

Quarterly Newsletter

from Brewer Federal Credit Union

The Benefits of Refinancing

In today's fast-paced world, financial situations can change rapidly, and it's essential to adapt to these changes to maximize our financial well-being. One powerful tool that individuals and businesses can utilize to their advantage is refinancing. This article will explore the benefits of refinancing and how it can help individuals and businesses achieve their financial goals.

Lower Interest Rates

One of the primary reasons people consider refinancing is to secure a lower interest rate. As economic conditions evolve, interest rates fluctuate, providing an opportunity for borrowers to refinance their existing loans at a more favorable rate. By securing a lower interest rate, borrowers can reduce their monthly payments and save a significant amount of money over the life of the loan. This is particularly beneficial for long-term loans, such as mortgages, where even a slight reduction in interest rate can result in substantial savings.

Debt Consolidation

Dealing with multiple loans or high-interest debts can be overwhelming and financially draining. Refinancing provides an opportunity to consolidate multiple debts into a single loan with a lower interest rate. By consolidating debts, borrowers can simplify their financial obligations, streamline their payments, and potentially reduce their overall interest expenses. This approach not only saves money but also makes it easier to manage and track debts.

Improved Cash Flow

Refinancing can also improve cash flow by extending the loan term. For individuals or businesses facing financial difficulties, refinancing can provide a way to reduce monthly payments by spreading them out over a longer period.

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What Happens When Your Debit Card Expires?

If you have a debit card, you've likely noticed the date printed on the front. This is your card's expiration date. All debit cards expire within two to five years from the date of issuance, so it's important to keep that date in mind as you make payments, withdraw cash from ATMs, or link your card to cover recurring bills. If you're wondering why cards expire and what you should do when that date comes, we've got you covered.

Why do cards expire?

Increased Security

Cards expire to protect you, the consumer. The longer someone is in possession of a debit or credit card, the greater the chance of fraudulent usage. An expiration date adds an extra layer of fraud protection to your account. The expiration date and the 3-digit number on the back of your card (CVV) are often used as a verification method when using your card online or over the phone. If someone has obtained your card number, it will be more difficult for them to commit fraud if they don't have your card's expiration date. To make your card more secure, the expiration date and CVV number must change over time.

Wear Prevention

Debit cards are subject to wear and tear over time. The numbers can wear off, the magnetic strip or chip can get scratched, and the card can bend or crack—ultimately making your card unusable. If your card becomes unreadable and stops working unexpectedly, you can find yourself in a tough situation.



Technology Updates

Debit cards need to keep up with recent technology changes to both protect your finances and improve your card-using experience. When your old card expires, your credit union will issue you a new one—often with updated security and payment features. For example, it wasn't that long ago when people swiped their cards at most checkout stations instead of inserting the EMV chip. The chip process is much more secure. Technology continues to progress and, if you don't already have one, your card may eventually be updated to be contactless. These cards use NFC (Near Field Communication), which allows you to simply tap your card against the checkout station to make payments, eliminating the need to insert it into a point-of-sale terminal.

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Refinancing *(continued from front)*

This increased cash flow can be used to cover immediate expenses, invest in other opportunities, or simply build a financial safety net. By adjusting the loan term to better align with your current financial situation, refinancing allows for greater flexibility in managing your cash flow.

Access to Equity

Homeowners who have built up equity in their properties can leverage refinancing to access that equity. Through a cash-out refinance, borrowers can refinance their mortgage for an amount greater than what they owe and receive the difference in cash. This extra capital can be used for various purposes, such as home improvements, education expenses, debt consolidation, or investments. By utilizing the equity in their homes, individuals can make strategic financial moves to improve their overall financial well-being.

Change in Loan Terms

Refinancing also provides an opportunity to change the terms of a loan. For example, borrowers may choose to switch from an adjustable-rate mortgage to a fixed-rate mortgage to provide stability and predictability in monthly payments. Alternatively, they may choose to shorten the loan term to pay off the debt sooner. By tailoring loan terms to match changing financial goals and circumstances, individuals can optimize their financial strategies.

Refinancing offers a range of benefits that can positively impact individuals and businesses alike. From obtaining lower interest rates to debt consolidation, improved cash flow, accessing equity, and adjusting loan terms, refinancing provides a powerful tool to optimize financial situations. However, it's crucial to consider the associated costs, such as closing fees and potential prepayment penalties, and evaluate the long-term impact before proceeding with refinancing. Seeking advice from financial professionals can help ensure that refinancing aligns with your specific financial objectives and leads to a brighter and more secure financial future.

What Happens When Your Debit Card Expires

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What should you do when your card expires?

Activate Your New Card

Whether you get your new card in the mail or in-branch, it will typically have an activation sticker on the front that explains how to activate the card. It may direct you to your credit union's website or app, but it most commonly shows an activation number for you to call. Simply call the number and follow the prompts. You'll likely need to enter the 16-digit card number, the CVV number, and PIN to activate the card. Alternately, you can just use your new debit card to make an in-store purchase using a card reader. Run the transaction as debit and enter your PIN, and your card will be officially activated. If you run the transaction as credit, it will not work. If you didn't already have an established PIN, you'll have to use the first method for activation.

Dispose of Your Expired Card

Your debit card expires on the last day of the month shown on the front of your card. For example, if your card lists 12/22 on the front, you'll be able to use that card for the entirety of December. However, as soon as January begins, your card will no longer work. As soon you activate your new card, you should dispose of your old card. However, don't just simply throw it away. This increases the likelihood of a fraudster getting ahold of your card and stealing your identity. Instead, shred your card or cut it up into small pieces. For even more protection, dispose of the pieces in a few different trash bags. This reduces the chance of someone piecing together your card. While it would be a lot of work, the benefits can outweigh the negatives for fraudsters.

Update Your Billing Information

When you get a new debit card, you need to update your billing information on all accounts that were linked to your previous card. While your card number may be unchanged, you'll have a different expiration date and CVV number. Updating that information can prevent missed payments or late fees. Take some time to also think about where your card has been linked. Perhaps you've linked the card on Venmo, PayPal, Amazon, or even to automated utility bills. Be sure to do an inventory of everywhere you have your debit card information saved to ensure nothing slips through the cracks.

Questions?

Make sure to take the necessary steps after you receive your new card to limit the risk of fraud and to ensure a positive card usage experience! If you have any questions about your debit card, contact your local credit union.

Credit Union Hours

Lobby and Drive-Thru

Monday–Wednesday

8:00 A.M. – 4:00 P.M.

Thursday and Friday

8:00 A.M. – 5:00 P.M.

Saturday

8:00 A.M. – 12:00 P.M.

*Saturday hours offered at
77 North Main Street only*

Office Locations

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Holiday Closings

Independence Day

Tuesday, July 4

Labor Day

Monday, September 4

Indigenous Peoples' Day

Monday, October 9

