

baywatch

A PUBLICATION OF BAY FEDERAL CREDIT UNION

JULY, 2010

Regulation Changes Will Affect Overdraft Protection for ATM and Debit Card Transactions



Whether you are buying groceries, getting gas on a trip, or taking your sick child to the doctor, the last thing you need is to have your ATM or debit card transaction declined. Not only is it embarrassing and inconvenient, but it can prevent you from taking care of critical purchases.

Recent regulations are about to change the way overdraft protection works for everyday ATM and debit card transactions.

As of August 15, 2010, financial institutions, including Bay Federal, will decline one-time ATM and debit card transactions if the transaction will overdraw your account unless you have specifically provided authorization to pay these types of overdrafts. While this does not affect recurring debit card charges, such as regular monthly payments, it can prevent you from using your ATM or debit card when you need it most.

Avoid Overdrafts on your Checking Account

To avoid potential overdrafts and the inconvenience of declined transactions, we recommend linking one of your other Bay Federal accounts to your checking account as an overdraft protection source. In the event that your checking account does not have enough funds to cover your transactions, overdraft protection will allow Bay Federal to transfer money from your linked accounts to cover checks you have written, pre-authorized debit card transactions, and other point of sale transactions. There is a \$10 fee for each day the service is used, but there is no charge on days when the service is not used.

Introducing Our New Premium Overdraft Protection*

If your account balance is less than your ATM or debit card transaction amount and no funds are available in your linked accounts, Premium Overdraft Protection will allow us to overdraw your account, pay the transaction on your behalf, and help you avoid the negative consequences associated with declined ATM and debit cards. The charge for this service is \$29 for each paid transaction.

You Must Authorize Premium Overdraft for Your Accounts

It's easy to sign up for Premium Overdraft!

- ✓ Complete the form included with your June account statement
- ✓ Visit any Bay Federal Credit Union branch
- ✓ Complete your authorization online at www.bayfed.com
- ✓ Call us at 831.479.6000 or toll-free at 888.4BAYFED, option 3

*When you authorize ("opt-in") Premium Overdraft Protection to be added to your account, you agree to allow us to overdraw your account to cover one-time and everyday debit card transactions. A \$29 fee will be charged each time your account is overdrawn through this service. Overdrawn amounts, including fees, must be repaid within 45 days of the original overdraft or your account privileges may be revoked. Additional fees may apply when non-deposit accounts are linked and used for overdraft protection. Overdrafts are approved at the discretion of Bay Federal Credit Union and are not guaranteed. You have the right to revoke your consent for this service at any time. For more information, visit any Bay Federal Credit Union branch or go to www.bayfed.com.

Learn How to Balance Your Checking Account and Save Money!

In many cases, the simple solution to avoid overdrawn account fees is to learn how to budget and balance your checking account. Our Balance Financial Education materials can help you take control of your finances today! Visit our website at www.bayfed.com for more information, including online courses to help you set and reach your personal financial goals.

Lowering Your Mortgage Interest Rate Can Mean Big Savings!



A lower interest rate could save you hundreds of dollars each month, and thousands over the life of your mortgage. Now may be a great time to consider refinancing with Bay Federal!

The examples in this graph illustrate how an interest rate change of just .5% can significantly lower your monthly payment on a \$400,000, 30-year, fixed-rate mortgage.

Annual Percentage Rate (APR*)	Monthly Payment	Monthly Savings	Savings Over 30 Years
5.50% APR	\$2,279	\$388	\$139,680
5.00% APR	\$2,156	\$511	\$183,960
4.50% APR	\$2,036	\$631	\$227,160

*APR = Annual Percentage Rate. The figures above are for illustrative purposes only and assumes an original \$400,000, 30-year, fixed-rate mortgage loan at 7.0% APR. Rates are subject to change daily. Your loan amount, interest rate, monthly payment, and savings may differ from the examples shown above. All loans are subject to approval of credit, income verification and property valuation. For more information, please contact us at 831.479.6000 or toll-free at 888.4BAYFED, option 4.

Great Reasons to Refinance Your Mortgage



If your lifestyle or budget has changed since you purchased your home, there are several money-saving reasons to consider refinancing your mortgage loan.

1. Low Interest Rates.

You may realize substantial savings when you refinance your mortgage at a lower interest rate. And with interest rates at an all-time low, now is the time to get out from under a high-interest rate mortgage, an interest-only loan, or an adjustable-rate loan with a fluctuating interest rate.

2. Lower Monthly Payments.

By extending the term of your current mortgage, your monthly payments may be reduced.

3. Debt Consolidation.

If you have equity in your home, you may be able to take cash out with your refinance to consolidate high-interest debt. Many borrowers choose this option because mortgage rates tend to be much lower than credit card rates.

4. Fixed Monthly Payments.

Payments on adjustable-rate mortgages can change with rising interest rates. Refinancing into a fixed-rate mortgage gives you the security of a consistent payment month after month.

Get Pre-Qualified With Bay Federal!

You could be pre-qualified for a new Bay Federal mortgage loan in minutes on our website at www.bayfed.com. Our website also allows you to check current interest rates, compare different loan options, calculate savings on a refinance, or figure out how much you can afford to spend on a new home.

