



Member News

Winter 2021

Five ways to prepare for RRSP season

1 CHECK YOUR ANNUAL CONTRIBUTION LIMITS AND PLAN ACCORDINGLY

It's important to check your contribution limits to make sure you don't pay penalties for over-contributing. Here are the contribution limits for the 2020–2021 taxation years:

- 2020: \$27,230
- 2021: \$27,830

The deadline for 2020 RRSP contributions is March 1. You can log in to your **CRA My Account** portal or check last year's notice of assessment for more details about your personal contribution limits.

2 USE YOUR FULL RRSP CONTRIBUTION ROOM

If you're looking for a way to catch up or top up your investments, we can help. Our Registered Investment Go! Loan and our Registered Investment Link Line can help you get ahead, so when you receive your tax refund, you can put that money back onto your loan.

3 CONSOLIDATE YOUR RRSPS

Although diversifying your portfolio is important, spreading your RRSP accounts across multiple financial institutions may result in additional account fees and may make it difficult to track your investments. Plus, in order to make proper recommendations, anyone advising you should have a full understanding of all your holdings and your combined diversification and risk.

4 SET PREAUTHORIZED DEBITS FOR 2021

Start working ahead — put your savings on autopilot and have preauthorized amounts deducted from your chequing account regularly throughout the next year. You'll improve your chances of making the maximum contribution to your RRSP every year, and get the advantage of tax-deferred compound growth working for you earlier.

5 ASK FOR ADVICE

Talking to an SCU deposit specialist on a regular basis can help you explore your options. Call us at **1.800.728.6440** or visit scu.mb.ca/mysavings to book an appointment. When you call, make sure your mailing address is up-to-date so you can be sure to receive your RRSP tax receipts.

Choosing between a fixed and variable-rate mortgage

Choosing between a fixed or variable type for your mortgage term is a considerable decision that can affect you for years to come, and should be based on your individual needs. Here are some key differences to consider.

Fixed-rate mortgage

Fixed-rate mortgages lock in your interest rate for your mortgage term, which means your total borrowing cost is fixed.

- Guaranteed rate of interest for a specified period of time based on your term.
- SCU prepayment privileges allow you to pay an extra 20 percent of your original mortgage value each year. However, penalties apply for making early payments or breaking your mortgage.

Variable-rate mortgage

With variable-rate mortgages, your interest rate will change over the term, which means the amount applied to principal and interest fluctuates.

- Flexibility to lock into a fixed-rate term at any time should rates increase.
- Make unlimited extra payments at any time with no penalties with a variable open mortgage.
- If rates decrease, more of your money goes to your principal. If rates increase, more of your payment goes toward interest and less to your principal.

Take the next step

When it comes to finding the perfect mortgage solution for your home, we're here to provide expert advice to help you explore your options. Start the conversation by filling out our contact form at scu.mb.ca/mymortgage or calling us at **1.800.728.6440**.



It only takes a few minutes to refer a friend

As an SCU member, you've already discovered our great rates and outstanding service. Help us spread the news! Refer your friends and family to SCU to win **1 of 6 \$500 savings accounts**.

Learn more at scu.mb.ca/referral.

Build a better business foundation with SCU products and services

Building a successful business starts with a strong financial foundation. Our business products and services can help you achieve your goals one step at a time.

Goal #1: Manage day-to-day banking

Our online banking solutions offer convenience and flexibility to help you manage your finances in any way you need, including a free small business online banking option, and our paid *MemberDirect*® Business Services option for enterprise-level banking.

Goal #2: Spend and save wisely

We offer commercial chequing and savings accounts, which provide flexibility, competitive rates, and options designed to meet your savings and spending needs.

Goal #3: Borrow to grow your business

Our mortgages, loans, and lines of credit come with competitive lending rates, local decision-making, and

flexible payment options. That way, you can pay back what you borrow as quickly and easily as possible.

Goal #4: Handle your merchant and direct deposit services

As you manage all the moving parts that come with running a business, we can provide you with specialized products, including merchant and direct deposit services, to take your business to the next level.

The next step to choosing the right products for your business is to talk to an SCU specialist who can provide you with custom solutions and expert advice for your business. Get in touch with us by filling out a contact form at scu.mb.ca/myjourney or calling us at **1.800.728.6440**.

® *MemberDirect* is a registered trademark owned by Credit Union Central of Canada, used under license.

