

Bashas' Associates FCU
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 Tempe, AZ 85283
 Phoenix Branch
 1940 W. Indian School Rd
 Phoenix, AZ 85015
 (480) 831-0098 * (800) 686-2328
 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/17 years service

Chris Kredlo
 Vice President/7 years of service

Gloria J. Mundy
 Treasurer, CEO/Manager/38 years service

Al Mendoza
 Secretary/7 years service

Karen Giroux
 Director/5 years service

Elva Vivas
 Director/9 years service

Steven Boynton
 Director/5 years service

Beverly Culver
 Director/2 years service

Janice Hill
 Director/Supervisory Committee
 5 years of service

Tony Ching
 Supervisory Committee Chairperson

Shelley Regoli
 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.



Once again Bashas' Credit Union recommends you pack your bags and take advantage of the "Refinance your Auto" Special during the month of February.

Bring your auto loan from another financial institution and refinance it at high blue book for 1% lower than the rate you are currently paying*. Any loan over \$15,000.00 will also receive 3 day/2 night vacation voucher for a little Valentine's Day Getaway for two.

This is for the month of February only, so don't delay.

* There is a floor level of 6.00% High blue book must cover tax, title, warranty and gap insurance. These items will not be financed in addition. Some restrictions apply. Contact the loan officers for more information at (480) 831-0098 or (800) 686-2328.

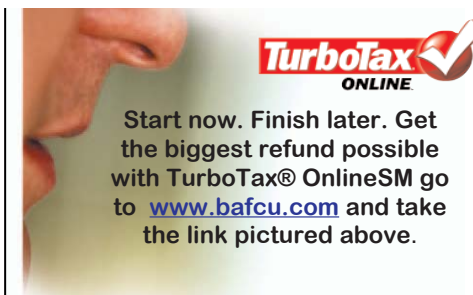
What to Do When your Wallet is Lost or Stolen

If you find that your wallet is missing, do not assume that it will turn up quickly. According to the Federal Trade Commission, nearly one quarter of identity theft victims said their information was lost or stolen. Acting quickly and thoroughly can help limit the potentially far-reaching impact of identity theft. Time is of the essence. As soon as you realize your information is missing, contact your creditors.

Fortunately, when your credit card has been stolen, your liability for unauthorized charges is only \$50. If you are able to report your credit cards as lost or stolen before any charges are made, then you should not be liable for any unauthorized charges. If your debit card is stolen, reporting the loss within two days of the theft will limit your liability to \$50. If you do not report in this timeframe, you could be out hundreds of dollars, due to an unauthorized transfer. The FTC warns that you risk unlimited loss if you do not report the fraud within 60 days after your bank statement containing unauthorized use is mailed to you. In addition to alerting your creditors, the experts at Consumer Credit Counseling Services, a division of Money Management International, suggest that you:

- ▶ **Report the crime.** Identity theft is a crime punishable by law. Contact the Credit Union and file a police report and keep a copy to help dispute unwanted charges. It will also help the police to identify crime trends.
- ▶ **Add a Fraud Alert.** Contact the fraud department of each of the credit reporting agencies to place a temporary 90-day fraud alert on your file. Then, write to those agencies requesting a 7-year victim statement be added to your file. This will ask a creditor to contact you by telephone before opening any new accounts or changing existing accounts.
- ▶ **Stay informed.** All consumers are entitled to one free copy of their credit file each year. It is wise to monitor your credit on a regular basis, and know how many lines of credit are open in your name.
- ▶ **Get help.** Contact your local state Attorney General's office, the Better Business Bureau and the Federal Trade Commission (877-IDTHEFT).

Identity theft is recognized as a serious social issue by agencies such as the Federal Trade Commission, the Department of Justice, the FBI and the United States Secret Service. For more information about protecting your good name, visit www.usdoj.gov or www.consumer.gov.



Start now. Finish later. Get the biggest refund possible with TurboTax® OnlineSM go to www.bafcu.com and take the link pictured above.

Visit our website and then click on the TurboTax Online link.

TurboTax Online. It's easy, accurate and complete, and uses industry-standard technology to protect your data during transmission.

Have your tax refund directly deposited into your account and receive your refund in as little as 7-12 days.

FREE ONLINE BANKING

- ☞ Check your Balances
- ☞ Transfer Funds
- ☞ Apply for a loan with ease
- ☞ Get your Account History
- ☞ Receive your monthly statements and view them for up to 24 months

Access your accounts through our website at: www.bafcu.com

Call (480) 831-0098 and sign up today or visit our website and download an application and fax it to us at (480) 831-1512.



