

Money Note\$

Published quarterly for the benefit of our member/owners

April 2006

Spring forward with a great rate on a home improvement loan

Kaiperm Diablo Federal Credit Union is the place to turn to for a great home loan — either a refinance or a loan to fix up the home you already have.

If you're planning either, now is the time to contact us.

Board members elected by acclamation

All of the four nominees for our credit union Board of Directors — Les Chan, Sheridan Loyd, Gail Monriquez and John Rosa — were elected by acclamation at the Annual Membership Meeting Thursday, March 16, in The Maple Conference Room, Kaiser Walnut Creek.

The remaining board members C Arulanandan, MD, Darlene Bennett, Ruth Carmignani, George Huang, MD, and Yolanda Kollar will complete the second year of their terms.

The term of Marie Bossert, well known by many of our Antioch facility members, expired this year, and she chose not to run again. We thank Marie for her many years of service to credit union members. In addition to being a long-time credit union member, Marie served on the volunteer board for nine years! She and her husband, Al, are enjoying their home in the Sierra foothills.

Our SMART ALMOST INTEREST-ONLY LOAN

- Reduces your payment amount
- Gives you fixed monthly payments based on the borrowed amount x rate (APR) ÷ 365 x 31, with a balloon payment due in 2, 5, 7 years.

Example: Payment on \$99,000 @ 4.9% = \$191 bi-weekly.



FIRST DEEDS

- Variable Home Equity Credit Lines.
- Fixed rate 30-year due in 2, 5, 7 (payment computed as though 30-year amortization; balloon due in 2, 5, 7 years).

– OR –

SAIL with a 2-, 5-, 7-year balloon**

SECOND DEEDS

- Variable Home Equity Credit Lines.
- Fixed rate 30-year due in 2, 5, 7 (payment computed as though 30-year amortization; balloon due in 2, 5, 7 years).

– OR –

SAIL with a 2-, 5-, 7-year balloon**

**Smart Almost Interest Only loan.

**We have
Great America
discount tickets**

Stop by our offices and get a head start on summer fun!

We have discount tickets for Great America, and we're just waiting to give them to you so that you and your families can start enjoying yourselves.



Celebrate National Credit Union Youth Week

America's credit unions are shining the spotlight on how young people earn, spend, save, and manage their own money and how

America's credit unions help them do so wisely during National Credit Union Youth Week, April 23-29.

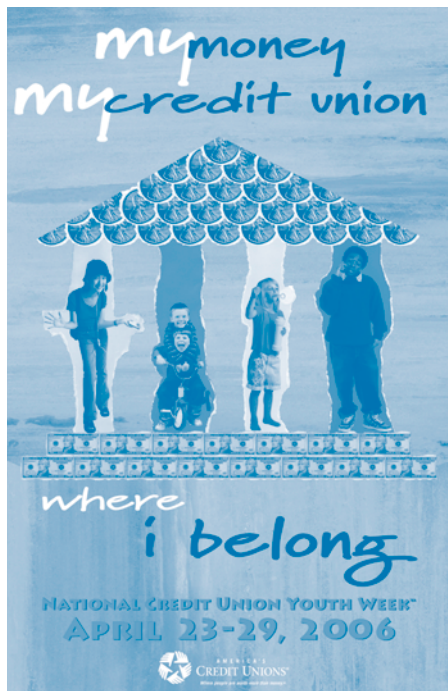
Our theme this year is "My Money, My Credit Union, Where I Belong."

Please stop by the credit union and pick up some of the information we have that can help you introduce us to your family members and friends.

Young people are not only current and future members, but also consumers who control billions of dollars in economic activity. We are pleased to offer resources (below) to help young people earn, spend, save, and manage their own money.

We feel it's imperative that we do everything we can to help young people learn how to plan to achieve financial security — from learning how to spend money wisely now to thinking about saving for the future.

What we need today, confirmed by



poor financial literacy test scores from across the country, is leadership to help raise the awareness of financial issues for young people.

The staff and members of this

credit union are ideally positioned to respond because we believe in the power of education — put to practical use — to improve the lives of our neighbors and our community.

Our tradition of service and philosophy of self-help make us, and all credit unions, a natural source of leadership in the fight against financial ignorance. We can help children better understand the credit union difference — better rates, lower fees, and extra attention to make sure all members know how to manage money.

Every move our credit union takes toward improving youth financial literacy pays your credit union dividends, like these, for example:

- The addition of responsible young members.
- Retention of their parents as loyal (and grateful) members.
- Involvement of your employees in a fun and meaningful program.
- One more reason to brag about the "credit union difference!"

Join us this year as we celebrate National Credit Union Youth Week.

Ten ways for children to learn the value of money

1. As soon as children can count, introduce them to money.

2. Communicate with children, as they grow, about your values concerning money and how to save it, make it grow, and most importantly how to spend it wisely.

3. Help children also learn the difference between needs, wants and wishes.

4. Indoctrinate your children to accumulation (or savings) instead of spending (or consumption). Explain and demonstrate the concept of earning interest income on savings.

