

# YOUR ONE SOURCE



www.starone.org | 866.543.5202 | Winter 2011

## Saving in a Low-Interest-Rate Environment

**S**avers who were earning 4% or more on deposits a few years ago may look at today's lower savings interest rates and wonder what happened ... and what they can do. Here are answers to some common questions.

### Q: Why are interest rates so low now?

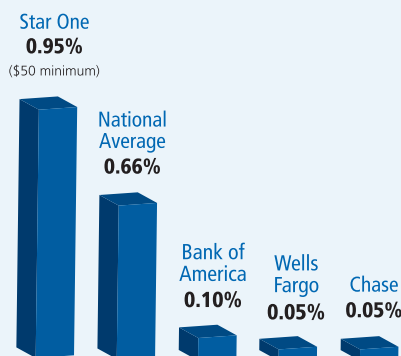
**A:** In a nutshell, it's the economy. The economy is weak, so people and businesses are less inclined to borrow money, fearing they may not be able to pay it back. The cost of loans is affected by supply and demand, and low demand means that interest rates are low. Interest rates on loans and savings are related because financial institutions use money you deposit with them to make loans to others.

In addition, the Federal Reserve has acted to keep interest rates low. It sets monetary policy to foster full employment and stable prices. The Fed influences consumer interest rates by adjusting the rates it charges banks to borrow money and by buying bonds on the open market. It hopes low interest rates will stimulate the economy.

### Q: How important are interest rates to my savings goals?

**A:** That depends on your goals. The interest rate is only one of many important factors you should consider in choosing where to put your money. Having immediate access to your money and knowing it will be safe

### Money Market Savings Account APY\* Comparison



\* APY = annual percentage yield. Rates obtained from an independent survey conducted on December 1, 2010. Rates are subject to change.

and secure with a trusted financial institution may be equally important.

### Q: Is my money safe and secure at Star One?

**A:** Star One is one of the strongest and safest financial institutions in the nation with more than \$570 million in reserve. Our federal regulator/insurer considers

*continued on page 2 ...*

### Save the Easy Way! Use Direct Deposit.

Direct deposit makes increasing your savings easy. You can divert a portion of every paycheck to your savings or other account automatically. Saving is easier when you don't see the money first, and you're following the well-known advice to "pay yourself first." A study from NACHA – The Electronic Payments Association finds that consumers who split their direct deposit between multiple accounts save up to \$90 more per month than those who use another method to save.\*

Using direct deposit can help you save for retirement, education, a home, a vacation, an emergency fund or any other large expense. To sign up for direct deposit, contact your employer or click on "Apply Now" at the top of our home page, [www.starone.org](http://www.starone.org), then complete the Employer Direct Deposit Form. Star One will take it from there!

\* Source: NACHA press release, February 24, 2010, [www.nacha.org](http://www.nacha.org).

# Free Tax Help Is Available!

Low- to moderate-income earners (\$49,000 and below) can get free tax preparation help at Star One through the Internal Revenue Service (IRS) Voluntary Income Tax Assistance (VITA) program.

Community volunteers, professionally trained and certified by the IRS, will provide free tax assistance for taxpayers who cannot afford professional help. These volunteers can help you determine whether you qualify for special credits and help you get the refund you are entitled to.

The VITA program also encourages you to file your tax return electronically. If you have a refund coming, filing electronically and using direct deposit for your refund is the fastest way to get your money.

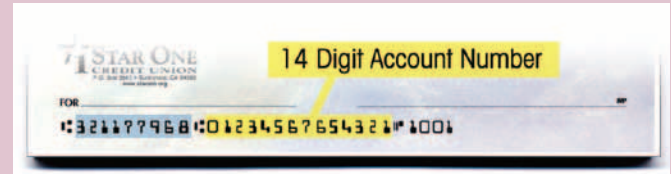
Star One will offer VITA help at two sites on the days and times indicated:

- **Blossom Hill branch.** Wednesdays from 4 to 7 p.m., February 2 through April 13.
- **Stevens Creek branch.** Thursdays from 4 to 7 p.m., February 3 through April 14.

For additional information and a list of required items, visit [www.starone.org](http://www.starone.org) and click on the VITA Program link. To locate other VITA sites, call the IRS at **(800) 829-1040**.

## File Electronically for Faster Refunds

For Internal Revenue Service and Franchise Tax Board tax filers requesting refunds or payments electronically, please provide the Star One routing number **(321177968)** and the 14-digit account number found on the bottom of your personal checks, or call Star One Member Phone Service at **(408) 543-5202** or **(866) 543-5202** for the account number to be used on your tax return form.



