



WHITE RIVER CREDIT UNION

ROCHESTER, VT

Fourth Quarter 2001

BETHEL, VT

Catch our spirit

International Credit Union Week

October 15 - 19th is International Credit Union Week! We are excited to see how many people have caught our spirit. We want to thank you for being part of the credit union difference. Please don't hesitate to tell us how we're doing, and how we can provide even better service in the future.

Each year, we're given this opportunity to remember our proud history as we promote understanding and support of the credit union difference.

In 1848, Friedrich Raiffeisen, mayor of Flammersfeld, Germany conceived the idea for a credit union to help ease the distress of farmers suffering from the famine that had struck his district. Today, more than 100 million people belong to 37,759 credit unions around the world.

Member service is the foundation of the credit union movement. Whether a credit union is providing a loan, giving financial counseling or simply offering a better deal on a used car loan, the credit union is making a difference for its members and the community as a whole.

In honor of International Credit Union Week, we will provide refreshments and door prizes. We look forward to seeing you!

Holiday Club

Don't let next year's holiday season sneak up on you. With a Holiday Club at the WRCU, you can have the money you need for holiday shopping, taxes, vacations or other personal needs. Your savings with a Holiday Club account can be virtually effortless - with payroll deduction! You can have a chosen amount set aside each payday. Just stop by one of our offices and our knowledgeable staff will assist you. Next year you'll be glad you did!

UPCOMING HOLIDAY CLOSINGS

October 8	Columbus Day
November 12	Veteran's Day
November 22	Thanksgiving Day
December 24	Early Close
December 25	Christmas
December 31	Early Close
January 1, 2002	New Year's Day

VISA

When you receive a WRCU VISA credit card in the mail, remember to call the 800# on the sticker to activate it. This is a security measure to ensure you have received the card. Thank you for your cooperation with this process.

Your savings federally insured to \$100,000

NCUA

National Credit Union Administration
A U.S. Government Agency

Did you Know? - We Sell Savings Bonds

With the recent decline in savings and certificate rates, bonds have become more attractive as a savings option. Considering that they are backed by the U.S. Government, they are also a safe investment alternative.

EE Bonds

EE Bonds are sold at one half the bond's face (denomination) value. They are available in denominations of \$50, \$75, \$100, \$200, \$500, \$1,000, \$5,000 and \$10,000.

The rate for bonds issued from May through October 2001 is 4.50%. This rate is calculated as 90% of the average 5-year Treasury securities yield for the preceding six months. A new interest rate goes into effect every May and November 1st. For bonds purchased since May 1997 interest is credited the first of each month. But, interest on most bonds bought before May 1997 is credited only every six months. On these older bonds, you will lose interest by cashing them in just before an interest-crediting date.

A 3-month interest penalty is applied to EE Bonds if redeemed within the first five years. Upon redemption, you are responsible for paying federal tax on the interest earned. The interest is exempt from state and local taxes.

The original maturity of an EE Bond is 17 years. This is the maximum time it can take to have your investment double. If interest rates are actually higher than the government calculated, then your investment will double in less than 17 years. The final maturity of EE Bonds is 30 years. Interest will not be paid after that period.

I Bonds

Treasury's inflation-indexed I Bonds are designed to offer Americans a way to save that protects the purchasing power of their investment by assuring them a rate of return over and above inflation. In contrast to the EE Bond, the I Bond is sold at face value. The I Bonds are available in the same denominations as the EE Bond.

The rate for Bonds issued from May through October 2001 is 5.92%. The earnings rate for I Bonds is a combination of a fixed rate, which will apply for the life of the bond, and an inflation rate. The inflation rate is the Consumer Price Index for all Urban Consumers (CPI-U). The inflation piece of the rate changes every six months.

Also, as with the EE Bond, a 3-month interest penalty is applied to I Bonds if redeemed within the first five years and upon redemption, you are responsible for paying federal tax on all interest earned. The interest is exempt from state and local taxes.

The final maturity of I Bonds is 30 years. Interest will not be paid after that period.

More information

Information about savings bonds is available on Public Debt's website at www.savingsbonds.gov. Check out their *Savings Bond Calculator* to see how easy it is to find out what your bonds are worth, what they're earning and even keep track of them. Or, you can download their free *Savings Bond Wizard* to keep track of your savings bond portfolio. The *Earnings Report*, which contains rate and yield information for bonds is available by mail. Send a card asking for the *Earnings Report* to ðBureau of Public Debt, 200 Third Street, Parkersburg, WV 26106-1328.