

Bashas' Associates FCU
 Tempe Branch
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 Tempe, AZ 85283
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 1940 W. Indian School Rd
 Phoenix, AZ 85015

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 BART (877) 799-0027
 Fax - Loans (480) 831-1438
 Fax - Tellers (480) 831-1512
 Phx Fax - (602) 265-3421

www.bafcu.com

Once a Member, Always a Member.

BAFCU'S Board of Directors and
 Supervisory Committee

Stephan Sciacca
President/16 years service

Chris Kredlo
Vice President/6 years of service

Gloria J. Mundy
Treasurer, CEO/Manager/31 years service

Al Mendoza
Secretary/6 years service

Karen Giroux
Director/4 years service

Elva Vivas
Director/8 years service

Janice Hill
Director/4 years service

Beverly Culver
Director/1 year

Steven Boynton
*Sup. Committee Chairperson/Director
 4 years of service*

Shelley Regoli
Supervisory Committee

Tony Ching
Supervisory Committee

BAFCU Connection is published quarterly for BAFCU member/owners and is designed to provide informative materials of interest to our readers. It is distributed with the understanding that it does not constitute legal, accounting or other professional advice. Legal, accounting, or other expert assistance should be sought from professionals in those fields. Information in this publication is current as of the date this issue was printed. Products, services and their terms may be changed by the CU at any time.



Ask Gloria...

Why can I only take five withdrawals from my savings account per month?

Our Credit Union is insured by NCUA for \$100,000.00 per account. To offer this safeguard to our members, we are required to follow certain federal regulations. The regulation that affects our savings accounts is Regulation D.

According to Reg D, the term savings deposit includes a regular share account at a credit union. To meet the requirements of Sec. 204.2(d)(1) the depositor is permitted or authorized to make no more than five transfers and withdrawals, or a combination of such transfers and withdrawals, per calendar month or statement cycle. In order to ensure that no more than the permitted number of withdrawals or transfers are made, for an account to come within the definition in paragraph (d)(2) of this section, a depository institution must either: (a) Prevent withdrawals or transfers of funds from this account that are in excess of the limits established by paragraph (d)(2) of this section, or (b) Adopt procedures to monitor those transfers and contact customers who exceed the established limits on more than an occasional basis.

For customers who continue to violate those limits the depository institution must either close the account or take away the transfer and draft capacities of the account. Our credit union has automatic procedures to disable the member from making excessive transfers without the assistance of a Member Service Rep. To discourage more than five transactions a month, the credit union implemented a fee of \$2.00 per transaction per month. If a member exceeds the number of withdrawals, the account is considered a transaction account and the credit union is required to reserve on these types of accounts.

ON-LINE REAL TIME HAS ARRIVED!

As of 5:00 PM on Thursday, March 2nd, we converted to on-line real time processing. This means that any deposits, withdrawals or transfers will be available on your VISA Check card immediately.



Any ATM or debit card transactions will also be reflected in your available balances. This will not affect our processing of ACH transactions or checks. They will continue to post as they have in the past, ACH transactions each morning and checks at end of day each evening. We strongly encourage you to keep your check register up to date to help avoid any NSF fees in your accounts. If you need additional check registers, please contact our Debit Card Dept. at extension 705.

Would you like to receive your statements by e-mail?

Watch for this option to become available with our on-line banking product. You can sign up for this option when you log into your account. Each month you will receive an email notifying you that your statement is ready for you to review. Follow the instructions given in the "statement ready" email to upload your statements directly to your home computer. This option should be available to our members by May 1st, 2006. Call the Credit Union at (480) 831-0098 or (800) 686-2328 or visit www.bafcu.com if you have questions or would like to sign up for on-line banking. To sign up for on-line banking, download the application found on our website and fax it to (480) 831-1512.



Bashas' Associates Federal Credit Union's 39th Annual Meeting

It's that time again! This year we will be doing our annual meeting just a little bit different. We will be mailing our annual meeting ballots to our entire membership in an upcoming quarterly newsletter. We believe that this will allow many of our members that are unable to attend our annual meeting the opportunity to have a better voice in the elections and appointments of the officers and committee members that oversee our credit union.

During the month of May, our Board of Directors will appoint a nominating committee. This committee will collect provide nominations for the terms that are expiring in 2006. Board members serve a three year term, and then are eligible to run for re-election. The Board of Directors appoints a Supervisory Committee each year. If you are interested in running for the Board of Directors or serving on the Supervisory Committee, please contact Gloria Mundy at (480) 831-0098 ext. 700.