Note: Number highlighted in blue is the actual Star One Credit Union Routing Number. The 14-digit Account Number highlighted in yellow is for example purposes only, and is not the actual sequence found on your personal checks.

# Star One ATM Upgrades Mean More Options for You



You asked, and we listened! Several members requested to have ATM cash withdrawal options in denominations of \$20 or \$50, and this request is now a reality at Star One ATMs.

We hope the greater convenience of our ATM upgrades makes your life easier. If you have ATM or other requests, please let us know – it's our goal to provide you with valuable financial services!

## Find a Surcharge-Free ATM!

Want to locate a Star One or CO-OP ATM closest to you? It's easy! You can search for surcharge-free and deposit-taking ATMs, complete with maps and driving directions, on our website at [www.starone.org](http://www.starone.org). Simply select ATMs and Branches in the top right-hand corner of the home page. You can also search for Star One branches and Credit Union Service Centers.

If you're on-the-go with your iPhone, you can look up locations with free iPhone applications. In the iPhone app store, select "CO-OP Financial Services" for CO-OP ATMs and "Credit Union Shared Branching" for Financial Service Centers Cooperative Shared Branches.

## Saving in a Low-Interest-Rate Environment

... continued from page 1

6% capital to be adequate and 7% to be well capitalized. Star One is well capitalized with more than 10% set aside for reserves. We have very low charge-offs and delinquency from loans as well as outstanding performance from investments.

## Build Security

Add to your own financial stability by building your savings now. A Star One Money Market Savings Account is a safe, secure and financially rewarding place for your money. You can enjoy added peace of mind knowing that your deposits are federally insured through the National Credit Union Administration (NCUA), a U.S. government agency. Under legislation passed in July 2010, each account holder's funds are insured to at least \$250,000, and retirement accounts such as individual retirement accounts are separately insured up to \$250,000.

# Car Buying? We'll Steer You in the Right Direction



Buying a new or used vehicle can be intimidating, but as a member of Star One, you've got helpful car-buying resources behind you.

Just visit [www.starone.org](http://www.starone.org), choose "Tools" and then "Car Buying Resources." Here you'll find links to:

**CarSMART** – packed with the tools and information you need. CarSMART can help you find a car, locate a dealership and get preapproved online with one of the lowest rates around. Just click on the CarSMART link to get started.

**Autoland** – for help finding a new or used car. Autoland's experienced consultants have helped hundreds of thousands of people find and finance their cars. Just click on the Autoland link to learn more, or call an Autoland Consultant at **(800) 234-6999**. They offer help with locating the right vehicle, information about trade-ins and facilitation of Star One financing.

You'll also find other valuable links and an auto financing calculator that will help you estimate your payments.

Questions? Visit [www.starone.org](http://www.starone.org) or call **(408) 543-5202** or **(866) 543-5202** today.

## Join Us for Free Individual Retirement Accounts (IRAs) and College Financing Workshops

Star One is offering **free** workshops providing valuable information that will help you with your retirement planning and college financing strategies.

**Registration is required for both workshops.** Space is limited. Workshops are free and open to members and non-members.

### IRAs – The Nuts and Bolts

*Workshop presented by Star One IRA Specialists.* This workshop will help you learn more about retirement savings opportunities using Traditional and Roth IRAs, including potential tax benefits,\* how to move retirement plan assets, and tips on calculating your future savings accumulation. We'll provide information about IRAs available at Star One.

Sign up for the February 9 session at Stevens Creek or the February 23 session

in Sunnyvale by calling **(408) 543-5127** and leave your name, number of guests attending, daytime phone number and session (location and date) you plan to attend or visit [www.starone.org](http://www.starone.org) for online registration.

#### Stevens Creek Session

**Date:** February 9, 2011  
**Time:** 6 – 7:30 p.m.  
**Location:** Stevens Creek Branch, 3136 Stevens Creek Blvd., San Jose 95117  
**RSVP by:** February 8, 2011

#### Sunnyvale Session

**Date:** February 23, 2011  
**Time:** 6 – 7:30 p.m.  
**Location:** Admin. Building, 1306 Bordeaux Drive, Sunnyvale 94089  
**RSVP by:** February 22, 2011

### College Financing 101

*Workshop offered in partnership with BALANCE<sup>SM</sup>, a financial fitness program.* Rising college tuition costs continue to outpace inflation. Through a combination of long-term savings and an understanding of financial aid opportunities, participants will learn how they can make continuing education for their kids – or themselves – a reality.

Sign up by calling **(408) 543-5127** and leave your name, number of guests attending and daytime phone number or visit [www.starone.org](http://www.starone.org) for online registration.