5. Introduce U.S. Savings Bonds to children. Take them to the bank when you make the purchase.

6. Take youngsters with you to your credit union when you open their savings accounts. Beginning the regular savings habit early is one of the keys to savings success.

7. Encourage your children to keep good records of money saved,

invested or spent. To make it easy, use 12 #10 size envelopes, one for each month and a larger envelope for the year. Establish this system for each child. Encourage children to keep receipts from all of purchases and then make notes.

8. Take children to the grocery store and other stores, and explain how to plan purchases in advance, make unit price comparisons and check for value, quality, warranty, etc.

9. Allow young people to make spending decisions, both good and poor, and then encourage a discussion of pros and cons before more spending takes place.

10. Explain to young people about the advantages of member-owned and operated credit unions — e.g., higher savings interest paid, lower borrowing costs, etc. — which is why more than 57 million Americans belong to them.

TIPS FOR TEACHING YOUR CHILDREN ABOUT MONEY

- To encourage savings, match whatever is left from your child's allowance each week and deposit that into a special savings account.

- Make it easy to set money aside. If an allowance is \$5, pay with five \$1 bills and urge that one be set aside for savings.

- Once your children learn to add and subtract, play Monopoly.

- Ask your child to calculate how much it costs to maintain your family pet, including food and veterinary services.

- Let your child plan a party for a few friends, with a set amount of money to work with.

Presidential proclamation honors volunteers

Our credit union members spend their own time meeting with legislators and writing letters on behalf of credit union members. Our credit union is grateful for their work on our behalf.

With the celebration of National Volunteer Week from April 23-29, this is appropriate time to thank all of our volunteers for their many hours of dedicated service.

VALUABLE ASSETS

Sponsored by the Points of Light Foundation, National Volunteer Week is about thanking one of America's



NATIONAL VOLUNTEER WEEK

April 23-29, 2006

most valuable assets — its volunteers — and calling the public's attention to all that they do to improve our communities.

The 2006 theme is "Inspire By Example" because it truly reflects the power volunteers have to inspire the people they help, as well as, to inspire others to serve!

EXECUTIVE ORDER

National Volunteer Week began in 1974 when President Richard Nixon signed an executive order establishing the week as an annual celebration of volunteering. Since then, every U.S. President has signed a proclamation promoting National Volunteer Week.

Additionally, governors, mayors and other elected officials make public statements and sign proclamations in support of National Volunteer Week.

"Volunteers perform countless acts of service and are one of America's most valuable assets," said Robert K. Goodwin, president and chief executive officer of the Points of Light Foundation.

REACHING OUT

"During the past year, volunteers nationwide have reached out to their neighbors both near and far especially during the aftermath of the hurricanes on the Gulf Coast. National Volunteer Week is the ideal time to honor volunteers meeting community needs around the country and calling the public's attention to their tremendous contributions."

During National Volunteer Week, thousands of volunteers nationwide will receive presidential recognition for their service through the President's Volunteer Service Award — the most prestigious volunteer award associated with the White House.

Like National Volunteer Week, this award seeks to inspire by example, honoring the service of our country's most committed volunteers and sharing their achievements to encourage more Americans to volunteer.

FUN 'n GAMES ...

SPRINGTIME IS THE BEST TIME!

Spring ahead, pay your taxes, play ball, take a long Sunday drive with the top down and smell the roses!

Print your name on the side of the puzzle, then put your solution in an envelope with your name and daytime phone number printed on the outside (so we can draw one winner from all the correct entries). Bring us your entry or mail it back in another envelope.

NOTE: Participation in this game authorizes release of your name in our promotional materials, such as our newsletters.

THE RULES: All the words listed on the side appear vertically, horizontally, diagonally or backwards in the box. Circle or draw a line through the words you find and cross out those words in the list. The remaining letters spell out our message to you.

F	S	I	A	P	L	A	Y	O	F	F	S	S	S	L	R	D
R	L	K	N	U	P	R	N	I	A	R	E	I	L	E	E	G
N	E	O	C	C	D	G	I	S	A	X	T	A	V	D	N	P
I	L	F	W	O	O	I	M	E	A	F	B	E	U	I	O	G
Y	O	A	U	E	L	M	T	T	L	E	F	C	G	L	R	N
A	R	I	N	N	R	C	E	I	S	E	T	G	L	A	R	I
D	E	R	E	D	D	S	D	A	L	I	O	E	B	I	S	N
S	V	S	R	T	S	O	B	B	O	J	N	H	O	F	D	E
R	O	O	U	R	F	C	I	N	T	O	S	H	P	I	E	D
E	S	R	I	F	R	T	A	D	G	H	U	S	S	T	E	R
H	S	S	A	E	R	E	L	P	R	N	G	T	E	A	W	A
T	A	D	T	E	X	E	S	A	I	A	I	I	D	S	R	G
A	P	S	V	P	D	P	N	D	T	N	Y	N	L	O	O	T
F	A	N	E	O	I	H	E	E	A	R	G	K	A	Y	O	R
E	O	N	M	L	E	N	I	H	S	N	U	S	C	E	A	R
C	S	E	U	Y	A	D	S	R	E	H	T	O	M	A	L	D
E	R	T	T	H	L	L	A	B	T	E	K	S	A	B	B	C