Ask Gloria . . .
 What is the difference in the Traditional, Roth, and Education IRA's?

What is a traditional IRA?

A traditional IRA is a type of retirement plan that has been in existence since 1975. Traditional IRAs offer tax-deferred earnings, and the possibility for tax-deductible contributions. These tax advantages make the traditional IRA a powerful tool in creating a balanced, long-term savings plan. You can contribute to a traditional IRA if you earn compensation and you will not reach age 70½ by the end of the year. If you meet the eligibility tests and you are under age 50, you can contribute up to \$4,000 for 2005 through 2007. For owners age 50 and older, your limits increase to \$5,000 for 2006 and 2007.

What is the Roth IRA?

The Roth IRA is an individual retirement account created by the Taxpayer Relief Act of 1997. Named for former Senate Finance Committee Chairman William Roth, Jr., this IRA offers more incentives to boost your retirement savings, as well as more ways to use your nest egg. You are eligible if you earn compensation and your income is less than limits set by Congress. A single filer who has modified adjusted gross income (MAGI) up to \$95,000 can make the full Roth IRA contributions for that year. Each spouse filing a joint federal income tax return showing a MAGI up to \$150,000 can make the full Roth IRA contributions for that year. Some people with higher MAGI may be able to make smaller contributions. The amount of a full Roth IRA contribution varies. If you meet the eligibility tests and you are under age 50, you can contribute up to \$4,000 for 2005 through 2007. For owners age 50 and older, your limits increase to \$5,000 for 2006 and 2007.

What is the Coverdell Education Savings Account (ESA)?

The Taxpayer Relief Act of 1997 created the Education IRA, now known as the Coverdell ESA. Its sole purpose is to help you pay for your child's education expenses such as: tuition, fees, books, supplies, equipment, and, in some cases, room and board and computers. These options were improved by the Economic Growth and Tax Relief Reconciliation Act of 2001. The total contributions each year to each child's Coverdell ESA cannot exceed \$2,000 for 2002 and later years.

For more information on any IRA investments, please visit our website at www.bafcu.com or contact your credit union at (480) 831-0098 or (800) 686-2328.



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
4.00% APR* 4.06% APY*

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

2 Yr Certificate of Deposit
4.25% APR* 4.32% APY*

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

2 Yr SR Cert. of Deposit
4.50% APR* 4.57% 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 **6.25% APR***

Contact CU for additional rates

Loans - VISA Credit
VISA Platinum

8.99% APR*

VISA Classic

11.99% APR*

Loans -

Signature loans start at

8.00% APR*

Recreational loans start at


7.99% 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.

Inactive accounts Dormant fee If there is no activity for two years on your account, you will be charged a dormant account fee of \$2.00 per quarter. When the balance drops to less than \$25, the account will be closed and the money retained by the credit union. To avoid dormant account fee charges or loss of funds, simply make a deposit, withdrawal or transfer to the account. If you have any questions, please contact our office.

- Please remember the three things you need to know when using one of our Shared Branching Service Centers:
1. Your Name with picture ID
 2. The name of our Credit Union
 3. Your correct Account Number (*not the number listed at the bottom of your checks*)

Paulette Gardner from store #68 won the Holiday Raffle for Children's Miracle Network



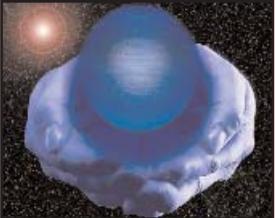
The Sporting package included four tickets to the Suns vs. Miami Heat, four tickets to Monster Jam Truck Racing, and two tickets to an upcoming Phoenix Coyotes game. (Along with some promotional toys used to advertise)

The credit union sends a **VERY SPECIAL THANK YOU** to all the credit union representatives in the stores and offices that helped to sell these tickets. The credit union was able to cut a check to the Children's Miracle Network for over \$3,500 for the year 2006. The \$50 gift certificate was given to Kathleen Moorehead from store #6 for selling 138 tickets. Thank you again for your continued support.

Good News! Important! Urgent!

We are pleased to announce the release of important new security features for internet banking. Those changes are part of an ongoing effort by us to ensure compliance with federal regulations and to provide the highest level of protection to you against identity theft and fraud.

