



STRATHCONA CREDIT UNION



NEWSLETTER MARCH 2006

ANNUAL GENERAL MEETING

The 2005 Annual General Meeting will be held on April 4th, 2006 at the Kirkland office at 4:30 p.m.

Credit Unions are co-operative financial associations that are formed by a group of people to meet their common financial needs at the lowest possible price, and to develop their community or local environment. These are enterprises created by their members and of which they are collective owners, where they democratically determine the major orientations and where they share in the results. Every member is invited to attend the AGM, to run for any vacant position on either of the two Boards, to pose any questions to the Board members, to propose and vote on any motions that are made.

As a credit union member, you are entitled to receive patronage allocations once approved at the AGM. The expression "patronage allocation" has an almost ominous tone or quality about it (the term is actually a literal translation from a French expression), but nothing could be further from the truth. Credit unions are not profit-driven organizations and do not have to worry about shareholders' demands for constantly increasing profits. Some profits are, of course, necessary to maintain reserves and to meet certain government regulations. Beyond that, surpluses are simply re-distributed back to member-owners according to motions adopted at each year's AGM. These rebates are distributed proportional to the volume of business that a member has done with the credit union. This year, at the AGM, as in previous years, the Board of Directors will recommend that as much of our surplus as possible be rebated to our members. (By way of example, \$92,000 was rebated to our members in our last fiscal year, and over the past 5 years, over half a million dollars has been rebated to members of the Strathcona Credit Union). **Official notification of the AGM is enclosed in this mailing.**

2006 EDITION

« CAPITAL RÉGIONAL ET COOPÉRATIF DESJARDINS »

The 2006 shares edition of "Capital régional et coopératif Desjardins" will be made available in March 2006 and that for only a short period of time. Desjardins is authorized by l'Autorité des Marchés financiers (AMF) to issue \$150 M for the 2006 edition. However, the period of quota being guaranteed to the caisses will be for **three days only, so first come first served.** So inquire at the Credit Union.

The shares of "Capital régional et coopératif Desjardins" is a product in demand and is sold over a few days only. The maximum investment per member is \$2,500 but half can be used as deduction on your income tax.

CHANGES IN CLIENT CODE with Bell Canada

Bell Canada is in the process of modifying its billing system. By doing so, the client number on your invoice has been modified. It is now a 14 digit number including three letters. Please pay close attention to your invoice and change your client number on your AccèsD bill file. Otherwise your payment won't get credited to the proper account. Contact AccèsD or send a recent copy of your new bill to the Credit Union and we will modify it for you.

ASSESS YOUR FINANCIAL HEALTH

A regular review of your personal finances will keep you informed on where you stand, and help you set realistic savings and investment objectives. Here are some helpful hints on managing your financial finances :

- ✓ Protect your income and your property;
- ✓ Establish an emergency fund;
- ✓ Make a will;
- ✓ Pay down your debt;
- ✓ Maximize your retirement plans;
- ✓ Manage your taxes;
- ✓ Split your income;
- ✓ Establish a savings plan;
- ✓ Plan for your children's education;
- ✓ Borrow to invest.

CONTEST

«DESJARDINS PAYS YOUR TAXES ! »

Have your tax bills been entered in your AccèsD bill file?

The «**Desjardins pays your taxes**» contest is organized by the Fédération des caisses Desjardins du Québec. Pay your municipal or school taxes on AccèsD (Internet or Telephone) between **January 16 / 2006 and June 30 / 2006** and get a chance to be one of three winners who will get their 2006 tax bill reimbursed, up to \$3,000 Canadian each, according to the amount paid on AccèsD. (The random computer draw will be held July 17, 2006.)

If you pay your tax bills on AccèsD (Internet or Telephone) you will automatically be entered in the contest. To do so, you must add the organization (municipality and school district) to your bill file. To register your bills, sign up with AccèsD – Montreal area (514) 522-2372 or 1-800-CAISSES or contact the Credit Union.

DESJARDINS IN FLORIDA

Notice to members of Desjardins (in Québec) that have an account at the Desjardins Bank in Florida. You may access your account and/or do transactions via Internet. The various possibilities are :

- Find out the history of your account;
- Verify the balance and make transfers between your accounts in the USA (from savings to chequing);
- **You may not transfer funds from your USD account in Québec to your USD account in the states.**

How to use this service : call 1-800-820-2002 to get the required form and fax the completed application to the number on the form. It's that easy ! A new Desjardins branch opened in Lauderhill this winter.

