watch for an article on this topic appearing in an upcoming issue of this newsletter.

Changes have also occurred in the rules governing direct payment transactions at retail point of sale locations (commonly called "InteracTM" or debit card transactions). Previous to the changes the maximum single transaction amount was \$5,000CND: that maximum has been changed to \$2,000. If you wish to buy something for an amount greater than the maximum, shop during hours that Strathcona Credit Union is open, call the office just before you make the purchase and ask the staff member to temporarily change you limit. That will be done, and as soon as the transaction has been authorized, the limit will be reimposed.

Strathcona Credit Union members can now use their Access debit card to pay for goods and services offered by nearly one million merchants in the United States. Canadian cardholders use their debit card in the U.S. the same way they do in Canada. As long as funds are available the transaction will be approved within moments. The receipt will be issued in U.S. dollars; the amount debited to the member's account will appear on their statement in Canadian dollars at a rate that is based on the current exchange rate plus 2.5%. The exchange rate may vary during a given day. Look for the sign below.



NEW POLICIES, BRING US YOUR STUDENT LOAN

Many teachers and hospital workers start their careers burdened with debt. Student loans, while necessary during school, can be a struggle to pay back early in one's career.

In many cases these student loans were incurred years previously, long before the borrower knew of Strathcona Credit Union. These new employees often believe that they are bound to the financial institution which holds their loan and therefore cannot move their banking activities now though they have discovered Strathcona.

In accord with a new policy established recently by the Board of Directors, Strathcona Credit Union is now handling Quebec Government student loans. This change is good news for those individuals mentioned above whether they have become members or not. It is also good news for present members whose family members are carrying student loans.

You can help spread the good word! If there is a new (or not so new) member of staff in your school or hospital who is struggling with student loan payments at a chartered bank, let them know that help is at hand. As soon as they become members of Strathcona, the Credit

Union will take over their Quebec student loan and offer them a special variable interest rate equal to the Desjardins prime rate less one-half percent. In mid-November this year that would have meant an interest rate of 4.5% percent.

For current members of Strathcona, the good news is that a member of their immediate family who currently has a Quebec student loan or is planning to apply for one can use the Credit Union. The family member can join Strathcona as an associate member and the same procedures described above will apply.

In summary, Strathcona Credit Union is now handling Quebec Student Loans. Employees in our affinity group (Quebec English educational institutions and some English hospitals) and their immediate family members can have their Quebec student loans disbursed and repaid through their Credit Union.

Anyone interested in taking advantage of the new policy should call one of our offices today. Remember that your original loan must be made through Strathcona or Strathcona must take over your original loan from another financial institution (whether or not repayment has begun).

YOUR CREDIT UNION MEETING FRIENDS



↑ Christine Ménard, Jay Ragnauth and Mary Laserra await first visits on Thursday afternoon.

← Diane Lauzon, and Christine Ménard greet teachers at Convention.

NEW FLEXIBILITY

FLEX YOUR CREDIT

Strathcona Credit Union is now offering a new line of credit to members. This loan offers ease and flexibility to those who have an ongoing need for credit in varying amounts for various periods of time.

A line of credit is a preauthorized loan. The member applies for it just as he or she would for a personal loan. The loan officer evaluates the application and applies the usual credit tools such as a personal interview, calculation of debt ratios and a credit check. The amount of the line of credit is then established and the authorization is entered into the computer system.

No money is advanced on the line of credit until the borrower demands it—this could be as soon as the credit is granted or any time later. And then the borrower activates the line of credit for only the amount required up to the authorized maximum.

The borrower may pay back as much or as little of the loan whenever he or she wishes, so long as at least the monthly interest charges are met. Interest is calculated daily on the outstanding balance and the rate fluctuates at 2 percent above the Desjardins prime rate. (In mid-

November 2004 that would have meant a line of credit rate of 6.5% per annum.)

The advantage to this borrowing plan is that the credit union member borrows only the capital required at a given moment. The balance of the authorized amount remains available without interest being charged until it is needed. It can then be disbursed without reapplying for a loan.