In our next newsletter, the 2006 nominees for the Board of Directors will be featured with a brief autobiography. Information on the procedures of submitting a new nominee will also be included. All nominations will be submitted to the nominating committee. Election ballots will then be mailed in your October 2006 quarterly newsletter. Our Annual meeting will be held in November 2006.

If you have questions or concerns regarding these procedures, please contact Gloria at the credit union.

Spring it on!

Great Deals are Blooming, get pre-approved NOW!



Spring has Sprung with your first car payment on us up to \$400.* Plus great auto rates!

March 1 - April 30, 2006
 at Enterprise Car Sales.

Don't wait, get pre-approved at the Credit Union then stop by your closest Enterprise Car Sales location or log on to www.bafcu.com to see a great selection of competitively priced vehicles.

*First payment offer is valid 3/1/06-4/30/06. First payment will be made on first month upon vehicle purchase. Not to exceed \$400. No cash advances. Offer not valid for previous Enterprise purchases. Not valid with any other Enterprise car sale offer. Contact the credit union with more questions at (480) 831-0098 or (800) 686-2328.

Let us help you make your next vacation "Magical"



Bashas' Credit Union is excited to announce that we are now selling Disneyland® Resort Tickets at our branches!

We are offering the 2-day Disneyland® Resort Park Hopper® tickets at the following prices:

| | Credit Union Price | Gate Price |
|------------------|--------------------|------------|
| Ages 10 and over | \$104.40 | \$116.00 |
| Ages 3 to 9 | \$ 86.40 | \$ 96.00 |

The 2-day Disneyland® Resort Park Hopper® includes unlimited admission to both Disneyland® Resort theme parks. (Disneyland® Park and Disney's California Adventure® Park)

And... to make your trip even easier we are introducing the VISA TravelMoney Card.

The Visa TravelMoney Card is a US Dollar prepaid card that is accepted at millions of VISA Debit merchants and Visa ATM's around the world! Think of it as the new plastic Travelers Check.

The cost for this card is \$7.95 for the first one and \$2.00 each for up to two additional cards and the reload fee is \$3.95 with a maximum of 3 reloads per card. Some of the features of this card include:

- PIN and Signature protected
- US Dollar prepaid card that has POS, Interlink and ATM access
- POS access at millions of VISA debit merchants and ATMs worldwide
- Fully Re-loadable, minimum load of \$250, maximum load of \$9,999.
- Reload in CU branch, online or by phone. even with an ACH transfer from your checking or savings accounts.
- 2 additional cards available
- Up to a 24 month expiration
- Comes with VISA Zero Liability Protection, VISA Consumer Purchase Protection, and VISA Emergency Travel Assistance.



Great Rates

Regular shares start at
0.50% APR* 0.50% APY*

Minimum Balance: \$25
 Dividends Paid: Quarterly

Share Draft Accounts
0.25% APR* 0.25% APY*

Minimum Balance: \$500.00
 Dividends Paid: Quarterly

6 month Certificate of Deposit

Contact CU

Minimum Balance: \$10,000
 Dividends Paid: Monthly or at maturity

1 Yr Certificate of Deposit
3.00% APR* 3.03% APY*

Minimum Balance: \$1,000
 Dividends Paid: Monthly, Quarterly, or compounded

2 Yr Certificate of Deposit
3.25% APR* 3.29% APY*

Minimum Balance: \$1,000
 Dividends Paid: Monthly, Quarterly, or compounded

2 Yr SR Cert. of Deposit
3.50% APR* 3.54% APY*

Minimum Balance: \$1,000
 Dividends Paid: Monthly, Quarterly, or compounded

Dividends are calculated on a daily basis. Rates and terms may change. For further information on applicable fees and terms, or to obtain current rates, please call the credit union. Your savings are federally insured to \$100,000 by the NCUA, a US Government Agency. *APR=Annual Percentage Rate APY=Annual Percentage Yield. Rates listed above are at time of print, rates are subject to change.

Loans - Vehicles (New Autos)
0-36 months

As low as **5.25% APR***

Contact CU for additional rates

Loans - VISA Credit
VISA Platinum

8.99% APR*

VISA Classic

11.99% APR*

Loans -

Signature loans start at
8.75% APR*

New Recreational vehicle
 loans start at **7.49% APR***

* Annual Percentage Rate. Rates are determined by Risk Based Lending which is based on your Fair Isaac Score reported by the Credit Bureau Agencies.

