



27th ANNUAL MEMBERSHIP MEETING

Our Annual Meeting will be held this year at Holiday Inn, on April 16, 2011, with a social hour beginning at 5:30 pm followed by dinner and business meeting. Please plan to purchase your tickets early this year at a price of \$10.00 from any office. You may also purchase these tickets by calling any of our offices.

Secretary Notice of Nomination and Election Procedure:

The nominating committee from the Board of Directors has nominated the following individuals to fill two seats expir-

ing in 2011: incumbents Lee Sandy and Polly Piltz. Nominations for vacancies on the Board of Directors can also be made by submitting a petition signed by 1% of the current credit union membership (1% of the credit union membership is equal to 108 members). The petition must be submitted to the Nominating Committee no later than 30 days prior to the Annual meeting or March 17. Qualifications for Directors are that you must be at least 18 years of age, a member in good standing (no delinquencies or existing bad debt with the credit union), not an employee

or an immediate family member of an employee. Any properly qualified member who submits a properly signed petition will have his/her name placed on the 2011 Forest Area Federal Credit Union Board of Director's ballot. There will be no ballot distributed if the number of nominations equals the number of positions to be filled. The term of office is three years and requires continuing education and attendance at monthly meetings. Contact Merri Nixon or Robert Raden for more information on the duties of a Volunteer Board Member or other volunteer position.

Special points of interest:

- Be sure to keep this month's statement, as it also serves as your 1099 tax form.
- All offices will be closed on February 21st, President's Day, for an employee training event.
- Get your taxes in soon to avoid the big rush! Call 879-3864 for more details on having your taxes prepared and E-Filed by Forest Area Services, LLC.

ENTER YOUR EMAIL, WIN A GPS SYSTEM

ITS EASY TO ENTER. Enter your email address in **It's Me 247** online banking using the "My Personal Information" button under "Preferences" tab. —or— Submit your email address to any credit union staff member for entry.

One (1) Prize Winner will be selected on or about March 5, 2011 by a random

drawing from all qualified entries received by a participating CU*Answers' Credit Union (Forest Area FCU's Data Processor), between January 1st and February 28th, 2011. No purchase necessary. Void where prohibited by law. Members from all participating credit unions will be eligible for this one prize



Shares APR % declared for funds on deposit 10/01-12/31/10

\$0.01—\$499.99 0.25%

\$500—\$2,499.99 0.35%

\$2,500 and over 0.50%

12 Month CD 0.75%

IRA Deposits
Effective 1/1/11 2.53% APY

*APY stands for Annual Percentage Yield

Fife Lake Branch

638 Boyd St.
PO Box 118
Fife Lake, MI 49633
Phone: (231) 879-4154
Fax: (231) 879-3989

Kalkaska Branch

782 S. Cedar St.
PO Box 901
Kalkaska, MI 49646
Phone: (231) 258-2665
Fax: (231) 258-6781

Kingsley Branch

6966 Cougar Trail
PO Box 642
Kingsley, MI 49649
Phone: (231) 263-3790
Fax: (231) 263-3793

Manton Branch

516 N. Michigan Ave.
PO Box 593
Manton, MI 49663
Phone: (231) 824-3060
Fax: (231) 824-3362

Look for us on FACEBOOK and check out our daily money saving tips.

CONSIDERING A LOAN — CHECK WITH US

Auto Loans

Your dream car may vary, but your road to buying it should come through Forest Area Federal Credit Union. You deserve the affordable rate, convenient terms, and incredible service your credit union can provide. When shopping for a vehicle, you want quality at a fair price. Do the same with your auto loan and check out the great deals your credit union has to offer. We can make the car of your dreams a reality.

Remember - if you didn't finance your car at Forest Area Federal Credit Union, it could be costing you big bucks. Call us to find how much we can save you by refinancing that new or used car.

Best Value

Whether purchasing or refinancing, a home mortgage from your credit union is the best value. You're dealing with people who know you and are working in your best interest. At your credit union members'

needs come first. We will work with you to make sure you're getting the right loan for your needs.

