

# Membership Matters

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**Desjardins**  
Credit Union

## DEMOCRATIC PRINCIPLES IN ACTION A MESSAGE FROM THE PRESIDENT

On Monday April 24, almost 70 delegates from across the province met at The Grand Hotel in Toronto for Desjardins Credit Union's Annual General Meeting. This meeting is at the heart of how cooperative organizations like Desjardins Credit Union operate.

At the annual meeting, the Board of Directors and Management report last year's financial and operational results and outline plans for the coming year.

Among the highlights reviewed:

- The credit union is ahead of its business plan in almost every area;
- The loan portfolio more than doubled during 2005, adding significant revenue;
- AccèsD Internet and telephone banking were introduced and is gaining popularity; and
- New branches were opened in Mississauga and at Western University.

New products were introduced:

- RSP savings account;
- US dollar term savings with maturities from 30 days to 5 years;
- A rate-raiser term savings;
- 16 additional ATMs were installed;
- 2,000 new members were added for a year end total of 44,000; and
- Financial Advisors were hired in 16 branches to help members improve their financial position.

Among the plans for 2006:

- Continued commitment to community involvement;
- AccèsD Business - Internet and telephone banking for business and organizations;
- A commercial banking centre in Toronto, complementing the one now in London, to improve service to small and medium sized enterprises;
- Personal lines of credit and a high interest account in the fall; and
- Relocating Ottawa and Hamilton Centre Mall branches.

Delegates voted on and approved amendments to the credit union's by-laws which were generally of a minor operational matter. One exception to this was an amendment which extended the term of office for Delegates from one year to three years.

Along with the business agenda, there was plenty of time scheduled for Delegates to ask questions of the Board of Directors and management. Discussion ranged from introducing additional products and ATMs to ways of improving member attendance at the branch meetings.

I appreciated meeting with Delegates and hearing their concerns and comments. They are a committed and interested group and I am grateful for their contributions.

Alfred Pfeiffer  
President and Chief Operating Officer

## TAX SAVING STRATEGY—INCOME SPLITTING

Many of the strategies used by individuals to limit or avoid taxes legally have vanished from our evolving tax legislation. There are however, a few strategies which remain in the form of “income splitting”.

In essence, income splitting shifts income in a family from members in the higher tax bracket to those in lower tax brackets. The income is then taxed at the lower rate saving the family money. This tactic only works when one of the family member’s income is lower than the others.

Four techniques provide income splitting opportunities. Talk to your Financial Advisor about strategies that could work for you:

- > Spousal RRSPs contributions provide income splitting over the long term. Keep in mind you lose your own contribution room and make sure your spouse does not withdraw funds in the year of the contribution or the following two. Members should also consider who will have the higher retirement income in the future and any pension claw backs you may be subject to.
- > Increasing the lower-income spouse’s investment base. Simply make sure that daily living expenses (groceries, mortgage and credit card payments) are paid by the higher income spouse. This will allow the other spouse to increase their investment holdings and thus be taxed at their lower rate.
- > Employing your spouse or children. For business owners this may be a viable technique when services are genuinely being provided. The salary paid must be “reasonable” for the duties being performed.

Examples include bookkeeping, filing, admin work and general labour. The cost of payroll taxes, CPP contributions and EI premiums should be weighed against the potential tax savings.

- > Assignment of CPP benefits. You may be able to direct 50% of your CPP benefits to your spouse provided you are both 60 year of age or older. Under this strategy, a portion of the higher-income spouse’s CPP is assigned to the lower-income spouse with no attribution.

It is important to remember that these strategies should always be reviewed by a professional as there are strict rules enforced by the Canada Revenue Agency. Furthermore, individuals will need to keep accurate documentation for these strategies to be accepted by the Canada Revenue Agency.

Jason Casagrande, CFP  
Financial Advisor  
Windsor Branch



## 47,000 AND COUNTING

Desjardins Credit Union is owned by its members. Members are individuals, companies and organizations who decide to do business with a financial institution where they have a say in how things are run. They express their confidence in their coop by purchasing a one-time \$5 share which is refunded if they ever leave the credit union.

