

PROSPERITY

PUBLISHED FOR MEMBERS OF BANK-FUND STAFF FEDERAL CREDIT UNION®

OCTOBER 2009

Celebrate the Credit Union Difference

For over 60 years, credit unions around the world have celebrated the third Thursday of October as **International Credit Union Day**, an event designed to commemorate the credit union movement's history and achievements.

Credit unions are unique because they are not-for-profit, democratically controlled, member-owned cooperatives. Members of credit unions pool their assets to provide low-cost loans and other financial services to each other. The credit union's cooperative spirit has been embraced by **over 177 million members served by 49,000 credit unions in 96 countries worldwide**.

After a year that has posed economic and financial challenges for people around the world, credit unions have been recognized as playing a vital role in the economic development and stability

of the communities they serve. At Bank-Fund Staff Federal Credit Union, we take pride in our heritage as a cooperative financial services provider for our members. With your support, we have grown over the years to **over \$2.7 billion in assets and over 59,000 members**.

Please join us on Thursday, October 15, 2009 as we honor our most valuable asset: our members.

Source: World Council of Credit Unions



A Note About: FOREIGN ATM TRANSACTIONS

Effective September 1, 2009, BFSFCU began passing through a 1% foreign transaction fee on all ATM card transactions done outside the U.S., Puerto Rico, or the U.S. Virgin Islands. We are being charged this fee by MasterCard® for the processing and currency conversion of these transactions; the fee will appear as a separate line item on your account statement.

With the implementation of foreign transaction fees on ATM cards in addition to those already charged on Debit and Credit cards, we did some basic research to see if it would be more beneficial for members to use their ATM/Debit/Credit card overseas and pay a foreign transaction fee or to use our Foreign Exchange Services to get foreign currency before leaving to go

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Nominations for the Board of Directors

The **63rd Annual Meeting of the Credit Union** will be held on Thursday, April 1, 2010. On that date, the terms of three members of the Board of Directors will expire. The election of Directors to fill these positions is conducted online and by mail ballot. The results will be announced at the Annual Meeting.

Members of the Credit Union are eligible for nomination and election, including Directors whose terms are expiring. Each of the positions is for a three-year term. Candidates should possess sound judgment, a desire to serve, and a willingness to devote sufficient time to their duties. Candidates are selected by the Nominating Committee or by petition.

Members seeking nomination may download the *Request for Nomination* form from **BFSFCU.org/elections**. Information on how to contact the Nominating Committee is also located on this page.

Completed forms must be submitted to the Nominating Committee no later than **November 25, 2009**.

FOREIGN ATM TRANSACTIONS continued from front

overseas. We compared the exchange rates used for currency conversion on ATM/Debit/Credit card transactions (as available on the Visa® website¹) with our Foreign Exchange rates while acknowledging the following disclaimer from the Visa website: "Every day Visa calculates the rate for the next day's transactions. The Visa rate is selected from a range of rates available in the wholesale currency markets or the government-mandated rate in effect one day prior to the applicable central processing date. The rates shown are only meant to serve as an indication of the rate you could expect to receive." As foreign currency exchange rates are generally in a constant state of change (due to internal as well as external factors), and Visa/MasterCard exchange rates are difficult to pinpoint, we cannot confidently state which of these two methodologies is the more advantageous at all times and in all situations.

We would recommend that if our members are concerned about paying the foreign transaction fee, they should compare the exchange rates used by



Visa and MasterCard (where available) to our Foreign Exchange rates before they go, while also considering how much cash/currency they are going to need while away, and how much currency they are comfortable carrying on their person.

It is important to note that BFSFCU's foreign transaction fee is basically a pass-through fee of 1%. A recent survey revealed that other financial institutions charge foreign transaction fees as follows: American Express, 2.7%; Discover, 2.0%; Bank of America, 3.0% (total transaction fees); and Citi, 3.0% (total transaction fees). Also, Visa and MasterCard have now redefined a foreign transaction as any purchase that

touches a foreign bank at *any point*. For example, while residing in the U.S., you might purchase an article of clothing from a seller outside the U.S. If the merchant passes the transaction through a foreign bank (and it very likely does), or involves a foreign bank in any way, there would be a foreign transaction fee.

