

Member **Advantage**

NEWS FROM BELGIAN-ALLIANCE CREDIT UNION • FALL 2010

Message from the CEO ▾

Did you know that Belgian Alliance Credit Union has a program that can save you hundreds of dollars a year that might not be otherwise accessible? We do, and it's called **MemberPLAN**.

It's a simple and affordable solution that covers all the basics we look for in a benefits program — life insurance, extended health care, prescription drugs, dental and long term disability.

The core MemberPLAN consists of Life, Accidental Death and Dismemberment, Extended Health Care and Dependent Life (for those members with family coverage). The program's flexibility allows Belgian Alliance members to supplement the core plan with a number of optional benefits — including Long Term Disability, Dental, Optional Life and Dependent Optional Life. *You* design the plan that best fits your own needs and budget.

MemberPLAN rates, which are effective from September 1 to August 31 the following year, are age banded. Members who turn 35, 45, or 55 will automatically move into a new age band and be charged the corresponding rates, which will take effect on the first of the month following their birthday.

Application forms, rates and return envelopes are available from the helpful staff at any of our three locations. If you have any questions, please contact the Belgian-Alliance branch of your choice:

PROVENCHER **Nancy Hooper** [982-3406]
PORTAGE AVENUE **Cali Hitch** [927-0459]
JEFFERSON AVENUE **Brenda Wagner** [927-0450]

Please don't hesitate to let us know how we may be of service to you — in this matter or any other!



Darrell Penner, CEO
927-0482 Direct | 981-5847 Cell



Darrell Penner
CEO

Dare to *dream!*

Are you dreaming of...

... an affordable payment solution to high-interest (18 to 29%!) **credit card debt?**

... a **new or better car** for a growing family — or even just for fun?

... **renovating your home** to add another room, a stress-free zone, a new hot tub or anything else?

Our lending staff can help you find a way to use the equity you have in your home to lower your interest rate, make your payments more manageable, reduce stress and improve your lifestyle!

Call a Belgian-Alliance lender today!

JEFFERSON Wes 927-0453
PORTAGE Debbie 927-0465
PROVENCHER Michelle 982-3407
Kim 982-3410
Shannon 982-3405



Saving for your child's university education? Consider an RESP

With school back in session, now is a great time for parents to give some thought to saving for their children's post-secondary education. Consider this: according to Statistics Canada, average tuition fees for one year of university are now \$4,917. Saving for your child's education can have a positive impact on their future in a variety of ways. Not only does it reduce the need for burdensome student loans, but it frees students up to focus on their education, which may lead to higher grades and greater opportunities down the road.

But setting aside money for an education fund is not always easy. Fortunately, Canadians have access to one of the best post-secondary education savings plans in the world. The Certified General Accountants Association of Canada recently reported that an Organization for Economic Co-operation and Development (OECD) study found that Canadian Registered Education Saving Plans (RESPs) ranked as "one of the most generous savings plans across all OECD countries."

With an RESP, a parent (or grandparent, spouse or common law partner) makes contributions to the plan. Those contributions are not taxable, so long as the money stays in the RESP. When it comes time for the beneficiary of the plan to begin their post-secondary education, the accumulated funds can then be used to help finance their schooling.

The real advantage of an RESP is that through the Canada Education Savings Grant (CESG), the federal government provides 20 cents for every contributed dollar, up to a maximum of \$500 per year. Under the enhanced CESG introduced in 2004, families earning below \$77,769 can earn an additional 10 cents per dollar up to the first \$500 contributed annually, while families earning below \$38,832 can earn an additional 20 cents per dollar (again, up to the first \$500 contributed annually).

If you're interested in creating an RESP, please contact a representative at the credit union for more information. ■

RESP facts and figures

- The Registered Education Savings Plan (RESP) was first introduced by the federal government in 1972.
- An RESP can be established as soon as the beneficiary has a Social Insurance Number (SIN).
- There is no annual contribution limit.
- The lifetime contribution limit is \$50,000.
- Contributions can grow tax-free until funds are withdrawn to attend university or another qualifying post-secondary institution.
- Through the Canadian Education Savings Grant (CESG), the federal government will contribute an additional 20 cents for every dollar contributed to a child's RESP, up to a maximum of \$500 annually and \$7,200 over the lifetime of the RESP.
- Contributions are not tax deductible.



