

YOUR MONEY\$ WORTH

Website: www.kalsee.com

E-mail: kalsee@kalsee.com

REAL, COMPREHENSIVE IDENTITY THEFT COVERAGE ON IT'S WAY FEBRUARY 1, 2012

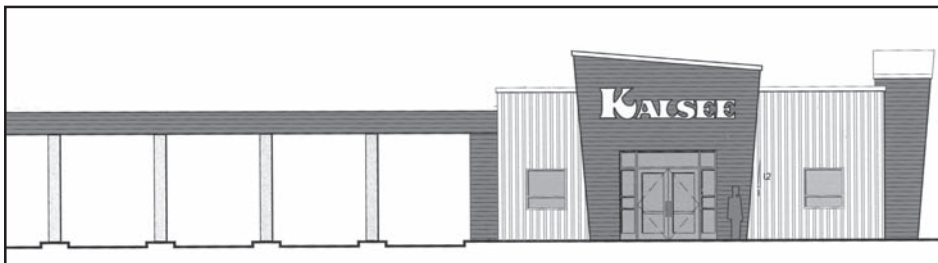
With the alarming growth of identity theft, KALSEE Credit Union feels the need to protect our members with REAL, comprehensive identity theft protection service.

Introducing our identity theft protection service, powered by IDProtect™. For an incredibly low fee of \$2 per month deducted automatically from your account on the 5th of each month, the identity theft protection service features:

- Comprehensive identity theft protection for you, including anyone joint on your KALSEE account AND your family; all for \$2 per month!
- Credit File Monitoring.
- 3-in-1 Credit Report.
- Credit Score.
- Comprehensive Identity Theft Resolution Services.
- Debit and credit card registration.
- An ID theft recovery case plan to inform you of the recovery process.
- Toll-free access to a dedicated consumer fraud specialist.
- An online identity theft news center and valuable phone and website resources.
- Up to \$10,000 identity fraud expense reimbursement coverage per incident.

As of February 1, 2012, the IDProtect™ service will be automatically enabled on most KALSEE accounts with Checking for the low monthly fee of \$2. **HOWEVER, PLEASE NOTE:** If you do not have a KALSEE Checking account, you are entirely eligible to receive the IDProtect™ service by contacting any KALSEE office.

Protecting your identity is extremely important to us. The statistics about the devastation due to identity theft are eye-opening. In today's world, identity theft protection is critical. This truly dynamic, new KALSEE service begins covering most KALSEE checking account holders AND THEIR FAMILIES as of February 1, 2012. For additional information, please logon to our home page at www.kalsee.com. ■



NEW WESTSIDE KALSEE OFFICE WILL BE UNIQUE!

Coming this Spring... KALSEE is extremely pleased to open our brand new office, conveniently located near the corner of Drake Road and Stadium Drive. The "Stadium" office is a peek into the future of how people will conduct transactions at a financial institution! Outside, the new office will have four drive thru lanes and one ATM lane... and of course there will be Saturday hours! But the lobby area of our new full-service Stadium office is going to be amazing – a completely open environment. You won't see typical teller windows and counters. Your KALSEE staff will serve whatever your financial needs are, at tables with secure cash dispensers. This new lobby layout concept is designed to make you feel completely at home in a friendly atmosphere the moment you walk in the door! We'll keep you updated on the progress, but the next time you drive by Drake & Stadium, be sure to honk at the construction crew!!! ■

FOR YOUNGER INVESTORS TIME IS YOUR GREATEST ASSET

A Message from



FINANCIAL SERVICES

INVESTMENTS • RETIREMENT • INSURANCE

One of the greatest assets that young investors have working for them is time. Here are three keys to leveraging this valuable asset.

Start Early

Let's say you started investing \$12,000 a year in your employer's 401(k) when you were 21-years-old. At age 35 you stop your contributions and let the 401(k) grow until you were age 65. With an 8% annual return, your 401(k) would be worth \$3.27 million.

Now what would happen if you waited until you were 35-years-old before you started your 401(k) contributions? If you contributed that same \$12,000 a year and earned the same 8%, and continue investing for 30 years, you would have only \$1.48 million in your 401(k) at age 65. That's a more than 50% penalty for starting late.