AUDIT, BACKYARD, BASEBALL, BASKETBALL, CLEANING, CLOCKS, CONVERTIBLE, DAFFODIL, DAYLIGHT, DEDUCTION, EASTER, EXPENSE, FATHER'S DAY, FEVER, FLOWERS, GARDENING, INCOME, IRS, JOGGING, LANDSCAPING, MOTHER'S DAY, OUTDOOR, PASSOVER, PLAYOFFS, POLLEN, RAIN, REFUND, REMODEL, ROSES, SUNSHINE, TAXES, TRASH, TULIPS, WEEDS

Last issue's answer:

Make the maximum tax deductible contributions into your IRA by April.

Fun 'n Games pays longtime CU friend

Shirley Gilliland, a longtime credit union employee who retired last year, was so happy to be able to enter the game. She'll be delighted when she learns that she's the winner of movie tickets in our quarterly *Fun 'n Games contest*. Shirley's name was drawn from CU members who solved the last issue's game. Be sure to solve this

Upcoming
Holidays



WE'LL JOIN YOU IN OBSERVING

Memorial Day	May 29
Independence Day	July 4

issue's puzzle — maybe you'll be our next winner!

Sign up for on-line credit card protection

Kaiperm Diablo FCU participates in the *Verified by Visa* program, an Internet security control system. Participants sign up their cards with a password they use anytime they

purchase products on-line, which prevents unauthorized on-line card use.

Kaiperm credit card holders may sign up for *Verified by Visa* via a link on the credit union website.

How are your Credit Union investments doing?

LOAN PAYBACK: A 2% refund on loan rates less than 5%; 7% refund on loan rates equal to or greater than 5% (exception: VISA, earns cash back). Save \$\$ — borrow from this business that you own!

DIVIDENDS: 1.4% annual rate/APY paid for first quarter of 2006 to your Share, Checking (Share Draft*), Club and IRA accounts. Call us for today's rates on your term Accounts — there have been some rate increases!

* Paid on average monthly balance of \$250 or more

APY: Annual Percentage Yield.

E-Statements — the easy way!

Get your Member Statement via e-mail, and instantly view, print and/or save it. (Complete this form and give us a temporary password for privacy.)

E-STATEMENT REQUEST for Kaiperm Diablo Federal Credit Union

Member No. _____ Member Name _____

I authorize KDFCU to discontinue sending me paper statements, and begin sending my statements via e-mail. I understand the information will be compressed, encrypted and password protected. I understand I may receive additional messages from the Credit Union. Electronic reproduction of this authorization is valid as original. I will alert the Credit Union of any changes to my e-mail address. I understand that failure to keep my e-mail or postal address current will result in a fee as disclosed on the Periodic Fee Schedule.

E-mail address _____

Temporary 4-digit Password _____

Phones: Daytime _____ Evening _____

Signature _____ Date _____

— PEOPLE HELPING PEOPLE —

Kaiperm Diablo Federal Credit Union

Visit us at: 1600 South Main Street
Send mail to us at: P.O. Box 4928
Walnut Creek, CA 94596-0928
Phone: (925) 295-5626; touch 2
FAX: (925) 295-4369
Website: www.kdfcu.org
E-mail: kdfcu@kdfcu.org

AUDIO-RESPONSE SERVICE (925) 295-5626; touch 1

OUR BUSINESS HOURS

WALNUT CREEK (1600 South Main)
Weekdays: 8 a.m. — 4 p.m.

MARTINEZ
Monday: 8 a.m. — 4 p.m.
Thursday: 8 a.m. — noon

PLEASANTON
Wednesday: 12:30 p.m. — 2:30 p.m.

LIVERMORE
Wednesday: 10:30 a.m. — 11:40 a.m.
(second Wednesday of month only)

ANTIOCH
Thursday: 12:30 — 2 p.m.
(second Thursday of month only)

DEER VALLEY
Thursday: 2:20 — 4:15 p.m.
(second Thursday of month only)

DATA CENTER, PARK SHADELANDS
Interoffice mail and/or telephone (above)

WE'RE HERE TO HELP YOU!

C.E.O.	Marion Morris
Loan Manager	Lori Antonini
Accounting	Carol Cuddihy
Member Service Representatives	Helena Safarova Donna Lohrmann Michael Deeying Alicia Devine-Drago

HOW ARE WE DOING?

	Feb. '06	Feb. '05
Assets	\$51,592,467	\$49,649,252
Shares	\$43,149,954	\$41,682,603
Loans	\$27,395,989	\$20,932,059
Members	4,703	4,695

Your savings are federally insured to \$100,000 by the National Credit Union Administration.
NCUA
a U.S. Government Agency.
Your IRA investments are insured to an additional \$100,000.



Equal Housing Lender