

# RELATIONSHIPS beyond BANKING

JULY 2010 | ISSUE #6

## The Choice Is Yours. Take action now!

**IMPORTANT  
NOTIFICATION**

Examples of everyday  
debit card purchases are:

- ◆ Grocery Stores
- ◆ Restaurants
- ◆ Gas Stations
- ◆ Doctor's Offices
- ◆ Pharmacies
- ◆ Dry Cleaners
- ◆ Anytime you use  
your debit card  
for a one-time  
transaction

The choice is always yours.  
We are here to answer your  
questions...TALK TO US!

### Take Action to Keep Your Debit Card Overdraft Privilege

The everyday purchases you make with your debit card and your ATM transactions will no longer be covered by our Member Privilege® overdraft protection service unless you take action before August 15th\*. If you do not Opt-In and do not have enough money in your account or the funds are not yet available, your card will be denied.

\*The effective date of the change is August 15, 2010 for accounts opened before July 1, 2010. For accounts opened after July 1, 2010 the effective date of the change is July 1, 2010. Beginning August 15, 2010, we will not authorize and pay overdrafts on ATM and everyday debit card transactions without account holder consent. An Overdraft Fee or a Returned Item Fee of up to \$26 will be charged for covering overdrafts that result in a negative balance at the end of the day. Overdrafts may be created by check, ACH, online banking transactions, phone transactions or other electronic means. Recurring debit card transactions (payments that are set up to bill and pay automatically) such as automatic draft from your health club or insurance company may continue to be covered by your overdraft service. Once an overdraft has occurred, you are required to bring your account to a positive balance within 30 days. We reserve the right not to pay if your account is not in good standing. Contact us if you have questions.

#### Opting-In is easy!

Call 860-446-8085,  
visit us online at [www.CharterOak.org](http://www.CharterOak.org) or  
visit one of our 10 convenient branches today!



CHARTER OAK  
CREDIT UNION



#### In This Issue:

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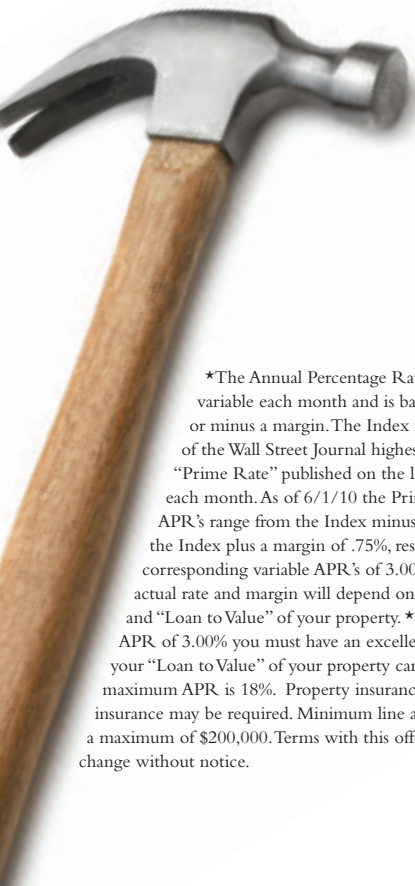
# Get More Bang For Your Buck!

Home Equity Line of Credit

As low as\*\*

# 3.00% APR\*

No application fees, appraisal fees, annual fees or closing costs!



\*The Annual Percentage Rate ("APR") is variable each month and is based on an Index plus or minus a margin. The Index is the Eastern Edition of the Wall Street Journal highest United States "Prime Rate" published on the last business day of each month. As of 6/1/10 the Prime Rate is 3.25%. APR's range from the Index minus a margin of .25% to the Index plus a margin of .75%, resulting in corresponding variable APR's of 3.00 % to 4.00%. Your actual rate and margin will depend on your credit history and "Loan to Value" of your property. \*\*To earn the lowest APR of 3.00% you must have an excellent credit history and your "Loan to Value" of your property cannot exceed 80%. The maximum APR is 18%. Property insurance is required. Flood insurance may be required. Minimum line amount is \$5,000 and a maximum of \$200,000. Terms with this offer are subject to change without notice.



## Put Your Savings On Automatic Pilot

"Pay Yourself First" used to be classic advice for people who want to save money. But very often, that's easier said than done. After all, in today's tough economy, more and more people are finding that there is not much wiggle room in their budgets.

A revised version of this advice might be: **Pay Yourself Automatically.**

By setting up an automatic savings plan, you can actually make it easier to stay within your budget. There are two ways to accomplish this:

1. **Automatic transfers:** We can simply move money from checking to savings on a regular basis.
2. **Payroll deduction:** If your paycheck is set up through Direct Deposit, you can specify a certain amount to go into savings each time.