Defer Taxes

If you had started early, but invested outside your 401(k) (and watched taxes take a bite out of earnings each year), your nest egg would have grown to only \$1.6 million. That's almost \$1.7 million less than the \$3.27 million that accumulated inside your 401(k). Hence the importance of deferring taxes by investing in tax-deferred accounts like a 401(k).

Invest for Growth

Utilize the power of stocks, with risk reduction through diversification, and the advantage of time, allowing your money the opportunity to grow as quickly as is reasonable.

Talk to a Professional

Just as investing early is key to your financial success, so is talking to a professional. Take some time out of your busy schedule to meet with an advisor who can help you set realistic goals and show you how to invest to achieve them. If you have any questions, or would like to provide feedback, regarding the information presented in this article, you may contact:

Gary R. Verdries, CFP

MEMBERS Financial Services Program
Located at the KALSEE Westside Office in Portage
Call (269) 382-7898

Representatives are registered, securities are sold, and investment advisory services offered through CUNA Brokerage Services, Inc. (CBSI), member NASD/SIPC, a registered broker/dealer and investment advisor, 2000 Heritage Way, Waverly, Iowa 50677, toll-free (866) 512-6109. **Nondeposit investment and insurance products are not federally insured, involve investment risk, may lose value and are not obligations of or guaranteed by the financial institution.** CBSI is under contract with the financial institution, through the financial services program, to make securities available to members.

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DIVIDEND NEWS

APY = Annual Percentage Yield

Minimum Balance Required to Earn APY **4th Quarter 2011**

Certificate of Deposit Rates

Term	APY	\$10,000 or more APY
6 month	0.50	
1 year	0.65	0.75
2 year	0.95	1.05
3 year	1.25	1.35
4 year	1.75	1.85
5 year	2.00	2.10

Money Market Club 66	\$2,000.00	Jan 12
Under \$2,000		0.25
\$2,000 to \$19,999		0.35
\$20,000 to \$74,999		0.55
\$75,000 plus		0.75

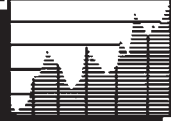
IRA Deposit Accounts	\$100.00	0.75
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*** Proposed Account Rates for next Quarter ***

Hi-Yield Share Account	\$50.00	APY
Under \$2,000		0.25
\$2,000 to \$9,999		0.30
\$10,000 to \$19,999		0.35
\$20,000 plus		0.45
Regular, Secondary Shares	\$50.00	0.25
Christmas Club	\$1.00	0.25
Vacation Club	\$50.00	0.25

For the most current rates, please check our website, kalsee.com.

Statistically Speaking



As of November 30, 2011

ASSETS	\$127,050,274.27
SAVINGS	\$111,214,336.91
LOANS	\$64,753,303.77
MEMBERS	21,190

PUBLISHED QUARTERLY BY



Our Family Serving Yours!

MAILING ADDRESS: P.O. Box 3006
Kalamazoo, MI 49003

MAIN OFFICE: 2501 Millcork Street
Kalamazoo, MI (269) 382-7800

BRANCH OFFICES:
7225 S. Westnedge Ave.
Portage, MI
(269) 323-9600

316 W. Mosel Kalamazoo, MI (269) 382-4236

1585 W. Dickman Springfield, MI (269) 962-1224

LOBBY & DRIVE-THRU HOURS:
Mon-Wed-Thurs-Fri — 9:00 a.m. to 5:00 p.m.
Tuesdays — 10:00 a.m. to 5:00 p.m.

WESTNEDGE DRIVE-THRU HOURS:
Mon-Tues-Wed-Thurs-Fri — 8:30 a.m. to 7:00 p.m.
Saturdays — 9:00 a.m. to 2:00 p.m.

BATTLE CREEK DRIVE-THRU HOURS:
Mon-Wed-Thurs-Fri — 8:30 a.m. to 6:00 p.m.
Tuesdays — 10:00 a.m. to 6:00 p.m.
Saturdays — 9:00 a.m. to 12:00 p.m.

SERVING PEOPLE WHO LIVE, WORK OR ARE EDUCATED IN THE KALAMAZOO AREA

TOLL FREE: (877) KALSEE1

IT'S VISA 1.99% BALANCE TRANSFER TIME!!!