So, what should you do? As noted above, we would suggest that you compare exchange rates in the U.S. and abroad particularly as the amount of currency needed increases. And remember, no matter how good the Visa and Mastercard exchange rates for ATM/Debit/Credit card transactions may be, there are certain daily limitations. It is quite possible that the best scenario is a mix of currency exchange in the U.S., your Debit or ATM card, your Credit Card, AND currency exchange abroad before leaving the U.S.

¹MasterCard does not currently make the exchange rates used in converting ATM card transactions available to the public. For the purpose of this article, it was assumed that their exchange rates are the same as the exchange rates used by Visa.

Secure a Better Future

Whatever your savings goals may be, our **WealthBuilder Share Certificate Account (SCA)** can help.

Our WealthBuilder SCA is a fixed-rate, two-year, time deposit account that lets you make the most of your savings.

Expand Your Savings Potential

Start with a \$1,000 initial investment, add monthly contributions of at least \$50, and watch how fast your savings grow.

Automate Monthly Contributions

To ensure you stay on track, set up an automatic payroll deduction or periodic payments to make your monthly contributions.

A Winning Combination

The WealthBuilder SCA combines competitive returns with the security of a guaranteed investment, and, as with all our accounts, your money is federally insured to at least \$250,000 by the National Credit Union Administration.

Secure Your Future Today

Stop in at any of our branches to open your WealthBuilder SCA today, or you can contact us by mail or fax to start the process.

For added convenience, you can open a WealthBuilder SCA, or any of our investment products, through **Online Banking**. Simply click on the "Open New Account" button in the Accounts



tab, and follow the quick and easy steps to saving!

For current rates, visit BFSFCU.org/rates.

Get Rewarded* When You Buy or Sell Your Home

Through our partnership with **CU Realty Services**, you have access to our one-stop resource for all your home buying and selling needs.

- Save hundreds — if not thousands — of dollars² by working with an approved Realtor[®] from the CU Realty Network when you buy or sell a home.
- Locate a local and knowledgeable top-rated Realtor[®].
- Access home listings to search for property values, research neighborhood demographics, and evaluate your current home's condition through CU Realty's online resources.
- Get pre-approved with BFSFCU and choose from our comprehensive suite of mortgage loan products and competitive rates.



Ready to start saving?

Visit BFSFCU.org/mortgages, call us at **202.212.6450**, or stop by our Lending Services Center located at 1750 H Street NW, Suite 200, during normal business hours.

²Rebate given at closing as credit toward your closing costs. Must use an approved Realtor[®] from the CU Realty Network to qualify for rebate.

Manage Your Bills Electronically

Pay and keep track of all of your bills online, from gas and electricity to car loans and credit cards, with **BFSFCU Free Online BillPayer**.³

With Online BillPayer, available through our secure Online Banking, you can opt to **receive all of your bills electronically** so that you stop the paper bills from getting mailed to your home. The electronic copies of your bills will be stored in the Online BillPayer system for you to retrieve when you need them.

Best of all, Online BillPayer will allow you the **freedom to manage your bills at your convenience**, even

when you're away from home. You may never have to write another check again!

Ready to get started? Log on to your Online Banking account and select the **Online Billpayer** tab to sign up. **Not yet an Online Banking user?** Visit BFSFCU.org/OnlineBanking to download the Online Banking Security Number request form today.

³Up to 25 payments per month can be made free of charge. A \$0.30 transaction fee will apply to each payment in excess of 25 per month. If you do not use Online Billpayer to make a payment for 90 days, a \$5.95 per month inactivity fee will apply.

Fall for Some Great Deals

Get exclusive member benefits from your Credit Union that will save you time and money with the **BFSFCU Auto Sale**.