At the end of June there were 47,361 members. This number continues to grow as we welcome new members to our cooperative and as clients of the former Province of Ontario Savings Office make the switch to membership. If you’re not already a member, talk to your branch to find out how quick and easy it is to own a piece of the financial institution you do business with. Join the over 47,000 other members as co-owners of Desjardins Credit Union.

## In case of problems abroad - Few insured travellers take advantage of their travel coverage's assistance

Out of province medical and travel insurance can cover you in case of an emergency while traveling. One of the more comforting features of the insurance is being able to call a toll-free number at any hour and speak to someone for help.

Yet, only a small percentage of travel insurance policyholders contact their insurer's assistance services when they encounter problems according to a survey conducted for Desjardins Financial Security.

"Assistance services are an added value to travel insurance coverage because they provide travellers with

the assurance that, no matter what happens, someone will be able to help them in their own language anywhere in the world," says François Morel, Marketing Advisor at Desjardins Financial Security. "It is a free assistance service they are entitled to and they should not hesitate to use these services," Morel adds.

Desjardins Financial Security has its own assistance services firm, Sigma Assistel, a Canadian industry leader since the mid-eighties. "Having our own firm ensures that the assistance services we provide to our insured clients are of the highest standards of quality, just like all our other services.

"This added value is our special gift to our insured clients, regardless of the insurance product they own".

For more information about the services available from Sigma Assistel visit [www.Assistel.com](http://www.Assistel.com).



## DESJARDINS VISA: YOUR PASSPORT TO PEACE-OF-MIND TRAVEL

Summer vacations are here bringing with them a chance to enjoy ourselves and bring back memories to last a lifetime. Imagine dealing with an emergency without medical or travel insurance because it seemed too expensive or there was no time to arrange it.

You could jeopardize your trip, your quality of life and standard of living. Desjardins VISA helps to eliminate these worries with peace-of-mind travel protection.

All Desjardins VISAs include free Emergency Health Care Coverage, and Odyssey Gold and Platinum VISA cardholders enjoy the most comprehensive travel insurance coverage on the market.

For example, travel insurance for a family of four on a two week trip to Disney World would cost \$170.88 and would include<sup>1</sup>:

- Emergency Health Care Coverage (up to \$5,000,000)
- Trip Cancellation Coverage (up to \$2,000 per person)
- Baggage Coverage (up to \$500 per person)
- Rental Vehicle Collision/Damage Coverage
- Common Carrier Accident Insurance (up to \$1,000,000)

This same coverage is available free when the trip is charged to a VISA Desjardins Odyssey GOLD or Platinum card<sup>2</sup>

Your credit union wants to make sure that the memories you have of your vacation are pleasant ones. The next time you visit a branch ask which Desjardins VISA is right for you. One of our specialists can help you decide and arrange for other travel necessities like foreign currency, traveller cheques, Members Card, etc.

Gord Melter, Financial Advisor, Hamilton Centre Mall



1. Rates subject to change without notice. 2. Some conditions apply.

# ACCÈSD INTERNET AND TELEPHONE BANKING

## Available 24 / 7

Did you know that you can use AccèsD, Internet and telephone banking service to make your financial transactions and get account information from the comfort of your living room or office, by phone or online?

- More than one million Canadians use AccèsD
- 97% are satisfied with the service
- The Desjardins.com Website is visited more than 4.5 million times each month



**1 866 DC UNION  
(1 866 328-6466)**

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

## Passbook and Access Card— a perfect match

You do your banking at your branch and keep your transactions in a passbook. Why should you have an Access card?

- It's more secure when banking at your branch. No one can see you write your account number on deposit or withdrawal slips.
- You can get account balances and cheque details for your passbook from the Internet.
- It's your Desjardins ID if you want to bank at any of our 26 locations.
- Because the ATM is always open if you need cash in a hurry or need to transfer money between accounts. Emergencies rarely happen between 9 and 5 during the week.
- When you pay a bill at the ATM or on-line you get a dated confirmation and the payment can't go missing in the mail. And you can pay it whenever you want, with no need to go to the post office or your branch.
- A debit card is safer than carrying cash.

## Register now! It's free!\*\*

Manage your personal finances online in three easy steps!

- Have your Desjardins Access Card in hand or visit your branch to get one.
- Call 1 866 DCUNION to sign up for AccèsD.
- Activate your password over the telephone or online.