According to Statistics Canada, average tuition fees for one year of university are now \$4,917 — so it's more important than ever to start saving now for your child's education

Canada Learning Bond another option for post-secondary savings

Once they've created a Registered Education Savings Plan (RESP), families with modest incomes are then in position to take advantage of another federal government grant — the Canada Learning Bond (CLB).

The CLB is offered by the government to help parents, friends and family members save for the post-secondary education of children in modest-income families. Under the program, the government will make a one-time payment of \$500 into the RESP of a child who qualifies for the CLB

(if the child's primary caregiver receives the National Child Benefit Supplement, the child is eligible to receive the CLB). The government will also deposit \$100 each subsequent year that the child continues to qualify, up to a maximum of \$2,000.

Details on the CLB, including information on how to apply, can be found at canlearn.ca, a website that also features more information on RESPs and the Canada Education Savings Grant. ■

Thousands have overcontributed Avoid confusion when contributing to TFSAs

With its introduction in 2009, the Tax-Free Savings Account (or TFSA) became an attractive new investment option for Canadians. But because TFSAs are so new to Canadians, many people have misinterpreted the rules regarding contribution limits and have unwittingly over contributed to their accounts.

The confusion stems from the fact that while the annual contribution limit is \$5,000, TFSAs were described as offering “full flexibility to withdraw and re-contribute.”

According to the Globe and Mail, that led to thousands of people accidentally contributing too much to their TFSAs when, for example, they initially contributed \$5,000, then withdrew \$4,000 and later contributed another \$4,000. In the eyes of the Canada Revenue Agency, that amounts to an overcontribution and is subject to a tax of 1 per cent of the highest excess TFSA amount in the month, for each month you are in an excess contribution position.

If you've reached the contribution limit and then withdraw funds, you must wait until the next year to re-contribute those funds without being subject to the 1 per cent tax.

If you would like to open a TFSA or have questions about your existing account, please contact the credit union. We'd be happy to help. ■

A reminder to cardholders Be wary of fraudsters

CHOICE REWARDS cardholders are reminded not to disclose personal or financial information to anyone inquiring over the phone or the Internet.

CUETS Financial, the issuer of CHOICE REWARDS credit cards to credit union members, advised that several CHOICE REWARDS cardholders were recently contacted by email and told about a non-existent program called ‘Cash Points.’ The cardholders were asked to update their credit card account information to win 1,000 points. These emails are fraudulent. By clicking on the link within the email, cardholders were taken to a fake website where they were asked to enter their social insurance number, mother's maiden name, credit card number and CVC number (the security code on the back of a credit card).

If you receive an email such as this, *delete it immediately*. Do not click on the link and do not send any of your personal information. As a cardholder, please remember that you will never be asked for personal information by phone or over the Internet.

For more information on how CUETS protects your information, please visit www.cuets.ca > [privacy](#). ■

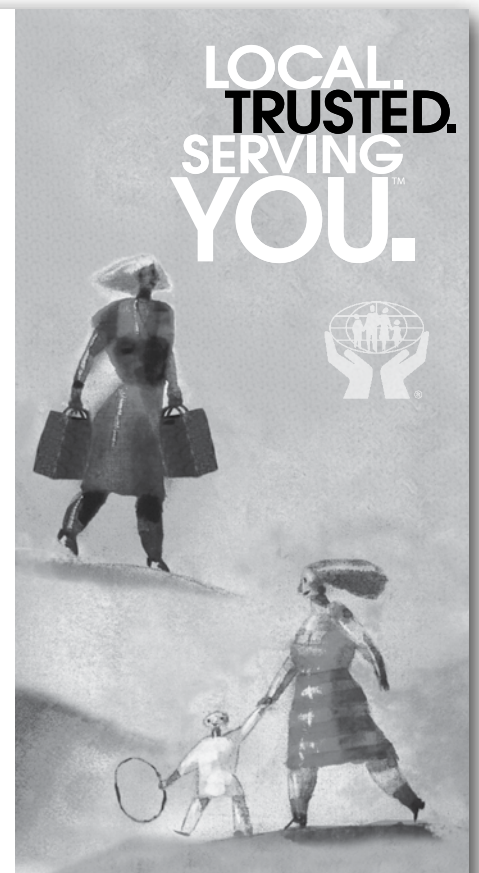
*As a cardholder,
you will never be
asked for personal
information
by phone or over
the Internet*

Experience the Credit Union Difference International Credit Union Day® Thursday, October 21

On the third Thursday of each October, credit union staff and members around the world celebrate International Credit Union Day. This year, Credit Union Day will take place October 21, in the midst of Co-op Week (October 17 to 23, 2010).