The net result of these two strategies is to fund your savings right off the top – essentially the same as paying yourself first. You can reduce the temptation to overspend, and your emergency fund, regular savings account, or IRA can grow bit by bit.

If you have to start small, that's ok. Even a tiny savings account is better than nothing! Give us a call at **(860) 446-8085** or **(800) 962-3237**, or ask us about setting up an automatic plan the next time you're in a branch. We'll be happy to help.



## Health Savings Accounts To The Rescue

If your family is looking for ways to deal with today's sky-rocketing health care costs, you might want to take a closer look at a Health Savings Account. These programs have been around for quite a while, but many people are still not sure what they are or how they work.

### What is a Health Savings Account?

A Health Savings Account is a combination of two things – a high-deductible health insurance plan, and a separate tax-advantaged savings account.

### How will it help me save money?

Your insurance premiums may be quite a bit more affordable because of the high deductible.

### What is the savings account for?

The money in the savings account is pre-tax, and can be used for qualified expenses such as doctor visits, prescriptions and dental care. The idea is to use the savings account funds until you have reached your deductible, when the insurance would kick in.

### How can I learn more?

Visit [www.irs.gov](http://www.irs.gov) and search for Publication 969. The savings portion of your plan can be kept right here at Charter Oak Federal Credit Union, with a convenient debit card for your qualified expenses. Please contact us for details.

## Keep your business IN THE BLACK with Charter Oak's Interest-Bearing Premier Business Checking Account

- ◆ Tiered, variable rate
- ◆ 300 transactions\* per month – free
- ◆ Each transaction over 300: \$.25
- ◆ No minimum balance required
- ◆ Monthly fee of \$10 – waived with average daily balance of \$10,000 or Merchant Card Processing\*\*
- ◆ First order of basic checks – free
- ◆ Free On-line Bill Payment

For more information, call us or visit any Charter Oak branch.

\*Transactions defined as: ACH debits/credits, checks cleared or deposited and On-line Bill Payments.

\*\*Merchant Card Processing must be with COFCU.



# Earn Up To 3.80% Guaranteed For 10 Years.<sup>1</sup>

A Message from MEMBERS® Financial Services Located at Charter Oak Federal Credit Union



## GUARANTEED, STEADY GROWTH

Find safe, steady investments in today's economy. The MEMBERS® Select Fixed Annuity II from CUNA Mutual Insurance Society offers you:

- ◆ A choice of guarantee rate periods of 5, 7 or 10 years<sup>2</sup>
- ◆ Steady, tax-deferred earnings
- ◆ Lifetime guaranteed income options

Call or visit today for more information about fixed annuity guarantees.

<sup>1</sup> Rates effective 05/24/10 and are subject to change. Contact your representative for current rates. Contract minimum is \$10,000. Rate shown is for contracts of \$250,000 and up. All guarantees are based on the claims-paying ability of CUNA Mutual Insurance Society. May not be available in all states.

<sup>2</sup> Rates are guaranteed for the period you select. Rate periods may not be available in all states. At the end of the period a renewal rate will be declared and guaranteed for one year at a time. Minimum renewal rates are based on state law, and are guaranteed to be no less than 1.00%.

Withdrawals before age 59½ may be subject to a 10% tax penalty. Withdrawals may be subject to surrender charges during the early years of the contract. Insurance products are not federally insured, and are not obligations of or guaranteed by the Charter Oak Federal Credit Union institution.

Representatives are not tax advisors. For more information regarding your specific tax situation, please consult a tax professional. Representatives are registered, securities are sold, and investment advisory services offered through CUNA Brokerage Services, Inc. (CBSI), member FINRA/SIPC, a registered broker/dealer and investment advisor, 2000 Heritage Way, Waverly, Iowa 50677, toll-free (866) 512-6109. Nondeposit investment and insurance products are not federally insured, involve investment risk, may lose value and are not obligations of or guaranteed by Charter Oak Federal Credit Union. CBSI is under contract with the financial institution, through the financial services program, to make securities available to members.



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## INSURANCE TO VALUE

Many people are looking to Home Equity Loans to make updates and/or upgrades to their home.

Is your home insured for the proper value? When was the last time you had the value checked? Most insurance policies have some form of Replacement Cost Coverage. It is ultimately your responsibility to be sure your coverage is adequate. Although replacing items such as windows and roofing does not affect the replacement value, upgrades or additions definitely do. Your home should be insured at a reconstruction value. This can often vary greatly from the market value.

Contact Charter Oak-The Insurance Professionals for a free Insurance to Value review and Home quote.

\*Coverage provided and underwritten by leading insurance companies including the Electric Insurance Company Inc. and The Hartford. To the extent permitted by law, applicants are individually underwritten; not all applicants may qualify. Discounts are not available in all states. The insurance offered is not a deposit and is not insured by the NCUSIF or guaranteed by Charter Oak FCU.



**CHARTER OAK**  
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