A line of credit is different from a personal loan in that the latter involves deciding on a fixed loan amount, a regular monthly or semi-monthly repayment and a term of up to five years. Once that is done and the payroll deduction form is appropriately signed and submitted--nothing more is required. The line of credit requires that the borrower be more aware of the balance owing and that planned repayments are made.

Also the personal loan is made at a fixed rate of interest while the line of credit interest rate varies with the market during the life of the loan. A line of credit is reevaluated by the Credit Union every two years.

If this sounds like the type of loan you need, call either of our offices for more information.

GOES TO CONVENTION

IMPARTING INFORMATION

Again this year Strathcona Credit Union was present and active at QPAT's Teachers' Convention held the 11th and 12th of November at the Palais-des-congrès in Montreal.

We had our "booth" in the Exhibitors' Hall where we greeted old friends and made some new ones. Our staff members Mary Laserra, Christine Ménard, Jay Ragnauth, and Manager Diane Lauzon along with Directors Otto Haenlein and Roman Wodzicki attended to visitors at the booth, handing out fridge magnets and information. Several of our visitors have since joined Strathcona.

Our Credit Union also offered a session on the Thursday evening. Strathcona General Manager, Diane Lauzon, gave a well attended talk on managing debt. She covered topics of debt management ranging from cutting out that daily *latte* (thereby freeing up \$1,000 per year for loan repayments) to being forced into bankruptcy. She responded to audience questions after her talk.

If you missed us this year, we are sorry and hope to catch you at the same place next year.



↑ General Manager, Diane Lauzon addressing the QPAT Teachers's Convention session on *Managing Debt*.

UPCOMING EVENTS

ANNUAL GENERAL MEETING

Many of us have become used to attending the Strathcona Credit Union Annual General Meeting in December. That event is no longer held at this time of the year, however, because our fiscal year-end has been changed from August 31st to the last day of December. Thus we will close the books on December 31, 2004 and allow the auditors to do the work required to produce the final financial statements for presentation to the members.

We expect a full Annual General Meeting of the membership in early April of 2005. The date hasn't been chosen yet, but do watch for an announcement in the next newsletter.

HOLIDAY OFFICE HOURS

As we head into winter many of our thoughts turn to the year-end holidays. Environment Canada tells us that the odds of a "white Christmas" (2 cm of snow on the ground on December 25th) vary across Quebec. In Val-d'Or, Quebec City, Gaspé, Baie-Comeau, and Sept-Iles snow on the ground is a certainty, they tell us. In Montreal and Sherbrooke the odds are somewhat less: 77% and 83% respectively.

Snow or not, the Strathcona Credit Union will close for Christmas and the New Year. Our end of December closing dates and hours are listed below.

December 24, 2004	Closing at noon
December 27 th & 28 th	Closed
December 31 2004	Closing at noon
January 3 rd & 4 th	Closed

THE PRESIDENT'S MESSAGE

Below is a message from David Oram, President of Strathcona Credit Union.

Dear Credit Union Members:

I wish to take this opportunity to wish each of you happiness for the holiday season and a healthy and prosperous new year. I hope that you and those close to you will be able to use this winter break for recreation and rejuvenation. We at Strathcona look forward to serving your financial needs in the new year.

Sincerely yours,

David Oram, President.

The Strathcona Credit Union Newsletter is published periodically during the year and is distributed to members of the Credit Union by:

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CURRENT RATES

Deposits:	
Regular Savings	0.75%
Senior Savings	1.00%
US Dollar Accounts	
Term Deposits*	
6 months	1.75%
1 year	2.50%
2 years	2.75%
3 years	3.25%
4 years	3.65%
5 years	4.15%
Loans:	
Personal Loans	8.75%
Consolidation Loans	10.75%
RRSP Loans (1 year maximum)	5.00%
Mortgages	
1 year (open)	5.85%
2 years (closed)	4.50%
3 years (closed)	4.70%
4 years (closed)	4.90%
5 years (closed)	5.05%
Line of Credit	6.25%
*2,000 minimum deposit, rate subject to change without notice.	
Monthly interest payment less 0.25%	