

# Vermillion

FEDERAL CREDIT UNION

105 East Cherry Street • Vermillion, SD 57069

[www.vermillionfcu.com](http://www.vermillionfcu.com)

605-677-5214 • [office@vermillionfcu.com](mailto:office@vermillionfcu.com)



## In This Issue...

As part of this newsletter you will find information on the holiday loan special and the form to skip a payment if you would like to do so. The holiday loan special requires that the loan be paid back before Christmas next year and the interest rate is only 3.50% APR. Additionally, to help you with your shopping expenses, VFCU will allow you to skip most of your loan payments for either November, December or January. Remember, we need a separate coupon for each loan; please make copies if you want to skip a payment on more than one loan.

## ATM Free Money Giveaway



FREE MONEY!! We will continue with our ATM free money giveaway for the holidays. During the week of December 12, we will load extra money in our drive-up ATM, our lobby ATM, City Hall ATM, Public Safety Center ATM and the Eagles ATM. Instead of getting a \$20 bill, you may get a \$50. Instead of getting a \$5 bill, you may get a \$10. We will track the serial numbers of those bills and if you get one and then bring it into the credit union, we will trade you face

value for it. In addition, if you tell us how getting this extra money will make your holiday brighter and let us share your story on Facebook, we will give you another \$20!

## Dormant Accounts

Make sure you do not have a dormant account. In December we will again review our accounts to see if any are inactive. If your account has not been used in the past 12 months, you will get a letter with some options to activate your account. If we do not hear from you by the date in the letter, your account may be charged a fee of \$5 for each month it was inactive. It is easy to avoid the fee by just checking your account and letting us know what you want to do.

## International Credit Union Day

International Credit Union Day is Thursday, October 20.

Your credit union will celebrate with a cookout on Friday, October 21.

Stop by and join us for lunch from 11:30 am to 1:30 pm!



# The Authentic Difference: International Credit Union Day

On October 20, 2016, credit unions around the world will celebrate International Credit Union Day (ICU Day).

Credit unions are not-for-profit financial cooperatives, offering the same services as other financial institutions, but with a people-first philosophy. Since 1948, on the third Thursday of every October, credit unions have celebrated the principles that make credit unions the best financial partners of people all over the world. "The authentic difference," this year's ICU Day theme, zeroes in on what makes credit unions different from banks, fintech startups and other financial institutions — our principles.

Credit unions all over the world have operated according to the same core principles since the 1850s, when a group of weary German workers, tired of being exploited by loan sharks, formed the world's first credit union by banding together to provide affordable credit to each other.



These principles are derived from the 7 cooperative principles, shared by all cooperatives. They are:

**1. Democratic Control**

One member = One vote. Whether you have \$5 or \$5 million, your voice is equal.

**2. Open and Voluntary Membership**

Members are connected by a bond of association, fostering a sense of community.

**3. Non-Discrimination**

Credit unions are open to all without regard for race, orientation, nationality, sex, religion, gender, or politics.

**4. Service to Members**

Credit unions are ranked No. 1 in service in numerous surveys, because they exist to serve members, not profit.

**5. Distribution to Members**

Credit unions return all profits to their members through dividends, lower fees, better savings rates, and improved services.

**6. Building Financial Stability**

Credit unions are historically stable organizations. They're owned by the people they serve, so they don't take unnecessary risks.

**7. Cooperation Among Cooperatives**

Credit unions and cooperatives share the same principles. Together, they amplify each other's good works.

**8. Social Responsibility**

Credit unions strive for social justice by committing to strengthening their communities and helping people of modest means.

**9. Ongoing Education**

Credit unions prioritize financial education for their members, employees, and communities as part of their pursuit of social justice.

This is why we celebrate ICU Day at Vermillion Federal Credit Union. We think ideas like people before profit, social responsibility, and financial education improve lives. It's why cooperative banking is a key component of helping people in developing countries get access to microloans, or a middle-class couple receive an affordable mortgage for their first home.

So when we wish you a Happy ICU Day at VFCU, know that we're thanking you for belonging to a movement that's helping your neighbors—and people around the world—grow and thrive and follow their dreams.

If you have any questions about the credit union philosophy or how VFCU can help you, stop by or contact us at 605-677-5214 or at [office@vermillionfcu.com](mailto:office@vermillionfcu.com).