Spot the red flags of wire transfer fraud

We take the responsibility of protecting your money very seriously. All of our wire transfer representatives are trained to recognize signs of a fraudulent transfer. That's why when you request to make a wire transfer, we may ask you several questions, including:

Do you have a previous relationship with the person or organization receiving the money?

Red flag: You have no previous history with the receiver or have only communicated with them online (not in-person or over the phone).

Have you sent funds to this person before? Will you be sending more funds?

Red flag: The receiver expects you to send more funds in the future—scammers will rarely ask for only one transfer, so be suspicious of any extra requests.

How quickly does the receiver need these funds?

Red flag: The sender gives a short timeline for their request. Scammers will do this to increase your sense of urgency so you don't have time to think critically or ask questions.

Can you provide supporting documentation for the transfer?

Red flag: There's little-to-no supporting documentation, such as an offer to purchase, for an investment or purchase.

If you have any more questions about wire transfer fraud, or you suspect you or someone you know has been a victim of fraud, contact:

- SCU at **1.800.728.6440**
- The Canadian Anti-Fraud Centre at **1.888.495.8501**



Five questions to ask your financial advisor

A good financial advisor is a trusted partner who understands you, knows your goals, and gives you the best guidance to build your financial future. If you're meeting with a financial advisor, here are a few critical questions to ask.

Who else might be working with me?

You wouldn't expect your general practitioner to be your dentist, would you? Ask if your advisor will bring in specialists if needed. They should recognize when your situation might require specialized expertise in insurance, lending or other areas.

What are your qualifications as an advisor?

In some financial institutions, advisors have no specific accreditation. But what's their background? What exposure have they had in the market? Find out what kind of experience and perspective they'll be bringing to the table.

Besides me, who benefits from your recommendations?

In other words, does the advisor receive any kind of commission when clients use certain products? That's not necessarily a bad thing, but honesty is key to making sure that your advisor always puts your best interests first.

How many clients do you deal with?

If your advisor has a thousand other households on file, how well can they really look after you? Be sure to ask if there's a maximum. Believe it or not, some brokerages and advisors have no cap on the number of clients they look after.

How will I pay for your services?

Ask how the fee is calculated: Is it a fee for service, or is there an embedded fee? The good news is that the industry is moving away from embedded fees, and transparency is on the rise across the board.

Your best financial future is ahead of you. Call **1.800.728.6440** to get in touch with our wealth management team.

Credential Financial Strategies Inc. is a member company under Aviso Wealth Inc., offering financial planning, life insurance and investments to members of credit unions and their communities. Your insurance contract will provide details of the coverage available under the plan you choose. Restrictions may apply. ®Credential is a registered mark owned by Aviso Wealth Inc. and is used under license.

Beneficiary review

Often, this is the time of year when people re-evaluate their investments, which also makes it a good time to review designated beneficiaries.

CAUTION: 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.

Call us today at **1.800.728.6440** if you have any questions or visit any SCU branch to make changes.

Mark your calendars

AGM is on Tuesday, March 16, 2021 at 7:00 p.m.

You're invited to our first virtual Annual General Meeting (AGM) on Tuesday, March 16. Preregister at scuagm.com by March 13, 2021. Due to government restrictions, we'll be holding an online event this year. You'll receive an invitation to attend in mid-January.

Vote for your SCU Board of Directors



Doris Martens
(Incumbent)



Bruce Penner
(Incumbent)



Maria Reimer
(Incumbent)



Gary Timlick

Please note, there will be no voting for directors during the AGM. Please check your voting package, which we'll mail in mid-January, for details. Voting deadlines are:

- **In-branch and mail-in:** February 26
- **Online voting:** March 5

We encourage you to vote online! For each online ballot received, SCU will donate \$1 to charity. To vote online, please have your ballot on-hand, visit scuvote.com, and click on the **vote** button on our homepage. You can also vote by mailing in your ballot, or by visiting any SCU branch.

SCU Board of Directors



Reg Penner
Chairman



Maria Reimer
1st Vice-Chair



Bruce Penner
2nd Vice-Chair



Henry Van de Velde
Director



Doris Martens
Director



Robert Penner
Director



Chris Goertzen
Director



Jeremy Hildebrand
Director



Dr. Jayson Barkman
Director

Stay informed

Get the latest on SCU news, products, services, and market insights by signing up at scu.mb.ca.