The web site in Florida is: www.desjardins.com/florida

HOME BUYERS' PLAN (HBP)

The HBP is a program that allows you to withdraw up to \$20,000 from your registered retirement savings plans (RRSPs) to buy or build a qualifying home. You can withdraw a single amount or make a series of withdrawals throughout the same year, provided the total of your withdrawals is not more than \$20,000. If you buy the qualifying home with your spouse or common-law partner, or with other individuals, each of you can withdraw up to \$20,000.

Generally, you have to repay all withdrawals to your RRSPs within a period of no more than 15 years. You will have to repay an amount to your RRSPs each year until your HBP balance is zero. You can choose to begin your repayment earlier, but your repayment period will remain the same. If your designated HBP repayment is more than the amount you are required to repay for the year, the HBP balance for later years will be reduced. You will still have to make the required payment for the following year. If you repay and designate less than the amount you have to repay for the year, you will have to include the difference as RRSP income, on line 129 of your return.

Conditions for participating in the HBP

- **Before applying to withdraw funds under the HBP :**
 - ✓ You have to enter into a written agreement to buy or build a qualifying home;
 - ✓ You have to intend to occupy the qualifying home as your principal place of residence;
 - ✓ You have to be considered a first-time home buyer (5 years without being a home owner);
 - ✓ Your HBP balance on January 1st of the year of the withdrawal has to be zero.
- **When a withdrawal is made :**
 - ✓ Neither you nor your spouse, nor common-law partner can own the qualifying home more than 30 days before a withdrawal is made;
 - ✓ You have to be a resident of Canada;
 - ✓ You have to complete Form T1036;
 - ✓ You have to receive all withdrawals in the same year;
 - ✓ You cannot withdraw more than \$20,000.
- **After all your withdrawals have been made :**
 - ✓ You have to buy or build the qualifying home before October 1st of the year following the year of the withdrawal.

WARNING ON FRAUDULENT E-MAILS

Some of you may still be receiving e-mails from individuals claiming to be Desjardins representatives and asking you to update your personal *AccesD* account information. Please do not open the e-mail. Rather, you should destroy it immediately. Be on your guard against this type of fraud. Keep your PIN number secret. For even more security, change your password on a regular basis.

TERMS AND CONDITIONS GOVERNING THE USE OF THE DESJARDINS ACCESS CARD

The holder of a Desjardins Access Card acknowledges that he/she holds the card at all time and that the card shall give access to all the folios and accounts he/she holds in one or several caisses. He/she further acknowledges that the use of the card together with the transactions he/she may conduct using such card are subject to specific conditions and rules as established by the caisse :

- ✓ Each card shall remain the property of the caisse and **may not be transferred to a third party at any time:**
- ✓ Upon request, the card must be handed back to the caisse, the latter may also withhold or cancel the card if any of the conditions is not met;
- ✓ The holder undertakes to inform the issuing caisse or 1 800 CAISSES of the loss or theft of his/her card;
- ✓ The holder has to choose a PIN (and undertakes not to choose one that can be easily discovered e.g. date of birth, telephone number); agrees not to disclose his/her PIN to anyone in any manner whatsoever, nor to write it down on the card or on any other document that can be easily found. Failure to comply could cause the holder to assume full liability for any losses;
- ✓ The holder may at any time cancel the card and terminate the agreement by contacting the caisse; as well the caisse may also cancel at any time the card it has issued if it is deemed not being used within the conditions.

CURRENT INTEREST RATES (subject to change)

MORTGAGE LOAN – fixed rate

R.R.S.P. LOAN (invested at SCU)

1 year open	1 year closed	2 years closed	3 years closed	4 years closed	5 years closed	7 years closed	10 years closed	1 year	2 years	3 years	4 years	5 years
6.95%	5.30%	5.45%	5.60%	5.70%	5.45%	6.00%	6.25%	5.25%	6.10%	6.30%	6.40%	6.65%

TERM DEPOSITS

6 months	1 year	18 months	2 years	30 months	3 years	4 years	5 years
1.95%	2.95%	3.15%	3.30%	3.40%	3.50%	3.55%	3.80%

CAR LOAN	7.00%	HOME RENOVATION	7.00%
LINE OF CREDIT	7.75%	CONSOLIDATION	12.75%
PERSONAL LOAN	9.00%	LOAN secured by savings	6.75%

INQUIRE ABOUT OUR VARIABLE RATE - MORTGAGE LOAN, AS WELL AS OUR EQUITY LINE OF CREDIT, secured by property.

STRATHCONA CREDIT UNION

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