Specifically, these new controls are designed to help you recognize when you are communicating with the valid internet banking system (BOLTS) and to help that system ensure that it is communicating with you, our member.



If you have not already taken the appropriate measures to complete the new enrollment process for your on-line banking accounts with Bashas' Associates FCU, please do this as soon as possible. If you have questions regarding these procedures, please contact our office at (480) 831-0098 or (800) 686-2328.



Bashas' Associates Federal Credit Union is pleased to announce its new Mortgage Lending Partner, Northeast Mortgage Corporation. Northeast Mortgage Corporation is a mortgage banker not broker. All loans are processed, underwritten and funded right here in Arizona.

They offer virtually every mortgage program available today - for just about any income or credit situation imaginable!

In addition, Northeast Mortgage Corporation will pay **\$250** to any Bashas' Associate for whom they cannot meet or beat a bona fide competitor's mortgage product offering.

Call Mary Lou at (480) 421-1118 or Dee at (480) 421-1119 for a free, no obligation mortgage checkup. You can also apply online at our website www.bafcu.com and follow the loan links to your free quick application!

Upcoming Financial Education Programs available at BAFCU

Bashas' Credit Union and Arizona Centers for Consumer Education, a division of Money Management International (CCCS) has partnered together to provide our membership with an ongoing Financial Education Program. Arizona Centers for Consumer Education provides a series of informative financial education presentations on a variety of timely money management and credit topics.

Two of the financial education programs that we will be offering are:

Understanding Money and credit-Your Guide to personal Money Management

Through careful planning and use of money management techniques learned in this seminar, a family can feel more confident about its ability to live within its means, handle emergencies, reduce debt and save for the future. A focus on using credit wisely and how to establish or re-establish credit is also included. If you have recently received a "Denial" on a loan, you may want to consider this seminar.

Get Checking Had issues in the past, can't get a checking account due to a Chexsystems report? Take this seminar and receive a certificate that enables you to get back into banking. Bashas' Credit Union will open a special account for members that receive this certificate. (There is a cost for this program and pre-registration is required)

For more information regarding either of these seminars, please contact Marlea Knighton at (800) 686-2328 or (480) 831-0098 ext. 715 or send her an email to MKnighton@bafcu.com.

Bashas' Associates Federal Credit Union



The CU Connection



Jan. Feb. & Mar. 2007 Edition Your guide to all that's new at BAFCU

Skip-a-Payment While you get your Ducks in a Row for 2007!



Bashas' Associates FCU is allowing our members to skip one monthly payment during the months of January, February, or March of 2007 to help you get your "Ducks in a Row" for the new year. Simply fill out the authorization form and choose which month's payment you will be skipping. This skip-a-payment program can be used for Signature Loans, Auto Loans, Recreational Vehicle Loans, and Share Secured Loans.

I would like to skip the following payment(s):

Acct # _____ Acct # _____
 Suffix # _____ Suffix # _____

Circle One Month
 January February March

Name: _____

Signature: _____

Home Phone _____

Please take the processing fee from Account:
 # _____
 ___ Savings ___ Checking
 ___ Payment enclosed

By signing the front of this form, you agree to skip a payment on your Bashas' Assoc. FCU loan(s). This deferment will extend the maturity date of your loan(s). Your regularly scheduled payment will be due the month following any skipped payment and the payment will be first applied to the accrued interest. All other terms remain unchanged. You understand there will be a \$25.00 processing fee.

Use this authorization to Skip-a-payment on a Bashas' Associates FCU loan. Please read the following disclosures before deciding to Skip-a-Payment.

1. This coupon is good for deferment of one monthly payment.
2. This coupon can be used to skip a payment for **one** monthly loan payment per loan.
3. All loans and accounts must be current during the immediate 90 days prior to coupon use to qualify and must be current at the time this coupon is submitted.
4. Titles and proof of insurance must be on file for all existing loans over 45 days old.
5. Loan (s) must be 90 days old to qualify.
6. There is a \$25.00 processing fee for each loan payment skipped.
7. Interest will continue to accrue on a daily basis.
8. Loans that are on weekly direct deposit will be skipped weekly equal to one month's payment amount, and the loan payments will default into your Share account. The payments will continue to show on your checkstubs, they will not be stopped with Bashas' Payroll Department.
9. Coupon must be presented two weeks prior to the month you are requesting to skip.
10. Offer is good from January 1st, 2007 thru March 31st, 2007 allowing you to skip your January, February or March loan payment.