The time to cut your credit card payments is now – AFTER your Holiday spending spree! Bring your high interest credit card balances to KALSEE and transfer the balance for a 1.99% APR rate that goes and goes... **for SIX months!** That will take the edge off those insufferable high interest rate credit cards! And in case you didn't know, the regular low, fixed rate for KALSEE's Platinum Preferred VISA card just 8.9% APR including Scorecard Rewards while our Classic VISA card is only 10.9% APR, making for a soft landing once the six month rate expires. As you can see, when it comes to credit cards, you won't find a better deal than KALSEE's VISA card program. You'll find a Balance Transfer form in your December KALSEE Statement or eStatement. You can also obtain one by clicking on the 1.99% VISA Balance Transfer "Banner" on our home page at kalsee.com. Hurry! This offer is for a limited time only! ■

TOYS FOR TOTS: THANK YOU!

KALSEE Members are simply THE BEST! When we announced that we were a Toys For Tots Outlet, we were pleasantly surprised to receive an incredible amount of new, unwrapped toys from you. This is what happens when kind-hearted people like our members do the right thing! One anonymous person walked in KALSEE's S. Westnedge Office and dropped off a new bicycle! The love and enthusiasm you have demonstrated during the Season for needy kids is remarkable. Thank You SO MUCH!!! ■

DEBT COUNSELING ASSISTANCE

If you are experiencing any credit or debt problems, you are invited to meet with a State licensed debt counselor. We currently have three dates scheduled.

Tuesday, January 17th • Thursday, February 16th • Thursday, March 15th

These meetings will be held at the Millcork Street office. Your initial meeting is free, confidential and will take about an hour. You will need to call Kim at KALSEE Credit Union's Millcork Street office at (269) 382-7802 to schedule an appointment.

Please bring the following information with you for the appointment:

- + Paycheck stubs (2 or more preferably)
- + Any and ALL bills
- + Bank/Credit Union Statements
- + Personal debt (family, friends, etc.)
- + savings and checking
- + Previous years taxes (if possible)

Make a note of the dates above. This is by appointment only, so be sure to call ahead for your appointment. Please call; (269) 382-7802. We look forward to meeting you and assisting you with achieving your financial goals. We will make arrangements and announce future dates as they become available. ■

BLIPS AND BILLBOARDS

"DORMANT ACCOUNT" FEE INFORMATION GUIDELINES: If you are over 17 years of age, your Regular share account is less than \$100, there are no sub-accounts under this account number, and your account has been inactive for more than one (1) year, \$5.00 will be deducted from your account at the end of each calendar month until such time that you use your account. REMEMBER: You can easily avoid this dormant account fee by using your Regular share account as well as the many other services that your Credit Union offers. (Cashing checks is not considered account activity.) ■

KALSEE'S ANNUAL MEETING Date: Wed., March 14, 2012 Time: 6:00 P.M.
Location: 2501 Millcork St., Kalamazoo, MI. Light refreshments served at 5:30 P.M.

Election Procedures: The nominating committee will advise the General Manager in writing, within 60 days of the Annual Meeting of the individuals they are nominating to fill the vacancies on the Board of Directors. The General Manager will submit to all members in writing the names of the individuals nominated and will also post the names at all office locations. The normal form of written notice will be via the January newsletter that is mailed out with your year-end statements. If you wish to run or nominate another individual, you must submit the nomination in writing over the signatures of one hundred (100) members on nomination forms which can be obtained from any KALSEE office location. In addition, an approved application for election to the Board of Directors must be completed in conjunction with each nominee. All nominations shall be filed with the General Manager at the 2501 Millcork St. location at least 45 days prior to the annual meeting. No names may be inserted in the ballot at any time except as provided above. If more than one person is nominated for each vacancy, a mail ballot shall be mailed to all members 16 years and over within 15 days of the annual meeting. Mail ballots must be received back no later than 3 days prior to the annual meeting in the envelope provided. This year, the nominating committee has advised the General Manager that they are nominating Rudy Callen and Robert Moore to fill the two Board positions up for election. ■

Your savings federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government

NCUA

National Credit Union Administration, a U.S. Government Agency