

CHELSEA EMPLOYEES FEDERAL CREDIT UNION

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OFFICE HOURS

Monday	9:00 AM	-	3:30 PM
Tuesday	9:00 AM	-	7:00 PM
Wednesday	9:00 AM	-	3:30 PM
Thursday	9:00 AM	-	3:30 PM
Friday	9:00 AM	-	12:00 PM

1st Quarter 2007

Free Annual Credit Reports Now Available

Recent changes in federal law have made free credit file disclosures available to all consumers on an annual basis. A credit file disclosure, more commonly referred to as a credit report, will contain useful information. Details pertaining to accounts with balances, payment activity, adverse information such as late payments, collections, and public records are all displayed on the credit report. The information below will help to answer questions you may have.

- Q. Why do I need a copy of my credit report?
- A. The most important reason to obtain an annual copy of your credit report is to protect you. Stories of identity theft are much more common than during previous times. A close review of your credit report, periodically, is the best way to assure that no unauthorized activity is conducted under your identity. Additionally, if you are working towards improving your credit, you can see how you are progressing.
- Q. Of the three Credit Reporting Agencies, how do I know which one to choose?
- A. It is a good idea to review your credit report with each agency, as not every creditor reports to all three agencies. Consumers are entitled to one free credit report every 12 months from each agency. You can either request all three through the Annual Credit Request Service at the same time or you can spread out your requests through the year. Keep in mind that you may only receive one free report

Thank You TO OUR CREDIT UNION MEMBERS

The Board of Directors, Management and staff of the Chelsea Employees Federal Credit Union thank our members for their tremendous loyalty and support and to wish you the very best during the holiday season.

We would also like to thank the many people who helped support our fundraising efforts during the past year.

The candy sale benefited the Massachusetts Credit Union League's \$75,000 fundraising project for the Massachusetts Coalition for the Homeless.

Our sale of various stuffed animals last spring and this past month benefited the Credit Unions of Massachusetts' Kids at Heart campaign at Children's Hospital Boston.

Your generosity and enthusiasm for these fundraising events are appreciated by many.

**Thank you again for being part of our Credit Union Team,
And have a happy, safe and healthy New Year!**

from each agency during a 12-month period. Requesting from a different agency every 4 months might be an option worth considering, as that will allow you to more frequently track changes or new information in your credit file.

- Q. Can I get my credit score free of charge as well?
- A. No. However, you may purchase your credit score for a nominal fee either through the Annual Credit Request Service or directly from the website of each agency.
- Q. How can I receive my free credit report?
- A. Web: www.annualcreditreport.com
Mail: Annual Credit Report Request Service
P.O. Box 105281
Atlanta, GA 30348-5281
Phone: 1-877-322-8228

The Holidays are Over –

What Now?

The excitement has died down; the relatives have gone. From the sunny beaches to the snowy slopes or wherever your dreams take you, it's time to think of getting away!

If you need assistance in getting away – give us a call. There is nothing like a low-rate loan to add to your vacation pleasure.

Let 2007 be the best year ever!

LOAN RATES			
LOAN TYPE	TERM	RATE	
NEW AUTOS 90% Financing	48 Mos	4.90%	
	60 Mos	5.90%	
	72 Mos	6.90%	
USED AUTOS 90% Financing	2005 - 2007	36 Mos	4.90%
	2005 - 2007	48 Mos	5.90%
	2005 - 2007	60 Mos	6.90%
	2001 - 2004	36 Mos	5.90%
	2001 - 2004	48 Mos	6.90%
	2001 - 2004	60 Mos	7.90%
	Older Vehicles	36 Mos	9.90%
100 % Financing available			
HOME EQUITY Variable Rate - Prime	180 Mos	8.25%	
MOTORCYCLE	Auto Rates - 3.00%		
PERSONAL LOANS \$5,000 Maximum	12 Mos	9.90%	
	24 Mos	11.90%	
	36 Mos	13.90%	
SHARE SECURED	60 Mos	3.75%	
<i>Rates listed above are for loans paid through payroll deduction or ACH.</i>			
DIVIDEND RATES			
SHARE TYPE	RATE	APY	
SAVINGS / CLUBS			
TIER I	\$25.00	0.75%	0.75%
TIER II	\$5,000.00	1.00%	1.00%
TIER III	\$10,000.00	1.50%	1.51%
TIER IV	\$50,000.00	2.00%	2.02%
IRA SHARES	2.50%	2.53%	
SHARE DRAFTS	0.25%	0.25%	

IRAs Are Getting Better and Better

The National Credit Union Administration recently raised insurance coverage from \$100,000 to \$250,000 for both traditional and Roth IRA savings accounts. This increased coverage provides enhanced security for the retirement accounts at your credit union.



Contributing regularly to an Individual Retirement Account is a great way to save for the future and to limit your tax payments during your highest earning years. There are three different types of IRAs for different purposes and they provide different types of tax advantages.

- ❖ **TRADITIONAL IRA** – A traditional IRA is a great choice to save for retirement if you want a tax deduction now and think you will be in lower tax bracket upon retirement. Earnings grow tax-deferred until withdrawn and funds can be taken penalty-free after age 59½.
- ❖ **ROTH IRA** – Choose a Roth IRA if you don't need the tax deduction now. The Roth IRA is a much more flexible investment because you can withdraw regular contributions at any time, tax-free and penalty-free. You do not have to take the mandatory distribution at age 70½. Plus, the earnings are tax free if the account is open for five tax years and withdrawn for a qualified reason.
- ❖ **COVERDELL EDUCATION ACCOUNT** – Formerly known as the Education IRA, the Coverdell Education Savings Account increased its maximum yearly contribution from \$500 to \$2,000 per child (under age 18). Parents, grandparents, relatives, and friends can make contributions to the account. You will be able to make tax-free distributions for elementary school, secondary school or college costs. Covered expenses include, but are not limited to, tuition, fees, books, uniforms, computer equipment and room and board. You may also transfer funds from one child's account to an account for another child in the family.

Which IRA is right for you? Our Member Services department would be happy to discuss all the options and get your IRA started today.

ANNUAL MEETING MARCH 15, 2007

The Annual Meeting for members of the Chelsea Employees Federal Credit Union will be held on Thursday, March 15, 2007 at 4:05 PM at Chelsea City Hall. The Nominating Committee has met and recommended the following candidates to serve on the Board of Directors: Monica Ford - Chief Procurement Officer, City of Chelsea; Herbert C. (Chuck) Fothergill Jr. - Deputy Fire Chief; City of Chelsea; and Jorge Pazos - Director of Information Technology, City of Melrose.

Nominations for vacancies on the Board of Directors may also be made by petition, signed by at least 20 members of the Credit Union. Nominees by petition are required to submit a statement of qualifications accompanied by a signed certificate from the nominee stating that they will serve if elected to office. These nominations must be submitted to the Nominating Committee, Chelsea Employees FCU, 500 Broadway, Room 205, Chelsea, MA 02150 by January 31, 2007.

The election will be conducted by ballot over three days from Monday, March 12, 2007 to Wednesday, March 14, 2007 at the credit union office during business hours. This schedule was adopted to allow members increased opportunity to participate in the election process. In the event that there is only one nominee for each position to be filled, the election will not be conducted by ballot and there will be no nominations from the floor. Instead, the Secretary will cast one ballot for the slate of nominees. A list of all nominees will be posted in the credit union office by February 5, 2007.