

Dollars & SENSE

Ladysmith & District
Credit Union™
service since 1944

Winter 2008

Our Community. Your Credit Union.™

vol. I no.4



How to save money on your mortgage!

“low interest rates . . . have temporarily put consumers in the driver's seat”

Buying a house is the biggest purchase most people will make in a lifetime. It's a decision that can cause even the strongest among us to lie awake at night wondering if we'll be able to make the mortgage payments.

But low interest rates and fierce competition among financial institutions have temporarily put consumers in the driver's seat. Consider these options when you go shopping for a mortgage:

- If you're a first-time homebuyer in BC, you may qualify for a five-percent down, high-ratio mortgage from Canada Mortgage and Housing Corp. (CMHC) but beware of insurance fees of 2.75 percent. If you put down 10 percent, those fees drop to 2.00 percent. Conventional mortgages require down payments of 25 percent.

- Many financial institutions offer cash-back mortgages tied to the posted rate but savvy consumers can usually get additional discount off that rate by

- asking. Be aware that the cash-back portion may have to be paid back if the mortgage is paid out early.

- Ask lenders to throw in appraisal costs, and sometimes even legal costs, which can add up to hundreds of dollars. (Check out the No Cost Mortgage Transfer ad in this newsletter, or on our website at www.ldcu.ca).

- Be pre-approved for a mortgage to hold the current low rate. Consumers may hold the rate for up to 90 days while they find a suitable property.

- Whether you opt for a 10, five or one-year mortgage term, find out what the pay-out penalties are and if you can renew your mortgage early if rates drop.

- Investigate pre-payment mortgage options such as lump sum payments or accelerated bi-weekly or weekly payments to pay off the principal faster. Amounts of annual lump sum payments can vary from 10 to 25 percent of the mortgage amount. At the Ladysmith & District Credit Union

NOTICE of our 64th ANNUAL GENERAL MEETING

Wed., APRIL 15, 2009

at the

EAGLES' HALL
29 French Street,
Ladysmith, BC

All candidates seeking election to the Board of Directors must submit a nominations package to the Nominating Committee by February 13, 2009. See inside for details.

Think Local. Think #1.

100%
GUARANTEED

DEPOSITS

(Effective immediately too!)

You live here. Your money should too. On October 22, Premier Gordon Campbell announced that the Province intended to increase the deposit insurance coverage for all BC Credit Unions to unlimited. On November 27, 2008 the legislature passed the required amendments to the Financial Institutions Act. Now all money on deposit with and invested in non-equity shares with BC Credit Unions is 100% guaranteed.

Visit our website ldcu.ca or cudicbc.ca to learn more about why you can continue to count on us.

The Credit Union Deposit Insurance Corporation (CUDIC) a government corporation, guarantees deposits and non-equity shares of BC Credit Unions up to the limits prescribed by the Financial Institutions Act.

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We're committed to our environment.

Please help us be green by recycling and passing this newsletter on to friends, family, co-workers and neighbours, who may not have received a copy.

In the market for a new home?

Take advantage of historically low interest rates and contact one of our lending specialists today.

Check out how our mortgage rates* stack up against Canada's major banks.

	1 Yr	3 Yr	5 Yr
LCDU	5.50	6.15	6.00
CIBC	5.60	6.25	6.75
TD Cda Trust	5.60	6.25	6.75
Scotiabank	5.60	6.25	6.75
Royal Bank	5.60	6.25	6.75
Bank of Montreal	5.60	6.25	6.75

*First Mortgages: Fixed Rate Closed Rates effective as of Dec 1, 2008. OAC. Rates may change without notice.



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Invest in Your Future With an RRSP

You may be considering investing in a Registered Retirement Savings Plan to mark the beginning of the New Year. Or perhaps saving for your retirement is an ongoing financial goal.

No matter what the reason, investing in your future could mean the difference between enjoying your well-deserved retirement or eking out a living. March 2, 2009 is the deadline for contributing to an RRSP for the 2008 tax year, so start examining your options now.

To RRSP or not to RRSP?

That's a decision only you can make but the money you invest now will keep on giving when you finally decide to retire. Even though most of us can't afford to contribute large amounts to their RRSP at the end of the tax year, almost everyone can set up a savings plan that deducts a monthly or biweekly amount from their paycheque or bank account. Even by starting with a small monthly contribution, investing in an RRSP now will help ensure you'll have a more comfortable retirement later.

Why invest in an RRSP?

·Your contributions are tax deductible and could provide you with a tax refund

·Investments in an RRSP grow tax-free. Consider making your RRSP contribution earlier in the year or even on a monthly basis. By contributing sooner than later, your money will have more time to grow tax-free

·Earnings on RRSP investments aren't taxed until withdrawn

Following the rules

·You can invest 18 percent of your earned income, up to a maximum of \$20,000 to an RRSP for 2008.

·Unused contributions can be carried forward for an unlimited period. If you

come into an unexpected windfall, you might consider using some of it to maximize your RRSP contribution or make up for missed contributions from previous years.

Wise investors use their tax refund to top up their RRSP or pay down their RRSP loan if they borrowed to make their RRSP contribution. RRSP loans can make a lot of sense if investors do not have cash on hand to make a contribution to an RRSP. Don't borrow, however, unless you are able to make the payments.

