

YOUR ONE SOURCE



www.starone.org | 866.543.5202 | Summer 2010



Star One Offers Affordable Student Loans

The rising cost of college is a financial strain for many families today. When federal aid is not enough, private loans are available to fill funding gaps. Star One offers private student loans with competitive rates and no fees to help students achieve their education goals.

Credit Union Student Choice Program

The Credit Union Student Choice Program was created to help families finance higher education without the high costs other lending institutions may charge. Your first option is to apply for a federal student loan (find more information at www.studentloans.gov), but if you find you are not eligible, or the federal aid is not enough, a private loan with Star One provides another option.

Our private student loan solution offers:

- Zero origination or other application fees, and no prepayment fees.
- Lower rates than many other lenders.
- Fully deferred payment option while in school.*
- Full Line-of-Credit (LOC) that can be used by the student over multiple years. With one application we will qualify you for a LOC for the remainder of your current program of study.** You determine how much of the eligible LOC amount we should send to your school during disbursement periods.
- Flexible repayment options resulting in lower initial payments after graduation.

Plus, your loan will be granted by Star One, a lender that you can trust. As a not-for-profit credit union, we offer lower rates and fees than other more traditional private lenders. You'll see the difference in zero origination fees, more flexible repayment terms and lower overall rates.

* During deferment, interest on the loan will accrue. Mandatory repayment begins six months after the student graduates or separates from school.

** Subject to credit qualification and credit verification. Credit limits may be reduced or new credit refused due to changes in borrower's financial condition.

Star One Credit Union Adds NEW Graduate Business Private Student Loan Solution to Our Education Financing Program

In addition to our Student Choice private undergraduate loan solution, we now offer private loans to help graduate students enrolled in business school fill advanced degree funding gaps.

Why Choose Our Graduate Business Private Loan Solution?

Our loan solution will help you fill the gaps that federal aid, scholarships and savings may leave behind. With lower interest rates and a fee structure designed with you in mind, you could save hundreds of dollars a year by choosing your credit union's loan program over other alternative lenders.

Who Is Eligible for the Graduate Loan Solution?

Star One members who are graduate business students enrolled full-time in a business graduate degree-granting program at an approved public or private non-profit school are eligible. You can view a listing of approved schools by visiting www.starone.org to get connected to the Credit Union Student Choice web site and see if your school is included before you apply.

Change in Courtesy Pay Overdraft Coverage



If you have a checking account at any financial institution, you probably have received information about upcoming overdraft coverage changes that might affect your account. Beginning August 15, 2010, financial institutions cannot pay overdrafts for everyday debit card transactions without your approval. Star One currently offers overdraft coverage alternatives that can be combined to provide maximum convenience and flexibility as well as serve as a safety net, even for everyday debit card transactions.

Your first option is to use your Star One Visa® Credit Card for overdraft coverage, which automatically links your Star One Visa Credit Card to your checking account to cover overdrafts. There is no fee for this service, but interest begins to accrue from the date of the advance.

Secondly, overdraft coverage can automatically link your Star One Savings Account to your Star One Checking Account. If an item is presented for payment and there are not enough funds in your checking account, we will automatically transfer funds, in multiples of \$100 up to your available savings balance, to your checking account. There is a \$2 fee per transfer.

Star One also provides automatic Courtesy Pay coverage as a last alternative for checking account overdrafts to members who qualify. If you inadvertently overdraw your checking account and have maximized other overdraft options in place, Star One may pay an item on your behalf, up to a limit of \$2,000. There is a \$13 charge for each

Courtesy Pay overdraft. Courtesy Pay helps you avoid embarrassment of, for example, a merchant refusing your debit card or the cost of a merchant charge on a returned check or electronic payment.

Upcoming Change to Overdraft Coverage Program

Regulation E sets the rules for the Electronic Funds Transfer Act. Recent changes to Regulation E will significantly alter existing overdraft coverage programs at financial institutions, including Star One. This change may affect your debit card in certain instances. At Star One, with overdraft coverage we currently allow debit card purchases to be approved even if there isn't enough money in your checking account. Effective July 1 for new checking accounts and August 15 for existing accounts, debit card overdraft coverage must be requested by you. Otherwise we will no longer be able to provide this coverage automatically for everyday debit card transactions. Funds will need to be in the account at the time of purchase or your debit card transactions will be declined.

What You Can Do

If you already have overdraft coverage in place and you would like Star One to continue to cover everyday debit card overdrafts under Courtesy Pay, complete the opt-in form found in Online Banking, contact us at **(408) 543-5202** or toll-free at **(866) 543-5202** or visit us at any of our branch locations before August 15. Additional Overdraft Coverage information can be found at www.starone.org under the Accounts tab.



Car Sale Saturday, August 7

Save time and money at the Star One Car Sale. You'll find hundreds of quality pre-owned cars, trucks and SUVs in one convenient location.

Date: Saturday, August 7, 2010

Time: 9 a.m. to 6 p.m.

Location: Administration Office
1306 Bordeaux Drive, Sunnyvale, CA 94089

To save even more time, apply for a preapproved loan by clicking on the "Apply Now" tab at www.starone.org.

Free Financial Workshops Sponsored by Star One

Take advantage of these free, valuable workshops about Online Banking and Bill Pay. Both sessions will provide actionable information that you can use the next time you log into Online Banking or use Bill Pay.

