

## Handling Debt in 2026

Owe money? You're not alone! Between credit card spending, school loans, medical bills, and more, debt is almost unavoidable. But what can you do when it gets overwhelming?

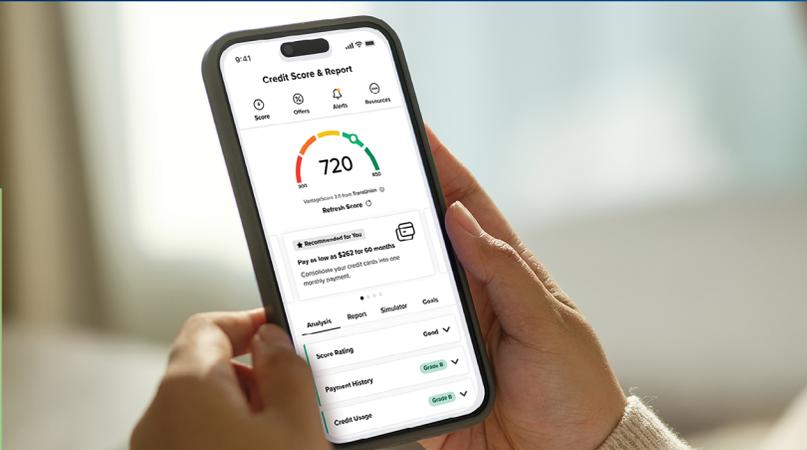
Start by getting a clear picture of your debt. List your sources of debt, including balances, interest rates, and due dates. This will help you make decisions about which debt to handle first. There are a few ways to go:

**Refinancing:** If you have an auto or home loan, consider refinancing it. You might be able to get a better rate or lower payments, giving you some breathing room.

**Consolidate Your Debt:** It might make sense to take out a personal loan and use it to pay off your existing debts. This approach can also give you more affordable rates and possibly lower payments.

Visit [bayfed.com/freshstart](https://bayfed.com/freshstart) to discover how Bay Federal can help start you off on the right foot this January.

**Get Financial Counseling:** Did you know that our partners at GreenPath offer FREE debt counseling? Get in touch with them at [bayfed.com/greenpath!](https://bayfed.com/greenpath!)



## Understanding Your Credit Score

Most people know that a decent credit score is important for getting loans at reasonable rates. But what is a credit score, exactly?

A credit score uses historical information about a person's past use of credit to calculate the likelihood that they will pay back what they owe, both on time and in full.

### Factors That Affect Your Credit Score:\*\*

- **Payment History: 40%** (paying your bills on time)
- **Credit Utilization: 23%** (how much debt you have)
- **Account Age: 21%** (the older your account is, the better)
- **Mix of Credit: 11%** (show you can handle a mix of loan types)
- **Recent Activity: 5%** (applying for credit recently)

### What's My Credit Score?

If you don't know, you aren't alone. Luckily, you can request a free credit report at least once a year from the three major credit bureaus (Experian, Equifax, and TransUnion) at [annualcreditreport.com](https://annualcreditreport.com).

Plus, we've partnered with SavvyMoney to give you access to credit monitoring and alerts, right inside online and mobile banking! Just log in and navigate to Check My Credit Score.

Interested in learning more about how to improve your credit score? Visit our partners at GreenPath and check out their Wellness Blog and Recorded Webinars! Get started at [bayfed.com/greenpath](https://bayfed.com/greenpath).

\*\*Percentages provided by SavvyMoney.



# Investment Services at Bay Federal Credit Union

Presented by Your LPL Financial Advisors

## Staying Cool Under Pressure

When the market's temperature keeps changing, it's easy to feel the heat. Here are some strategies to help your retirement savings thrive despite unpredictable financial climates.

**Don't Let The Heat Get to You:** Market drops can make you sweat, but pulling your money out during a downturn locks in losses. Instead of reacting emotionally, stick to your long-term strategy and ride out the fluctuations.

**Keep Your Portfolio Well-Balanced:** Diversifying your investments across asset classes like stocks, bonds, and cash equivalents helps reduce risk and smooth out the impact of volatile markets.

**Stay Invested During Cold Spells:** When the market cools off, don't freeze your contributions. Continuing to invest means you're buying shares at lower prices, preparing for potentially greater growth when the market warms up.

**Don't Get Burned by Market Timing:** Trying to guess what the market will do is nearly impossible. It's important to stay disciplined by making consistent contributions and avoiding rash decisions based on short-term movements.

**Adjust Your Risk As You Approach Retirement:** As you get closer to retirement, consider dialing down an appropriate amount of risk to help preserve your savings.

**Consult with a Market Climate Specialist:** When the financial climate leaves you feeling uncertain, an experienced advisor can help you put things in perspective. Schedule a complimentary consultation today!

LPL Financial and its advisors are only offering educational services and cannot offer participants investment advice specific to their particular needs. If you are seeking investment advice specific to your needs, such advisory services must be obtained on your own separate from this educational material.

To schedule a complimentary appointment with our LPL Financial Advisors and discuss your options, visit [www.bayfed.com/investments](http://www.bayfed.com/investments) or call **831.479.6000**, option 7.

 **Investment Services**  
at Bay Federal Credit Union

Available through LPL Financial, Member FINRA/SIPC

Securities and advisory services are offered through LPL Financial (LPL), a registered investment advisor and broker-dealer (member FINRA/SIPC). Insurance products are offered through LPL or its licensed affiliates. Bay Federal Credit Union and Investment Services at Bay Federal Credit Union **are not** registered as a broker-dealer or investment advisor. Registered representatives of LPL offer products and services using Investment Services at Bay Federal Credit Union, and may also be employees of Bay Federal Credit Union. These products and services are being offered through LPL or its affiliates, which are separate entities from, and not affiliates of, Bay Federal Credit Union or Investment Services at Bay Federal Credit Union. Securities and insurance offered through LPL or its affiliates are:

Not Insured by NCUA or Any Other Government Agency	Not Credit Union Guaranteed	Not Credit Union Deposits or Obligations	May Lose Value
--	-----------------------------	--	----------------

Your Credit Union ("Financial Institution") provides referrals to financial professionals of LPL Financial LLC ("LPL") pursuant to an agreement that allows LPL to pay the Financial Institution for these referrals. This creates an incentive for the Financial Institution to make these referrals, resulting in a conflict of interest. The Financial Institution is not a current client of LPL for advisory services. Please visit <https://www.lpl.com/disclosures/is-lpl-relationship-disclosure.html> for more detailed information.

## Have You Heard?

Our new Checking Accounts are making a splash! Between our revamped BayChecking and Horizon (formerly Interest Checking) accounts and our brand new HarborLight and BayTeen accounts, there's a solution for everybody.

Interested in opening a new account? We'd love to tell you more about your options! Visit [bayfed.com/checking](http://bayfed.com/checking) or any of our branches to learn more.

## Supporting Our Neighbors through Local Food Banks

In November 2025, we joined forces with Second Harvest Food Bank of Santa Cruz County, Food Bank for Monterey County, and Community FoodBank of San Benito County. Alongside our amazing members, we've raised \$65,400 so far! If you want to join in, visit [bayfed.com/foodbank](http://bayfed.com/foodbank) to make a donation. Thank you!



831.479.6000 • [bayfed.com](http://bayfed.com) • 888.4BAYFED



Federally Insured by NCUA  
Equal Housing Lender