

# The Olde Credit Gazette

June 2010

Celebrating 70 Years of Serving Our Members

Congratulations Graduates! Whether you've just completed pre-school, elementary or high school or college, all of us at the credit union wish you the best as you celebrate one of your life's milestones. All the best as you continue your journey!

## ***Retirement Planning***

Some of our members have called for advice concerning retirement planning. While we offer a competitive IRA for 401k and lump sum distributions, we must admit that such decisions are best discussed with a qualified financial planner.

Fortunately, the credit union has teamed up with Bill Zane of MEMBERS Financial Services. Bill is a QFP and can help our members build individual plans to insure asset retention and income. He's met and helped a number of our members and is available to help you, too.

For information about your options for retirement planning, contact **Bill Zane**, the MEMBERS Financial Services Representative serving the members of Upper Darby Belltelco Federal Credit Union. Call today, **800-324-9008**.

\*Securities sold through CUNA Brokerage Services, Inc., member NASD/SIPC, 2000 Heritage Way, Waverly, IA 50677. **Please note that the services are not federally insured, may lose value, and are not underwritten or guaranteed by the credit union.**

In last month's newsletter, I inadvertently stated the office would be honoring Memorial Day on the wrong date. I apologize to all of our servicemen and families for my mistake. Memorial Day is one of the sacred days of the year and deserves to be recognized correctly. Please accept my apology and gratitude for your service. *John Schmidt, CEO*

We've teamed up with **Liberty Mutual** to help our members with homeowners and automobile insurance coverage. Did you know as a member you are entitled to a discount on your insurance? Call Eric Ronan today at **610-363-9390 ext. 53049** or by email at [eric.ronan@libertymutual.com](mailto:eric.ronan@libertymutual.com) to see how you may save. Eric will also meet with individual members to answer their insurance questions.

## **FICO Score Information**

Did you know that your credit history report will produce a FICO Score every time it is processed? This score is an industry standard that monitors the information and activity on your report to determine your score. The higher the score, the better your loan approval rate and corresponding loan rate.

FICO is not only used for lending institutions, but also by insurance companies, landlords, employers and others who will use it in an effort to determine your credit worthiness.

While we at the credit union sometimes scratch our heads trying to determine how FICO scores are derived, there is a guide for us.

Your score is based upon five components with weighted averages. They are made up of the following:

1. Payment History at 35%
2. Amount Owed at 30%
3. Length of credit history at 15%
4. New credit at 10%
5. Types of credit used at 10%

We cannot stress enough the importance for all of our members to be attentive to their credit history. If you've been maintaining it through these difficult financial times, you've positioned yourself for more credit availability and lower rates going forward.

If you experienced some credit distress, start planning to improve your score immediately. The faster you get your payments back on time the sooner your FICO score will improve.

We'll be discussing more about FICO scores in future newsletters. We hope this will help our members understand some of the factors that can affect them at the credit union and elsewhere.

***"No man's life, liberty, or property is safe while the legislature is in session."***

**Mark Twain**

## DEBIT CARD ADVICE

A recent article posted on [Creditcards.com](http://Creditcards.com) discusses ten places to avoid using a debit card:

- Online purchases
- For a deposit/ down payment
- At restaurants
- If you are a new customer
- When you “buy now, take delivery later”
- For recurring payments
- For future travel
- At gas stations and hotels
- When ATM looks tampered with.

Conventional advice is not to let the card out of sight. Since a debit card is tied to your checking account, you may experience overdrafts. Know who you are dealing with.

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We looked at some of the transactions to avoid using a debit card. Here's another way to secure your money: Keep most if not all of your funds in your share (savings) account instead of your checking. Why?

Not only will you earn more interest on your account, you'll also prevent unauthorized use of your debit card. A debit card is linked to your checking. If you lose your card and carry a large balance in your checking, a thief could quickly spend your money.

While some merchants may still check the back of your card and sales slip to match the signature, most have converted to a swipe and sign method. Can you remember the last time someone verified your card information?

You can use our telephone transfer system, George II, by calling 610-734-3718 and use option 18 to transfer the funds from savings to checking right before you make a purchase. You'll also be able to transfer at an ATM. Most do not charge the surcharge for transfers. Of course, you may also call your friends at the credit union to make the transfer, too. We always love hearing from our members!

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Try any of over 4,000 shared branches. Check our locations at [www.cuservicecenter.com](http://www.cuservicecenter.com).



**CU SERVICE CENTERS**

*The Member-Friendly Financial Network*

To find a location near you call **800-919-2872**.

## SUMMER PLANNING

We've talked a lot about debit cards and ran a clip about our Shared Branching network. But what would happen if we had a major catastrophe? Remember a few summers ago when the electrical grids malfunctioned, plunging most of the northeast in a blackout? Who can forget the impact of Katrina? Last night a huge storm rumbled through the area, as if to remind me to comment on these concerns.

Be sure your car always has a minimum of half a tank in case the pumps can't function. Do you have emergency cash in a safe place at home? What would we do if the ATMs couldn't work, especially on a weekend or holiday?

Do you have flashlights with fresh batteries? Non-perishable food and drinking water? How would the family communicate or meet if coming from work, home, school, etc.? Where can someone get your prescription medicine?

Planning for these contingencies will help if we ever have to respond to an event. The Boy Scout motto of “Be Prepared” continues to resonate today.

### Certificates of Deposit

*Effective June 1, 2010*

TERM	RATE	APY
5 and 6 Months	1.14%	1.15%
9 Months	1.24%	1.25%
12 Months	1.39%	1.40%
15 Months	1.49%	1.50%
24 Months	1.98%	2.00%
30 Months	2.13%	2.15%
IRA	1.49%	1.50%

You may invest in any CD for as little as \$500.

All Rates subject to change without notice.

### Super Share Rates

AMOUNT	RATE	APY
\$3,000-\$24,999	0.65%	0.65%
\$25,000-\$49,999	0.90%	0.90%
\$50,000-\$74,999	0.99%	1.00%
\$75,000+	1.14%	1.15%

And finally, two timeless observations by **Will Rogers**:

*“About all I say for the United States Senate is that it opens with a prayer and closes with an investigation.”*

*“I don't make jokes. I just watch the government and report the facts.”*