## Five Things You Might Not Know About IRAs

The basics of an IRA are simple. An Individual Retirement Account (IRA) is a way to save for retirement with the least possible hit to your taxes. Here are five things you might not know about IRAs:

### **IRAs might become federally mandated**

Illinois recently became the first state to require employers to offer an IRA (starting in 2017). Several other states are interested in following suit.

### **IRA savings benefit families of college-bound students**

When your child applies for federal aid to help pay for college, the money you've put away in your IRA is not counted as an asset against the family's expected contribution.

Even better, you can use your IRA funds without penalty to cover tuition at an accredited college. Just be careful - the funds you withdraw and spend one year will be counted as income the following year.

### **You can put too much money in an IRA**

When you put money in a traditional IRA, it's tax free. You only pay taxes on the money you take out. A Roth IRA is the opposite: You pay taxes on the money before you put it in. When you withdraw it, it's tax free.

The challenge comes when you reach age 70 1/2. At that age, you will be required to take minimum distributions every year. If you have too much socked away in a traditional IRA, those distributions can jump you into a higher tax bracket causing you to pay more taxes on the distribution. It could also affect your eligibility for Social Security, Medicare, and other benefits.

Use a Roth IRA to avoid this problem.

### **You can use IRAs for more than stocks and bonds**

It's possible, even though it's not easy or even always recommended, to use IRA funds to invest in a business or in real estate. Just know that you can't benefit from any of those investments until you retire.

### **No job? No problem!**

You may open an IRA for your kids as long as they have earned income to contribute. Self-employed people or small business owners might want to consider the SEP-IRA, a beefed-up version of the IRA with higher contribution limits.

Homemakers can also deposit in an IRA. Just check the rules for total income and the working spouse's retirement situation.

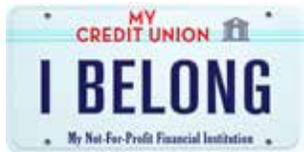
Ask the professionals at Vermillion Federal Credit Union for answers about using IRAs to build savings for retirement.



## Holiday Closings

We are approaching the holiday season and would like to remind everyone of our various closings. As usual we will be closed on Labor Day, Native American Day, Veterans Day, Thanksgiving Day and Christmas Day, as well as January 2nd as this is 2017's federally observed holiday for the new year. We will not be having any reduced business hours for Christmas Eve or New Year's Eve.

## Share Us With Your Friends



Another summer is behind us and with it brought many new members. We are always happy to see new faces come through the doors and we would like to remind everyone of our field of membership so that you may recommend us to

your friends. Anyone living, working, attending school, worshipping, or with direct family in Clay, Dixon, or most of Union County is eligible to become a member. We welcome you to spread the word and help us continue to grow our membership base.

## How to Strike a Deal on a Used Car

You've found the car of your dreams, and it's time to strike the deal. Dealers and some private sellers have a lot of experience negotiating, but you likely don't. Arm yourself!



### Before you negotiate:

1. Determine what a fair price for the vehicle might be: Look at used-car pricing guides such as Edmunds.com, Kelley Blue Book (kbb.com), and NADA (National Automobile Dealers Association) Appraisal Guides (nadaguides.com).
2. Have sufficient cash or make financing arrangements with your credit union ahead of time.
3. Calculate how much you can afford based on your budget. Decide to walk out if the seller exceeds your limit.
4. Have an expert check out the car, even if you have to pay for an inspection. Organize your notes from:
  - \* The expert
  - \* Your test-drive
  - \* The car's history and maintenance.
5. Ask an experienced car owner to go with you. Agree that if this person says you should leave, you leave.

### What else?

- \* Only agree to negotiate with a person with whom you feel comfortable;
- \* Look at it as a business transaction;
- \* Be prepared to spend at least an hour negotiating.

Decide ahead of time that you'll leave if you get tired or hungry. Your hunger and fatigue are power chips for the seller.

Your power chips are endurance and a willingness to walk.

Are you ready? Let the negotiations begin!

## Hours of Operation

### Lobby:

Monday through Friday 9-5  
Saturday 9-12

### Drive up:

Monday through Thursday 8-5  
Friday 8-5:30  
Saturday 9-12

## Contact Us

### Address:

105 East Cherry St.  
Vermillion, SD 57069

**Phone:** 605-677-5214

**Email:** office@vermillionfcu.com

**Website:** www.vermillionfcu.com

## Lost/Stolen Cards

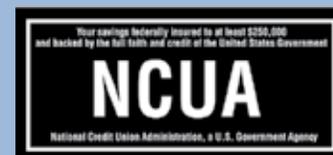
**Phone:** 1-800-528-2273

## Fraudulent Activity

**Phone:** 1-800-889-5280

## Mission Statement:

The mission of Vermillion Federal Credit Union, through member ownership and involvement, is to provide financial services in a professional and responsive manner, reflecting the credit union philosophy, "People Helping People."