**Date:** April 13, 2011  
**Time:** 6 – 7:30 p.m.  
**Location:** Admin. Building, 1306 Bordeaux Drive, Sunnyvale 94089  
**RSVP by:** April 12, 2011

\* Note that neither Star One nor any of its affiliates give tax advice. Please consult a tax professional for information specific to your situation.

# Watch Out for Loan Solicitation Scams

Homeownership information is a matter of public record. As a result, anyone can access it. Unscrupulous companies or individuals may obtain your information and then contact you by mail, phone or email. Some of these companies even masquerade as government agencies or your Credit Union. Because they have your information, you may assume they are legitimate – but that’s not always the case.

Beware unsolicited offers that involve:

• **Loan modification.** Scammers may lead you to believe they are contacting you from Star One or another current mortgage holder, or that they are calling from a government agency. You may also get calls or solicitations from individuals claiming to be from insurance companies, mortgage brokers or title assistance companies, claiming they offer loan modification programs. *Tip:* Make sure it is the company that holds your current loan. If someone claims to be calling you from Star One, take down the information. Then call us at (866) 543-5202 or (408) 543-5202 – not the number the caller gives you – to make sure it is a legitimate call. Note that government agencies do not make unsolicited contact regarding loan modification programs.

- **Phony promises.** Individuals may make claims such as “We guarantee to stop your foreclosure,” “We can lower your mortgage rate,” or “We will refinance your mortgage even if other lenders have turned you down.” *Tip:* Be suspicious. No one can guarantee to stop foreclosures. And refinancing involves more than a phone call.
- **Upfront fees charged to prevent foreclosure or lower your housing payments.** Homeowners have been charged exorbitant fees for services that go unfulfilled. *Tip:* Never pay for any service without knowing exactly what you are paying for and what you will get in return.
- **Bait and switch.** Homeowners sign a new mortgage without knowing they are giving up ownership yet are still responsible for repayment obligations. Or they think they are refinancing with their own lenders, but are actually taking out an entirely new loan. *Tip:* Always check with your current mortgage holder before signing any papers regarding refinancing.

## Check with Us First

Remember, your privacy is our top priority. Star One Credit Union does not sell or rent your information to third parties. But we can’t stop anyone from accessing public records. So always stop and think when you receive an unsolicited offer, and contact us if you have any questions.



Credit Union member Jeannie Jones, one of the winners of the 2010 Star One Credit Union iPad® Online Statement Sweepstakes, with Fred Shuherk, Star One Web Services Manager.

## Holiday Schedule

Star One branches will be closed to observe:

- Martin Luther King Jr. Day – January 17, 2011
- President’s Day – February 21, 2011



### Member Phone Service

(408) 543-5202 or  
(866) 543-5202 toll free  
Fax: (408) 543-5203

Star One Representatives are available 7 a.m. – 11 p.m. Mon. – Fri., and 10 a.m. – 6 p.m. on weekends and most holidays. For your convenience, we use a Shared Branch call center to handle after-hours calls. They can assist you with general questions and basic transactions.

### Branch Hours:

Mon., Tues. & Thur. 9 a.m. – 5 p.m.  
Wed. 10 a.m. – 5 p.m.  
Fri. 9 a.m. – 6 p.m.

### Cupertino

De Anza Branch  
10991 N. De Anza Blvd.  
De Anza Blvd. & Homestead Rd.

### Palo Alto

El Camino Branch  
3903 El Camino Real  
El Camino Real & Ventura Ave.

### San Jose

Blossom Hill Branch  
1090 Blossom Hill Rd.  
Blossom Hill Rd. & Almaden Expwy.

### San Jose

Stevens Creek Branch  
3136 Stevens Creek Blvd.  
Stevens Creek & S. Winchester

### Sunnyvale

Enterprise Branch  
1080 Enterprise Way, #150  
Enterprise Way & 11<sup>th</sup> Ave.

### Web Site

www.starone.org

### Mailing Address

P.O. Box 3643  
Sunnyvale, CA 94088

### Email

service@starone.org

Your savings federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government. National Credit Union Administration, a U.S. Government Agency.

We do business in accordance with the Federal Fair Housing Law and the Equal Credit Opportunity Act.

The articles and information in this publication are for general information only and are not intended to provide specific advice or recommendations for any individual or company. Although intended to be accurate, neither the publisher nor any other party assumes liability for loss or damage due to reliance on this material. Images may be from one or more of these sources: ©Thinkstock, ©iStock, ©Fotolia.

©2010 Star One Credit Union.

