

# Membership Matters

Volume 3—Number 1, Spring 2007



**Desjardins**  
Credit Union

## A MESSAGE FROM THE PRESIDENT

### Having a Say

Next month, the 76 Delegates elected to represent their branches will gather in Toronto for the 4th Annual General Meeting. This meeting is at the heart of how cooperative organizations like Desjardins Credit Union operate.

At this annual meeting, the Board of Directors and Management report last year's financial and operational results and outline plans for the coming year. This is one of the ways your credit union is accountable to members.

In addition to the business agenda, there is plenty of time scheduled for Delegates to ask questions of the Board of Directors and senior management. I look forward to 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

## HOW ARE DELEGATES CHOSEN?

Each fall your branch holds a Member meeting. These 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.

The Delegates represent the branch members at the Annual General Meeting and vote on items such as the financial statements.

## For Better or Worse, for Richer or Poorer

When it comes to financial planning, women have special needs. To start with, they earn less on average than men and they are also more likely to stop working to raise children – either for a short period or for good. Add to this the fact that women also tend to live 7 years longer than their male counterparts and you have a compelling argument why women need to know the details of their family finances and be able to manage them.

Both partners should be able to answer the following questions:

- Do you have a safety deposit box? At which financial institution? Where are the keys?
- How are regular bills paid – by automated withdrawal or by cheque?
- What is in your partner's will and is it up to date?
- Do either of you have life insurance and if so, with which company?
- What happens to your spouse's pension in the event of death?
- Where are important papers such as tax returns and investment certificates kept?

While it's reassuring to know that your partner is handling the household finances, knowing how to do it yourself can eliminate additional stress if your partner is injured or ill for an extended period.

## Investing Advice - Mom Knew Best

It turns out that Mom really did give good advice. Smart investors know the importance of diversification – and Mom told us the same thing when she warned us not to put all our eggs in one basket.

Why is it important to diversify your investments? Because diversifying generally gives a more consistent return, smoothing out some of the highs and lows. If all of your savings is in a 5-year GIC and interest rates are low when you renew, the return on your entire portfolio will be affected.

Instead of putting it all in a single 5-year GIC, consider splitting it into 5 separate GICS. Put one-fifth into a 1-year GIC, one-fifth into a 2-year GIC and so on. This way, if rates are low when one matures, it may recover before the next one matures. As each GIC matures, renew for 5 years to get the best rate. This is diversification of term.

Another good way to diversify is by product. How much you should diversify and where will depend on your investment profile and goals. Your Desjardins Financial Advisor can help you develop a financial plan to spread your eggs around appropriate baskets and potentially improve your returns.

## MARKET RETURNS WITH NO MARKET DOWNSIDE

In investing, low risk often means low returns. We all want high returns, but this usually involves higher risk. Stock markets are a great place for potentially higher gains. But, as the recent one day drop in the Chinese stock market and the chain reaction of market declines it set off proved, they can also be risky.

How can you have access to market returns without risking any of your hard earned principle? Desjardins Market-Linked Guaranteed Investments are the no-risk, no-cost way to take advantage of stock market gains.

Market-Linked investments have a fixed term like our regular Guaranteed Investment Certificates. Their return however, is based on a stock market index return, or those

of a diversified portfolio of financial assets. You can choose a Canadian, American or Overseas index.

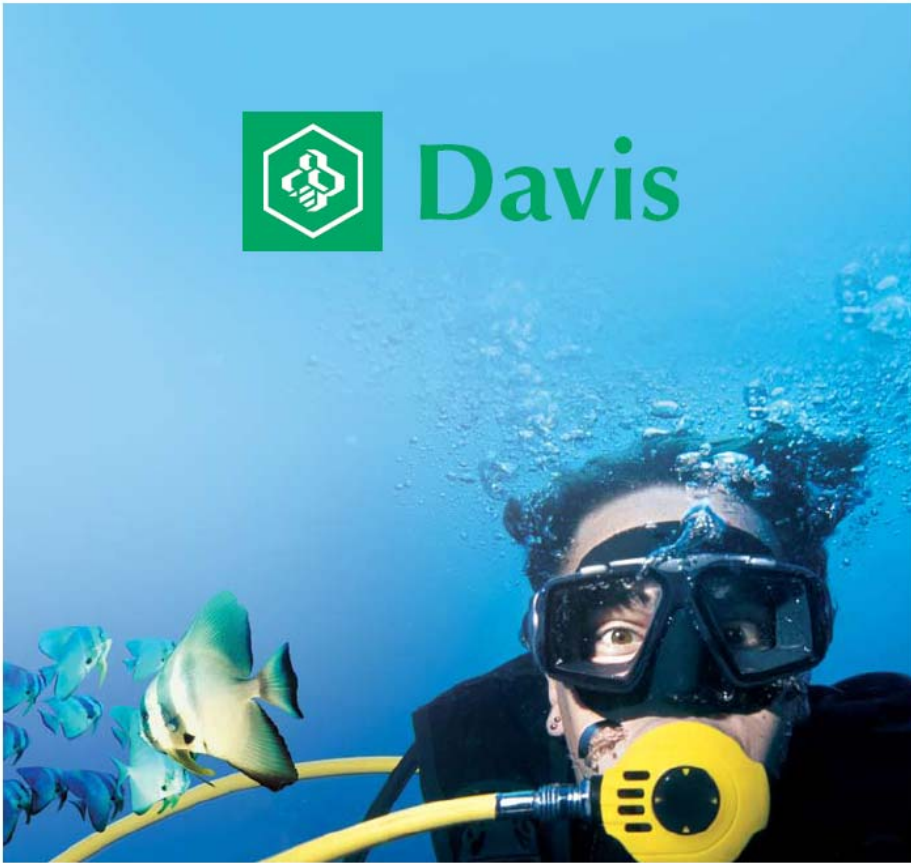
You never risk your capital - it's guaranteed 100% at maturity. And for additional security, these investments are also insured by the Deposit Insurance Corporation of Ontario.