## More convenience!

Your Desjardins Access Card is also the only card you need to pay for your purchases at merchant terminals and to get cash back from participating merchants.

\*\*Regular transactions fees apply.

## COMMUNITY SUPPORT

As a cooperative, Desjardins Credit Union is committed to supporting its local communities and each branch has a discretionary budget to spend on local initiatives. Credit Union staff are also generous with their time and talent volunteering for charitable and community events. In the first four months of this year, the 25 branches provided time or donations to over 135 initiatives. Activities ranged from fundraising for Big Brothers/Big Sisters and sponsoring a synchronized skating team to supporting a local senior's club.

We believe strongly in supporting our local communities. We think it's one of the ways Desjardins Credit Union is an attractive alternative to the traditional banking network.

## WALKING THE CO-OPERATIVE TALK GREAT STRIDES FOR CYSTIC FIBROSIS

Mauro Bianco, a financial analyst at Desjardins Credit Union, is also a busy husband, father and community supporter. Recently the Bianco family participated in the "Taking Strides for Cystic Fibrosis" fundraiser at the Toronto Zoo. "This is a cause which means a lot to my wife as she knew someone with cystic fibrosis. We were very thankful for Desjardins Credit Union's generous donation—it really touched us," said Mauro.



"To show our thanks we wore Desjardins Credit Union golf shirts and were more than happy to discuss products and services with other participants" said Mauro. Angie and Mauro are starting early teaching their son Luke about the importance of contributing to your community. "It was definitely a great day filled with fun activities for the children and lots of walking! It was great to see the zoo packed with many families enjoying the lovely weather and supporting a great cause. We were able to raise almost \$1,000 to help kids suffering with cystic fibrosis".

## HIKE FOR HOSPICE—A GREAT SUCCESS!



The Woodstock Lions trail is more than a scenic path. Recently it was the scene of the Hike for Hospice fundraiser for Oxford County's first Hospice House.

The house was donated by Toyota Motor Manufacturing Canada Inc., and it has been named Sakura House.

Almost \$1000 was raised by Desjardins Credit Union staff in sponsorships and donations for the hike. The Woodstock Desjardins Credit Union staff joined other hikers in raising about \$6,400.

"Combine this with the Corporate donation we generously received and it demonstrates loud and clear that Desjardins is committed to supporting its local community" said Woodstock Branch Manager Linda Bruce. "We look forward to the exposure that is provided with the corporate donation along with seeing the Desjardins Credit Union name proudly displayed above the fireplace in Sakura House".

## SAVE THE DATE

Desjardins Credit Union has great rates on mortgages. When your mortgage comes up for renewal you'll want to make sure you talk to your branch staff. To make it even easier, you can give us your renewal date and we'll call you. It couldn't be simpler to find out what our great mortgage rates are. Clip the coupon on the left and either mail it to your branch or drop it off in person.

## Desjardins Credit Union Mortgage Renewal Reminder



## ACCESS TAKING CARE OF BUSINESS

Individual members know that AccèsD is quick and convenient. A few clicks of the mouse at any hour of the day or night will transfer money between accounts. Paying your bills on the weekend by telephone is a snap.



Starting August 1, businesses and organizations can have the same convenient access to their accounts using AccèsD Business. Transaction records and account balances are available 24 hours a day.

Companies and organizations can do a wider variety of transactions under AccèsD Business than individuals can under AccèsD. For example, you can transfer funds between US\$ and CAN\$ accounts and pay government remittances.

To sign up call, 1 866-DC UNION (1 866 328-6466) or visit your branch.

## HAVE YOUR SAY AT YOUR BRANCH



Member meetings will be held in all branches this fall. Look for notices in your branch announcing the date, or ask branch staff to add your name to the list of members to be contacted by phone or e-mail when the branch meeting is scheduled.

Branch meetings are a chance for every member to have a say in how the credit union operates. Desjardins Credit Union is

a true democracy with each member having one vote regardless of their account balance.

An important activity at these meetings is the election of Delegates who represent the branch at the annual general meeting. Members can elect one Delegate for every 500 branch members and any member in good standing can nominate themselves as a Delegate.