Registration is required for both workshops. Please call **(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** for online registration. Space is limited. Workshops are free and open to members and non-members.

Online Banking

This workshop will cover all of the aspects of our Online Banking channel such as login security considerations, setting up Balance Alerts, receiving your statements electronically and more.

Date: August 4, 2010
Time: 6 – 7 p.m.
Location: Star One Administration Building
1306 Bordeaux Drive, Sunnyvale
RSVP by: August 3, 2010; call
(408) 543-5127 or visit
www.starone.org

Bill Pay

This workshop will focus specifically on our Bill Pay product and will demonstrate how to register for the service, set up billers, schedule payments, sign up for “e-bills” and more.

Date: August 11, 2010
Time: 6 – 7 p.m.
Location: Star One Administration Building
1306 Bordeaux Drive, Sunnyvale
RSVP by: August 10, 2010; call
(408) 543-5127 or visit
www.starone.org



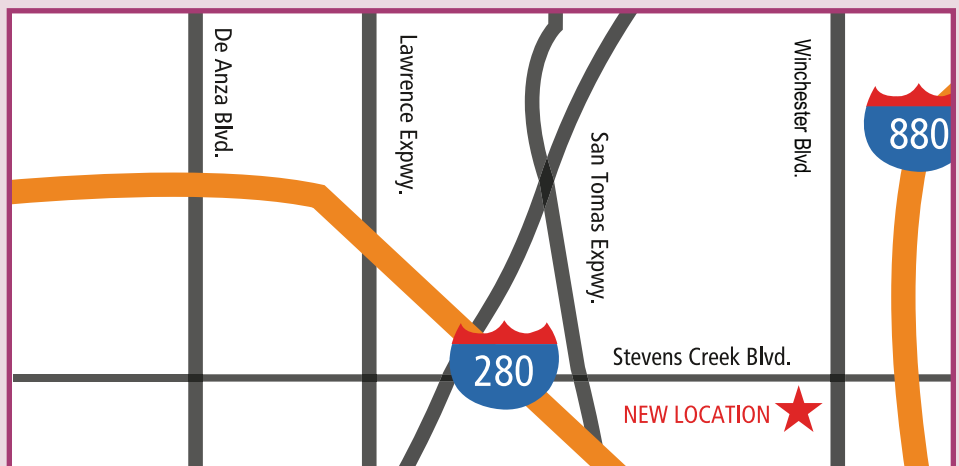
We're Growing

New Branch on Stevens Creek Boulevard Opening this Fall

You'll see some new faces, along with internal transfers of employees among the branches, because we're expanding.

This fall, Star One will open a new branch on Stevens Creek Blvd., near the Westfield Valley Fair Shopping Mall. The address is 3136 Stevens Creek Blvd.

Look for our Grand Opening date and come visit us at our new Stevens Creek location.



Watch Out for Recruitment Fraud



There's a new type of fraud being perpetrated across the country. Fraud rings are paying unscrupulous individuals to open new accounts at credit unions, then taking the new member information and personal identification number (PIN) or checking account information to conduct fraudulent transactions. The member then reports the transactions as unauthorized, resulting in a loss to the credit union. These fraud rings are also contacting existing members and offering to pay the member to let them use their cards or PINs to commit fraud.

You Can Help

- If someone contacts you with an offer to pay you to open a credit union account or to use your existing account information, refuse and notify the police.
- Review your account statements regularly. If you notice unauthorized transactions on any of your Star One accounts, notify us immediately and file a police report.

Scammed? Don't Fall for the "Let Us Help" Rip-off

Many card issuers have seen an increase in unethical telemarketing activity. Star One is no exception. Many consumers have responded to unsolicited telephone offers for merchandise or services only to find they are dissatisfied. Worse yet, these victims may then be contacted by another company offering their services to recover the money from the original transaction ... but at a cost to the cardholder. In reality, the consumer is just being victimized a second time.

Don't pay another company to help you recover money when you've charged the purchase to your Star One Visa® Credit or Debit Card. More often than not, you have recourse through Star One and Visa's dispute process.

Prevention is the best medicine: Never give out your credit card number or personal information in response to a phone call.

The first step is to attempt to resolve the dispute directly with the merchant when dealing with a transaction you participated in. If that effort fails, you should contact Star One Credit Union for help.

Star One's Call Center has knowledgeable representatives available to assist and guide you through the dispute process. Star One representatives are available Monday through Friday 7 a.m. to 11 p.m. PT and weekends from 10 a.m. to 6 p.m. PT.

Know your merchant:

- Never give out your credit or debit card number or personal information if you did not initiate a transaction.
- Make sure the transactions you do engage in are with reputable merchants.
- Be sure to read the terms and conditions.



Holiday Schedule

Star One branches will be closed to observe:

Independence Day holiday – July 5, 2010
Labor Day – September 6, 2010

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

3136 Stevens Creek Blvd.
Stevens Creek & S. Winchester
Opening by Fall 2010

Sunnyvale

Enterprise Branch
1080 Enterprise Way, #150
Enterprise Way & 11th Ave.

Web Site

www.starone.org

Mailing Address

P.O. Box 3643
Sunnyvale, CA 94088

E-mail

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.

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Mixed Sources
Product group from well-managed forests, controlled sources and recycled wood fibre
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