Contributions must be made within 60 days of year-end. But don't wait until then contribute early in the year to take advantage of tax-sheltered capital appreciation and interest accumulation. Arrange a savings plan as soon as possible. By withholding source deductions and transferring amounts to a group plan, you get the benefit of the RRSP tax deferral right away instead of having to wait until tax time for a refund. If you don't have a group plan at work, you can still make contributions before income tax is levied



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Don't forget
to vote!



Think Local. Think #1.

LIGHT UP NIGHT

Proudly sponsored by
Ladysmith & District Credit Union



2008 Ladysmith Light-Up Fireworks

*A Happy, healthy and
prosperous New Year
to all our members, friends,
and their families.*

NOTICE:

LDCU will be updating our service charges effective February 1, 2009. Please see in-branch or visit our website for more information.

BOARD SCHOOL

More than one in three British Columbians belongs to a credit union. Their financial security and success depends on the commitment and capabilities of the Board of Directors they elect. That's why it's surprising how many credit union members are unaware of what their Boards do and how important it is to be an educated participant in the electoral process.

So here's some quick schooling to bring you up to speed on the duties of the Board and what you should know if you want to be considered for a position.

A credit union is a business and must be run accordingly. Your Board sets the policies and procedures affecting everything from business operations, to community involvement, to dividends according to the rules set by the BC Corporations Act, The Financial Institutions Act and the Credit Union Incorporation Act.

The Board's primary commitment is to serve credit union members and make sure that they receive the best financial products and services as well as represent the membership's collective values concerning social, environmental and economic responsibility.

A Director's position is voluntary. They devote a significant number of hours preparing for and attending regular monthly board meetings and various advisory committees.

A Credit Union is only as good as its Board of Directors. Prospective Directors should possess pertinent experience and skill sets. Are they passionate about the well-being of the community at large? Do they understand financial statements? Can they analyze management reports? Strong leadership, communications and technology skills are assets, and previous Board experience of some kind is a definite plus.

One of the most significant changes to the Credit Union's Rules in 2008 was the way in which the Directors are elected. This notice details the new nomination procedures that are in place for 2009.

All candidates seeking election to the Board of Directors must complete and submit a nominations package to the Nominating Committee **by the nomination deadline on February 13, 2009**. Packages can be picked up at the Credit Union, or from our website at www.ldcu.ca.

There are two director positions to be filled in 2009, both for a three year term.

Each member in good standing of the Ladysmith & District Credit Union who is 19 years of age or older, is entitled to sponsor the nomination of one candidate. According to our Credit Union Rules, a member in good standing is a member, who at the date on which good standing is determined:

- a) has purchased, paid for, and holds the number of Membership Equity Shares required by the Rules;
- b) has been a member of the Credit Union for at least ninety (90) days;
- c) is not more than ninety (90) days delinquent in any obligation to the Credit Union; and
- d) has paid an annual membership fee as determined from time to time by the Directors, (if required).

Please note:

1. Where each member in joint tenancy individually holds sufficient Membership Equity Shares to meet membership requirements (\$25 per separate member), both may nominate a candidate.
2. A member that is a legal entity and not an individual, (i.e., limited company, registered society, or other legal entity), may authorize in writing, one person, on its behalf, to exercise its right to nominate a candidate.
3. Credit Union members who are eligible to stand for election to the Board of Directors must qualify pursuant to the Company Act, Financial Institutions Act, and the Credit Union Incorporation Act. In addition, they must be a member in good standing for a period of 12 consecutive months, be a minimum of 19 years of age, and qualify subject to the Rules of the Ladysmith & District Credit Union.

Exclusively
from LDCU

Think Local. Think #1.

NO FEE, NO COST MORTGAGE TRANSFER

Move your mortgage to LDCU with our NO FEE, NO COST MORTGAGE TRANSFER and we'll pay your legal fees and appraisal costs.

Or if you prefer to pay them, you'll still get the most competitive mortgage rate in town.

Wow, choice you can live with. Talk to one of our lending specialists today.

Rates applicable to transferred residential first mortgages only. Offer and rates subject to change without notice. Minimum 5 year term. Cannot be combined with any other offers. See in-Branch for complete details, OAC.

As low as

5.5%

5 yr. term

FREE Legal Fees & Appraisal Costs

As low as

4.99%

5 yr. term

LDCU Mortgage Transfer-In Rate Special



330 First Avenue, Box 100
Ladysmith, BC V9G 1A1
Phone: 250-245-2268

www.lcuinsurance.ca

Smart People. Smart Choice.

Just buy our **smart** insurance. (They'll think you're a genius.)

- smart** AUTO
- smart** HOME
- smart** BUSINESS
- smart** MARINE
- smart** TRAVEL/MEDICAL

Need insurance? Compare our exclusive line of SMART insurance products. Offering better coverage, lower deductibles and in many cases lower premiums, our SMART products really are the better alternative.

Too busy? Call us to experience the convenience of our Insurance Express delivery service without leaving your home or office. Need to budget? Ask about SMARTplan, our insurance premium payment plan.

With all the right products and service, it's no wonder we're the local choice. Call or visit us online to request your FREE quote.

We'll be happy to help.

*Underwritten by Family Insurance Solutions and Economical Mutual Insurance Company.

Now there's an easy
& convenient
insurance payment plan.

smartplan 
The easy payment option.

It's fast. It's simple. It's affordable.
Now that's smart.

Apply today.

**OPEN
8am!**
M - F

Visit us online at
lcuinsurance.ca
or drop by the branch

Mon. - Fri. 8:00 - 5:00,
Sat. 9:00 - 5:00