Desjardins is a leader in offering these products with almost 10 years experience. Our product is offered by financial institutions in BC, Ontario, New Brunswick and Quebec.

If you are interested in diversification or in the potentially higher returns offered by stock markets, ask your Desjardins financial advisor about adding Market-Linked Guaranteed Investments to your portfolio.

**The hardest thing in the world to understand is the income tax. -Albert Einstein**

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**NO GO-BETWEEN MEANS BIG SAVINGS!**

As winter draws to a close, many of you will be thinking about a quick getaway and checking out the travel section of your favourite daily or surfing the web for great deals on vacation packages.

But if you want the biggest bang for your buck, you should know that travel agencies, even those online, receive a commission on the travel insurance of other insurers they sell with their packages. And since premiums are often calculated "inside" the package, they appear reasonable in relation to the total cost of the trip (just a drop in the ocean, you might say!).

The fact is that the commission drives the cost of this insurance up significantly (sometimes up 40%) compared to Desjardins Financial Security Travel Insurance, which is available directly by phone or online, with no go-between.

If you are planning a trip, you can enjoy a little extra spending money by taking out Desjardins Financial Security Travel Insurance directly by phone at 1 877 888-4873 or online at [www.desjardins.com/travel\\_insurance](http://www.desjardins.com/travel_insurance).

## 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.

<b><u>PLEASE REMIND ME</u></b>	<b>BRANCH:</b> _____
<b>NAME:</b> _____	
<b>PHONE NUMBER: Daytime:</b> _____	
<b>Evening:</b> _____	
<b>MORTGAGE RENEWAL DATE:</b> _____	



**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



*Clip and return to your branch*

**Desjardins Credit Union  
Mortgage Renewal  
Reminder**



**COMMITMENT TO THE COMMUNITY**

Desjardins Credit Union believes in building strong communities. A visible example of this principle is our commitment to donations and sponsorships of local initiatives.

During 2006, branches contributed time or funds to more than 350 community activities covering health, recreation, seniors and less fortunate individuals.

Over 200 separate organizations and events benefited. These organizations included Big Sisters/Big Brothers, the United Way and Chambers of Commerce.

In addition to donations of funds and time, staff also donated excess office furniture, used clothing and food in their communities. Our corporate commitment is carried out by staff in every branch who help us build stronger communities.

**LINES OF CREDIT**

There are times when the desire to get more out of life is stronger than anything else. Desjardins can be an important ally when it comes to realizing your dreams. Whether you dream of travel, renovations or a vacation property, your credit union has a flexible solution for all your financing needs.

The newest addition to our range of financing options is Personal Lines of Credit. It's an amount determined by your needs that you can use as often as you wish without reapplying each time. With four different lines of credit, Desjardins is certain to have the perfect answer to your financing needs.

Lines of credit are the perfect complement to our range of credit products:

- Accord D—the fast and easy way to borrow up to \$10,000 and have your approval and cash within minutes.
- Desjardins Mortgage—our mortgages have the unique Multiproject Option. Reborrow money you have repaid without legal or other fees\* as often as you wish. Use the money for travel, renovations, or major purchases.
- Personal Loans—Desjardins Credit Union should be your first stop when looking for flexible, affordable personal loans.

For more information about the variety of personal financing options available at your credit union, talk to your financial advisor.

\*certain conditions apply

**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: Desjardins Credit Union  
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