As a credit union member, you already belong to at least one co-operative. But chances are you belong to a few others as well. In fact, an Ipsos Reid survey commissioned by the Canadian Co-operative Association found that in Manitoba and Saskatchewan, 61 per cent of respondents belonged to at least one co-op. That may be because, as the survey also revealed, the majority of respondents (70 per cent) considered co-ops to be an important part of the local economy, keeping money and jobs in the communities we call home.

As a co-operative financial institution, we're happy to do our part to support our local communities. We're excited to celebrate Credit Union Day and Co-op Week and we hope you'll join us. ■





Call for Nominations

The Board of Directors of Belgian Alliance Credit Union is accepting nominations to fill three positions that will become vacant in 2011, each for a three-year term.

Nominees must meet certain criteria in order to serve on the board, some of which are:

- The nominee must be a member of BACU for more than a year and conduct a major portion of their banking business with the credit union.
- The nominee must complete a police report and agree to a criminal check.
- The nominee cannot be an undischarged bankrupt.

Application forms and more information are available from Nominating Committee chair Bob Seys, who can be reached by email at bobseys@mts.net.

Staff News ▾

Welcome Debbie Lechner

Please join us in welcoming **Debbie Lechner**, the new manager of our Portage Branch.

Debbie began her career in the credit union system as a summer student, while completing her Bachelor of Arts degree at the University of Manitoba. Having served members at Astra, Safeway, Civic, and Crosstown-Civic credit unions, she brings 20 years of credit union experience to her new role at Belgian-Alliance Credit Union. She has her mutual funds license and has successfully completed the Canadian Securities Course.

Debbie resides in Charleswood with her husband Brent and their three-year-old son Logan. She looks forward to meeting you and making your dreams come true.

Go green!

With detailed account information readily available through telephone and Internet banking, some of our environmentally conscious members have asked whether we need to keep printing and mailing paper statements. We can reduce waste by cancelling your paper statement(s), but we'll need your permission. Just download, complete and return the *Discontinue Paper Statement Agreement* from www.belgianalliancecu.mb.ca

Designation of Beneficiary

Now is a good time to review the beneficiary designation on your RRSP or RRIF. Your designation of beneficiary by means of a designation form will *not* be revoked or changed automatically by any future marriage or divorce. Should you wish to change your beneficiary in the event of a future marriage or divorce, you will have to do so by means of a new designation. Please contact us at Belgian-Alliance Credit Union if you need to change your designation.

Belgian-Alliance Credit Union

The **Member Advantage** newsletter is published quarterly to inform members about financial matters and the credit union's activities.

Your comments and story ideas are welcome. Send or bring them to any branch, or e-mail to:

info@belgiancu.mb.ca or
mail@alliancecu.ca

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Darrell Penner

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Mon-Wed 9:30 am-5 pm
Thur-Fri 10 am-5:30 pm

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Mon-Wed 9:30 am-5 pm
Thur-Fri 10 am-5:30 pm

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VICE-CHAIR
Bohdana Bashuk
SECRETARY
Joanne Mercier
Casey Van Gorp
Peter Manastyrsky
Jim Beaulieu
Bob Seys
Marcel Daeninck



You could be one of **36 members** across Canada to win your share of an

\$18,000 Jackpot

in the Credit Union

DIRECTPLAY AND WIN!™ Sweepstakes!

Nine winners will be picked every week from November 1 to November 28!

Every time you use your Credit Union Debit Card to make an **Interac Direct Payment** transaction between Monday, November 1 and Sunday, November 28, you'll be eligible to **win \$500!**

No purchase necessary with manual entry — ask at your branch for details.