If you have questions about your home financing needs, Bay Federal's Mortgage Loan professionals are available to help you every step of the way. Please call us at 831.479.6000 or toll-free at 888.4BAYFED, option 4.

Upcoming Community Events

American Cancer Society/Relay For Life

Relay For Life Santa Cruz

Saturday and Sunday
July 17 and 18 - Noon to Noon
Cabrillo College, 6500 Soquel Drive, Aptos

Relay For Life Watsonville

Saturday and Sunday
July 31 and August 1 - 10 AM to 10 AM
Watsonville High School, 250 E. Beach St.

Local cancer survivors and their loved ones are invited to help the American Cancer Society fight back against cancer through research, protective legislation, and support programs.

Donate or Register your relay team today at www.relayforlife.org



Cell Phones For Soldiers

Cell Phone Collection Drive

Donate your old cell phone at any Bay Federal branch through Saturday, July 31. Cell phones will be used by Cell Phones For Soldiers, a 501(c)3 nonprofit organization, to raise money for prepaid calling cards for U.S. troops stationed overseas.

More information at www.cellphonesforsoldiers.com



Free Business Seminar

Quickbooks - The Very Basics

Thursday, July 8, 11:45 AM – 1 PM
Santa Cruz Central Library, 224 Church Street
Registration and information at www.santacruzpl.org/brownbags



This Month's BayBuck Winners

Congratulations to Chris, Jessica, and Tammura, this month's BayBuck Award Winners!



Chris brought fond memories of Bay Federal's early days to one of our founding members when he arranged to have a photograph of our first branch sent to her.

Jessica and Tammura's training and intuition came into play as they worked together to protect a Credit Union member from mail fraud.

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Employee recipients of our monthly BayBuck Awards are nominated by their peers for exceptional service to members and each other. We appreciate and applaud their efforts to make Bay Federal Credit Union a great place to work and bank.

Reduce Clutter with eStatements

Tired of dealing with the piles of paper bills and statements piled up on your kitchen counter, stashed in a drawer, or strewn across your desk? Then perhaps you should consider eStatements.

Bay Federal Credit Union, along with many other businesses, allows you the option of cancelling paper bills and account statements in favor of an online equivalent. Whenever a new statement is available, you will receive notice via email. Your electronic bills and statements are stored on a secure server and can be accessed at your convenience with your log in and password.

Bay Federal eStatements are available for all of your accounts. Simply log on to BayFedOnline at www.bayfed.com, and click the "eStatements" button. This will launch another window where you can select "Stop Receiving Paper Statements", and voilà! No more paper! But why stop there? Set up eStatements for all your banking and payment accounts to reduce clutter in your home, office, and even your car!



Free Investment Seminars

Your Retirement: Are You Prepared?

Retirement should be a time to enjoy life after years of hard work. But are you confident that your retirement savings will last throughout your retirement?

At this free, no obligation seminar, CFS* Investment Advisors at Bay Federal Credit Union will show you how a few simple changes in your savings and investment plans may increase the likelihood that your hard-earned assets will provide you with the rewarding retirement you deserve.



Two Dates and Locations:

Tuesday, July 20, 4:30 – 6:30 PM
Bay Federal Credit Union
Capitola Branch - 3333 Clares Street

Thursday, July 22, 4:30 – 6:30 PM
Bay Federal Credit Union
Aptos Branch - 105A Post Office Drive

Limited Seating Available • Register in advance by calling 831.479.6000, option 7.

*Investment Products and Services offered through CUSO Financial Services, L.P. (CFS), are not NCUA/NCUSIF insured, are not credit union guaranteed, and may lose value. Financial Advisors are employed by Bay Federal Credit Union and registered through CFS. Bay Federal Credit Union is in partnership with CFS. (Member FINRA/SIPC). For specific tax advice, please consult a qualified tax professional.

Coming July 29

Your online bill pay experience

is getting a new look and improved functionality!

Best of all, it's still safe and secure!

CONTACT INFO:

Mailing Address
3333 Clares Street, Capitola, CA, 95010

Membership Services and BAYPHONE
831.479.6000 or 888.4BAYFED

Website and Online Banking
www.bayfed.com

Email
info@bayfed.com

LOCATIONS

Aptos Branch 105 Post Office Dr.	Capitola Branch 3333 Clares St.	Scotts Valley Branch 255 Mt. Hermon Rd.
Ben Lomond Branch 9440 Mill St.	Freedom Branch 2028 Freedom Blvd.	Watsonville Branch 1481 Main St.
Santa Cruz Branch 420 River St.		



Bay Federal

CREDIT UNION

Making a real difference



BRANCH HOURS

Monday, Tuesday, and Thursday: 9am-5pm
Wednesday: 10am-5pm, Friday: 9am-6pm
Saturday: 9am-3pm

Ben Lomond Branch Hours
Monday through Friday: 1pm-5pm

BOARD OF DIRECTORS:

Chairperson: Dana Sales
Vice Chairperson: Dennis Osmer
Treasurer: Michael Leung
Secretary: Ivonne Guzman
Directors: Bob Bugalski
Diane Siri
Jeanne MacLaren
H. Duane Smith
Linda Perez

President and CEO: Carrie L. Birkhofer

Bay Federal will be closed Monday, July 5 in observance of Independence Day.

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