- **Gas Gift Cards** — BFSFCU auto loans made this month will come with FREE gas gift cards.
- **100% Financing¹** — No down payment necessary.
- **Competitive Rates and Terms** — Visit us at BFSFCU.org/rates for a complete list of interest rates.
- **Convenience of No Haggling** — Let our partner, ABCD Buyers Club, help you get the best deal on the car that you want.
- **Green Auto Loan** — Purchase a new or used environmentally-friendly car and earn a 1% rate discount on any fixed-rate auto loan product.²

Visit BFSFCU.org/apply to get pre-approved today and enjoy the convenience and security of financing before you shop at our Members Only Auto Sale on **October 29, 30 or 31**.

For more information on our October Auto Sale, visit BFSFCU.org, or call us at 202.212.6450.

¹Total loan amount may not exceed BFSFCU's determination of the vehicle's retail value, plus tax, title and license. Not all borrowers will qualify.

²Visit <http://epa.gov/greenvehicles> to see which cars are considered environmentally-friendly by the EPA.

Rates and terms subject to change without notice. Terms and conditions are available for all BFSFCU auto loans made in October 2009.

WiFi Safety Tips

WiFi is undeniably becoming an integral part of our internet culture. Many organizations and businesses such as airports, hotels and restaurants are increasingly providing free WiFi "hotspots" where their clients can get online.

What most wireless users don't know is that free wireless networks located in public places are ripe for exploitation by hackers. Users who might connect to a hacker's fake "free" network, on the assumption that they are connecting to the official wireless access hub of the location, are at great risk of giving away their personal information.

Here are a few tips that can help safeguard your personal information from wireless hackers:

- **Verify the name of the network.** Look around before connecting to a public network and locate a sign that advertises the network you are connecting to is legitimate.
- **Utilize a Virtual Private Network (VPN)** to encrypt data moving to and from your computer and/or enable your wireless devices' built-in wireless security system.

- **Use anti-virus and anti-spyware software** and a firewall on your wireless devices.
- **Shut off your wireless card** if you're not planning to connect to the Web.
- **Be careful about the information you access or send from a public wireless network.** You may want to assume that other people can access any information you send or see over a public wireless network.

At BFSFCU, we are committed to protecting your personal information. We employ multiple layers of physical and electronic security to protect your personal and financial information when you access your accounts online. Visit **BFSFCU.org/websecure** to learn more about how your online financial transactions are kept secure and private.



FINANCIAL HIGHLIGHTS

Thousands of U.S. Dollars	Six Months Ended*		For the Year	
	6/30/08	6/30/09	12/31/07	12/31/08
Loans (Net Allowance for Losses)	\$1,637,043	\$1,732,874	\$1,617,378	\$1,640,406
Deposits	\$2,093,765	\$2,320,547	\$1,991,927	\$2,190,337
Total Assets	\$2,522,584	\$2,720,452	\$2,377,144	\$2,576,145

To view all our financials, visit **BFSFCU.org/financials**.

*Unaudited

Join Us for Our FREE Upcoming Seminar

INTRODUCTION TO CREDIT REPORTS & CREDIT SCORES

WEDNESDAY,
NOVEMBER 4, 2009

1:00 p.m. – 3:00 p.m.

Topics for discussion will include:

- Understanding Your Credit Report
- The Value of Your Credit Score
- Fixing an Error
- Building a Better Credit Report
- Obtaining a Copy of Your Credit Report

Due to limited seating, and in order to allow sufficient time for individual questions, attendance for this event will be by *pre-registration only*. If you would like to attend, please register online at **BFSFCU.org/seminars** by **October 23rd**.

KEEP US UPDATED WITH YOUR CONTACT INFORMATION

If you have recently moved or changed contact information, click on "My Contact Info" the next time you use **Online Banking** to update your address, phone numbers and e-mail addresses. You can also call us 24x7 at **202.212.6400**.



MEMBER SERVICES:
202.212.6400
1.800.9BFSFCU

LENDING SERVICES:
202.212.6450

GENERAL E-MAIL:
memberservices@bfsfcu.org

BFSFCU.org

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