Have you checked to see how much equity is in your nest lately?

Bashas' Associates FCU's Home Equity Lines of Credit offer the ability to take advantage of the equity available in your home and the flexibility to use that equity any way you want.

HELOC Rates*
80% LTV at prime minus .25 base points
90% LTV at prime

BAFCU will pay all closing cost up to **\$300.00** for any *new* Home Equity Line of Credit issued.

*Contact the loan dept for more info regarding current rates. Prime rate at time of print (3/17/06) is 7.50%.

CALLING B.A.R.T.



BAFCU's Automated Response Teller

**(480) 831-0098 option #5
(877) 799-0027**

Inactive accounts Dormant fee

If there is no activity for 2 years on your acct, you will be charged a dormant acct fee of \$2.00 per quarter. When the balance drops to less than \$25.00, the account will be closed and the money retained by the credit union. To avoid dormant acct fee charges or loss of funds, simply make a deposit, withdrawal or transfer to the account. If you have any questions, please feel free to contact our office at (480) 831-0098 or (800) 686-2328.

Meet your Member Service Representatives.



Left to right: Stephanie Beard, Josie Ramirez, Brandy Valenzuela and Angie Montelongo

At Bashas' Credit Union your MSR staff is always ready to take your phone calls and assist you with your deposits and withdrawals. They know who does what in the credit union and are happy to help meet your banking needs. Our Member Service Representatives are more than just tellers. They have many other duties such as: Deposit verifications, New account packets, Ticket Sales, Training Class Orientations, Patriot Act Verifications, Opening New member accounts, Address and Name changes and more.

Meet the Owners



Stockholders at other financial institutions.

When you're a member, you're an owner. That's the credit union difference!



The members of our Credit Union

Tell your family members about the benefits of Credit Union membership. Immediate family members, which include husband, wife, children, parents, grandparents, grandchildren, stepparents, stepchildren, stepsiblings and adoptive family, will have access to the same benefits you already enjoy.

Contact a member service representative and ask for a new member packet to be sent to anyone in your family. We can be reached by phone at **(480) 831-0098** or **(800) 686-2328** or applications can be downloaded at www.bafcu.com.

"I heard that **shared branching** is right around the corner. I think they plan to have this working sometime this summer. They say the papers have been signed and work is in process. Do you know what that means? It means that we could actually go to another credit union and **make a withdrawal or do a deposit** inside their branch!" Not *every* credit union participates in shared branching, but there are a lot that do. Like AZ Federal CU, AZ State FCU, Desert Schools FCU, SRP, and SunWest FCU to name a few. This service will be just in time for summer vacations because **shared branching** isn't just in Arizona, it's all over the United States!"



Bashas' Associates Federal Credit Union
NCUA

The CU Connection



Apr. May & Jun. 2006 Edition

Your guide to all that's new at BAFCU

**Why Gamble with your Loans?
Come to your Credit Union and leave a Winner every time!**

Signature Vacation Loan Rate Reduction Special

Get 1/2 a point rate reduction (up to 2 points) for every qualifying credit union service you already use or new service you sign up for and take a rate reduction off of your new vacation loan.

For example:

Our current Signature loan rate for "A and B" credit is 8.75%* for 12 months. If you have a checking account with a line of credit attached to it, direct deposit, use online banking, and have a VISA Credit Card that's four qualifying services that you use.

Your rate would go from 8.75% down to 6.75%* for 12 months!*

Current Signature Loan rates are:

| | | |
|--------|---------------|-------------------------|
| 8.75%* | for 12 months | for A & B Credit Scores |
| 9.75%* | for 18 months | for A & B Credit Scores |

| | | |
|---------|---------------|-------------------------|
| 12.90%* | for 12 months | for C & D Credit Scores |
| 13.90%* | for 18 months | for C & D Credit Scores |

First time borrower rates or scores lower than D are not eligible for this special.

Qualifying Credit Union Services Include:

- Checking Accounts with Lines of Credit
- Auto Loans
- Recreational Vehicle Loans
- Home Equity Lines of Credit
- VISA Credit Cards
- On-Line Banking (BOLTS)
- Direct Deposit

* Annual Percentage Rate. Rates are determined by Risk Based Lending. Risk based lending is based on your Fair Isaac Score which is reported by the Credit Bureau Agencies.