# Your Board of Directors Have Approved

## HOLIDAY LOAN SPECIAL

Again this year the credit union is offering a special rate on holiday loans. The holiday loan follows the exact same guidelines and criteria as a signature loan, except that the term is maximum 12 months. As with all loans, an application must be completed and submitted for approval. If approved, the loan will be disbursed at the special rate and must be paid in full by Christmas 2017. The rate for these loans is 3.5%. Christmas loans will not be eligible for an extension or loan skip in 2016 or 2017. The special holiday loan rate will only be available beginning November 1, 2016 and continue through January 31, 2017. Stop by the office or call with any questions.

## HOLIDAY LOAN SKIP

As our "gift" to qualifying members, you will be allowed to skip one payment per loan, freeing up some extra cash for the holidays. It is not mandatory that the interest portion of the payment be made, however if you chose to do so please indicate so when you sign and return the below coupon. Most loans are eligible. Exceptions *may* include: loans that have not yet made the first payment, loans that are currently delinquent, current and new Christmas loans, loans we've forced-placed automobile insurance, some loans that have previously deferred payments in 2016, new loans within the last 6 months (or must have made 6 payments), lines of credit (overdraft protection), loans with incomplete loan files (missing proof of insurance, title or other collateral), loans with a history of 3 delinquencies in the past 12 months and loans on accounts with overdrafts or unpaid fees. Holiday loan skip coupon will be valid on existing loans with payments due November 1, 2016 through January 31, 2017. Submit a SIGNED coupon (*one for each loan payment*) at least 10 DAYS PRIOR to the scheduled payment; otherwise you may not be eligible until the next month/payment.

## HOW TO SIGN UP FOR THE LOAN SKIP

If you would like to take advantage of the holiday skip and believe you are eligible by the above stated criteria, complete the "Holiday Loan Skip Coupon" below. A separate coupon is needed for *each* loan, and must be submitted to the credit union **at least 10 days before the payment is DUE**. The loan skip is allowed whether it is to be made via payroll deduction or if you make the payment yourself. **With payroll deduction or ACH origination, the amount normally deducted will still be deposited to the credit union, it will be credited in regular share (savings) account rather than applied to the loan\*. You may then withdraw those funds at any time.**

\*If you have an ACH origination that you wish to be suspended, there may be an origination change fee that applies.

## HOW TO KNOW IF YOU ARE APPROVED FOR THE HOLIDAY LOAN SKIP?

If you send the coupon in and you are not approved, you will be notified.

\*\*\*\*\* **HOLIDAY \* LOAN \* SKIP \* COUPON** \*\*\*\*\*  
\*\*\* **IMPORTANT NOTICE** \*\*\*

If you skip your payment finance charges continue to accumulate during the waded payment period and will extend the term of the loan. Please indicate below if you would like the current interest paid. If not marked the interest will accumulate and added to the loan balance.

\_\_\_\_\_ YES, please pay appropriate interest \_\_\_\_\_ NO, please do not make interest payment

**YES!** I would like to defer my payment for one month.

I have read and understand the terms and conditions listed above. If this coupon is not signed below, it will not be honored. If a payment date (month) is not indicated, it will be assumed the December payment is to be skipped. Please turn this in signed by primary accountholder 10 days prior to payment.

PRINT NAME \_\_\_\_\_

ACCOUNT \_\_\_\_\_ LOAN SUFFIX \_\_\_\_\_ (ONE COUPON PER LOAN PAYMENT)

PAYMENT AMOUNT \$ \_\_\_\_\_ DUE DATE \_\_\_\_\_

**SIGN BELOW, PRIMARY ACCOUNTHOLDERS SIGNATURE**

**X**

PLEASE MAIL/RETURN AT LEAST 10 DAYS BEFORE LOAN PAYMENT IS DUE:

VERMILLION FEDERAL CREDIT UNION: 105 EAST CHERRY STREET VERMILLION, SOUTH DAKOTA 57069

**\*\*ONE HOLIDAY LOAN SKIP COUPON PER LOAN - PLEASE\*\***