### There are Four Easy Ways to Get In Touch with Your Delegate

**1. E-mail**



[INFO@DCU.Desjardins.com](mailto:INFO@DCU.Desjardins.com)  
Members can e-mail the details of their comment or concern, or ask a Delegate to contact them.

**2. Call your Branch.**



Members are welcome to leave a message for the Delegate at the branch. There is also voice mail if you want to leave a message outside business hours asking for a delegate to return your call.

**3. Call toll-free 1 (888) 283-8333**

The Head Office line is answered during the day and has voice recording after hours. Members can leave a message identifying their branch and asking for a Delegate to call.

**4. Mail your Delegate.**

All branches will accept a confidential letter for a Delegate. You can also send a confidential letter for your Delegate to the head office:



Desjardins Credit Union  
c/o Delegate for Branch X  
1615 Dundas Street East  
Third Floor, East Tower  
Whitby, ON L1N 2L1

**PLEASE REMIND ME**

**BRANCH:** \_\_\_\_\_

**NAME:** \_\_\_\_\_

**PHONE NUMBER: Daytime:** \_\_\_\_\_  
**Evening:** \_\_\_\_\_

**MORTGAGE RENEWAL DATE:** \_\_\_\_\_



*Clip and return to your branch*



## BE AWARE AND BE SAFE

### Protect Yourself

Members are reminded to be wary of email fraud. These “counterfeit” emails look like they come from a legitimate business but are intended to get confidential information from you. Every financial institution, including Desjardins Credit Union, is the subject of these emails on occasion.

An email asks the reader to click on a link or attachment for one of the following reasons:

- To change or confirm your personal information
- Unusual or irregular activity was spotted on your account
- To enter a contest
- Because your access card or account has been suspended.

After clicking on the link from the unsolicited email, the user is taken to a fraudulent site which requests confidential personal information. This could include:

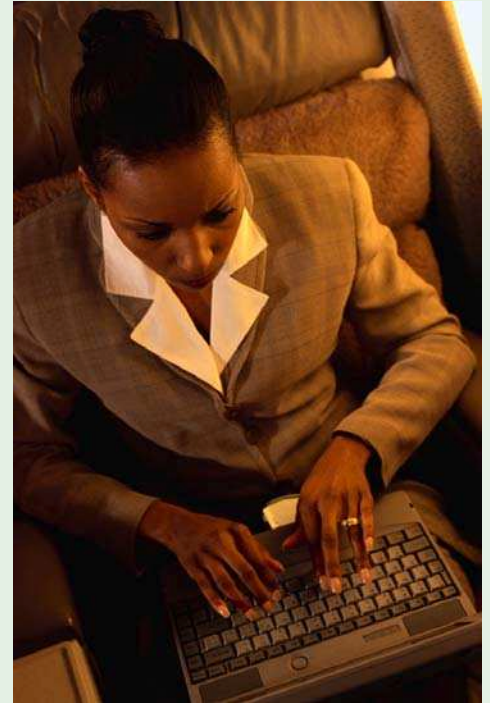
- Bank Card Numbers
- Account Numbers
- Personal Identification Numbers
- Credit Card Numbers
- Social Insurance Numbers
- Other Personal or Private Information

### Important Tips to Remember

- Desjardins **will never send** unsolicited emails asking members to confirm information we already have.
- AccèsD accounts **never** expire. Only **the account holder** can close an AccèsD account.
- If irregularities are spotted on an account **members will not be contacted by e-mail** about it.
- If you receive unsolicited email, be wary and do not click on any links or buttons.
- Only enter personal information on a website where you have typed the address into your browser or previously bookmarked.

### How to Report A Suspicious Email

If you receive a suspicious email, forward it to our security team at [phishing@desjardins.com](mailto:phishing@desjardins.com).



### Keep up-to-date

If you have any comments, questions or suggestions let us know:

Website: [www.desjardins.com](http://www.desjardins.com)  
 E-mail: [info@dcu.desjardins.com](mailto:info@dcu.desjardins.com)  
 Call: 1 (888) 283-8333  
 Write: Communication and  
 Marketing Manager  
 Desjardins Credit Union  
 1615 Dundas Street East  
 Third Floor, East Tower  
 Whitby, ON L1N 2L1



**Money Working for People**