



Financial Fitness Tests are back and better than ever.

Five months. Five tests. Simply sign up and take the featured test each month. You could win one of 10 monthly prizes or the \$500 weekend getaway grand prize.

Sign up today at:
**mycreditunion.ca/
FinancialFitness**

Contest closes 4 p.m. Friday, June 29, 2012.
Contest rules available at mycreditunion.ca.

“For many people, the holidays can be a time of over-spending. A member who had acquired a large amount of debt on retail cards in December came to us for help. Not only did they over-spend but it was also on cards that carry extremely high interest rates. Once we started talking we realized it made the most sense to consolidate the retail card balances and their large VISA balance into one personal loan. By doing a complete debt consolidation our member will save on interest and pay off their debt much faster.”

— As told to a Personal Account Manager

“I want to get my finances in shape and be financially fit ... but how can I keep track and see improvements?”

It's February and for many Canadians the New Year's resolutions they made are long forgotten. The most common resolutions are to lose weight, exercise more and get **financially fit**. All fantastic intentions but for most, our goals and expectations for immediate noticeable changes are unrealistic. We need the positive reinforcement of seeing improvements along the way and the biggest challenge is staying on track. So whether it's losing inches, pounds or debt, it's all the same.

Keeping track has to be easy

You need to keep track so you can see when things get better. But honestly, it can be a drag to keep logs and spreadsheets. What if it could be a bit easier – would you keep at it? We think so.

Keeping track needs to be rewarding

Is writing it down good enough? Sure that might be rewarding on its' own but tracking what changes as your habits improve is more rewarding. As your financial advocate it is our responsibility to provide you with the products, services, tools and sound advice so you can improve your financial fitness. With that in mind, we have developed a way for members to track their financial fitness over time and for us to get a measure of how well we are doing meeting our commitment to you.

Introducing our new online Financial Fitness tracking system

Members will be able to sign up, create a password-protected profile on our website and take each of our online financial fitness tests. Your results will be saved and each time you re-take a test, you will be able to compare your results. And the best part, each of the tests are set-up so you don't have to do any of the calculations. Just type in your information and the calculations are done for you.

(Over, please.)

You can see the future when we C.U. first.

The Credit Union “gets” me like no bank ever could. I just met with my financial advocate and before I knew it, my retirement plan was good to go. Find out what your future looks like from someone who cares. Contact us before the RSP deadline.



RSP deadline is
February 29, 2012

How financially flexible are you?

Whether it is a credit card or a line of credit (LOC) almost everyone has some form of revolving credit. Revolving credit is simply a pre-authorized loan that you can keep borrowing from until you “max-out” the limit. All you have to do to keep the account in good standing is make the minimum payment. It may be a percentage of your balance or just the monthly interest and you are good to go. But are you? That depends ...

Do you remember when you could touch your toes, hang upside-down on the monkey bars or throw a baseball for hours? What's stopping you now – tight muscles that restrict your movement and cause you pain. Credit cards and LOCs payments can quickly become one of those muscles that just keep getting tighter and tighter. Using your cards/ LOC and letting the balance accumulate means you are paying interest – interest that can range from as little as 6% up to 28%.

Now is the time to set-up your profile online at mycreditunion.ca and test your financial flexibility.

Each month a balance is carried forward the amount of interest paid increases – you end up paying interest on interest. Make only the minimum payment each month and that \$150 dinner at 18.5% with a minimum payment of 5% will take years to pay off and cost you about \$70 in interest charges, a total interest rate of almost 47%. The bad news does not stop there. Carrying balances affects your credit score and could increase the rate on future loans. It may even mean you no longer qualify for a loan. That feeling of having a muscle that slowly restricts your movement becomes a reality each month as balances climb and your monthly cash flow gets tighter and tighter.

Credit cards and LOCs can be an excellent tool. The first step is to determine whether your revolving credit practices are putting a strain on your financial health. When it

comes to your financial fitness it is never too late to start making a positive change. You know that being flexible means being able to move without restriction and pain. Being **financially flexible** allows you to move throughout the month without having to worry about your loan payments. Your take home pay is enough to cover your payments with ease at the same time as paying down your debts.

No matter where you fit, it's a great place to start. That's the point – it is a starting position. You need to know it so that you can watch your flexibility improve over time. The goal is to get this number as low as possible. To decrease your ratio you either have to pay down your debt or increase your income. The first place to start is by paying down your debt. You can spend a lot of time and energy beating yourself up over how you got there. Honestly, it is just a financial position and one that can be changed. Bring in your credit card and LOC statements and we'll show you how to loosen those muscles. Whether it is recommending where you can negotiate a better interest rate, figuring out a budget so that you do not rely on your cards, or combining your balances into one loan we will find the solution that works best for you.

Go to mycreditunion.ca for:

- The CPP Retirement Pension – When Should You Apply?
- The Personal Poll: Canadian parents support booster seat law, but few use them



Front page article continued

For the next five months, we will highlight a **Financial Fitness** test. Sign up and you will be entered into a contest to win monthly prizes and each time you take a test, you will receive an additional entry into the contest. At the beginning of July, a grand prize draw will be held for a \$500 weekend getaway from all eligible contest entries. Sign up today at mycreditunion.ca/FinancialFitness and get started on a plan that can make your resolution a reality. We C.U.™ so you can get financially fit.



As a member of The Credit Union, we're pleased to offer you 20% off your purchase of:

- TurboTax Standard online edition
- TurboTax Premier online edition
- TurboTax Home & Business online edition

Visit turbotax.ca/partner to purchase your copy and start your 2011 tax return today.