Payday Loans

You should know the hard truth about Payday Loans. When you need just a little more to get you through to payday be careful before you take out a payday loan. This increasingly popular line of credit will provide you with the \$100 or \$200 you need to get by until your next paycheck arrives. But the price for this easy cash at most outlets, can cost from 261% APR (annual percentage rate) on up. Also known as cash-advance loans, postdated check loans, or delayed deposit check loans, payday loans are a star product at check-cashing outlets. Touted as a convenient financial Band-aid, they charge exorbitant fees to consumers, many of whom already are in trouble. Because of their triple-digit interest rates, payday loans shouldn't

even be the financial choice of last resort. By looking at the true price of payday loans in comparison with other credit sources, consumers can see the long term financial benefits of avoiding such costly short-term fixes.

Your first stop should be your credit union. We are very proactive in providing financial counseling for our members. Members should feel free to walk in, call or send us an email and ask questions, gather information, and look at some of the other avenues available like a revolving line of credit..



FOREST AREA COLLEGE SCHOLARSHIPS

If you are a High School Senior or the parent of a High School Senior and have made plans to attend college in the fall, apply for one of the \$500.00 scholarships to be given to one student from each high school located in our branch location towns. One scholarship is planned to be given at each high school.

To qualify for the scholarship you:

Must be a member of the Forest Area Federal Credit Union

Complete and return an application to the credit union by April 15, 2011

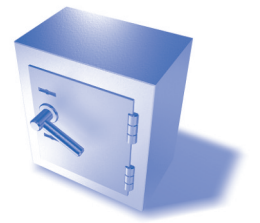
Must be a student in good standing and have a minimum 3.00 grade point average

Study for a degree in any field but preference may be given if an applicant is studying in finance or business.

To apply contact your high school counselor or a Forest Area FCU staff member.



Our Privacy Notice



Keeping your personal information secure has become increasingly important.

“Use caution when disclosing your account numbers, social security numbers, etc. to other persons. If someone calls you, explains the call is on behalf of the credit union, and asks for your account number, you should beware. Official credit union staff will have access to your information and will not need to ask for it.”

FACTS	WHAT DOES FOREST AREA FEDERAL CREDIT UNION DO WITH YOUR PERSONAL INFORMATION?
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: Social security number, Account balances, Credit History & Credit Score. When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.
How?	All financial companies need to share member’s personal information to run their everyday business. In the section below, we list the reasons financial companies can share their personal information; the reasons Forest Area Federal Credit Union chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Forest Area Federal Credit Union Share?	Can you limit this sharing?
For our everyday business purposes — such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes — to offer our products and services to you	Yes	Yes
For joint marketing with other financial companies	Yes	Yes
For our affiliates’ everyday business purposes — information about your transactions and experiences	Yes	No
For our affiliates’ everyday business purposes — information about your creditworthiness	No	We don’t share
For our affiliates to market to you	Yes	Yes
For non-affiliates to market to you	Yes	Yes

To Limit our Sharing	<p>• Call 888-879-4154</p> <p>Please note: If you are a <i>new</i> customer, we can begin sharing your information from the date we sent this notice. When you are no longer our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.</p>
Questions?	Call 888-879-4154

Who We are	
Who is providing this notice?	Forest Area Federal Credit Union
What we do	
How does Forest Area Federal Credit Union protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Forest Area Federal Credit Union collect my personal information?	We collect your personal information, for example, when you 1) Open an account or Deposit money 2) Apply for a loan or give us your income information 3) Provide account information We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can’t I limit all sharing?	Federal law gives you the right to limit only sharing for affiliates’ everyday business purposes—1) information about your creditworthiness 2) affiliates from using your information to market to you 3) sharing for non-affiliates to market to you 4) State laws and individual companies may give you additional rights to limit sharing.
What happens when I limit sharing for an account I hold jointly with someone else?	The limitations will apply to all joint owners on the account.

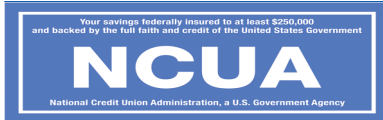
Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. Forest Area Services, LLC CU*Answers
Non-Affiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. Allied Solutions CUNA Mutual
Joint Marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. Invest in America



Forest Area FCU Newsletter

Visit us Online!

www.forestarea.com



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



From our CEO: I would like to wish our membership a Happy New Year! Your Credit Union looks forward to continuing our relationship in the coming year by providing you with innovative products and outstanding member service. I especially want to thank all of the members who helped the credit union raise money this past year to donate to great charitable organizations. This is truly a gift the Credit Union could not give without you!! I wish all of you a prosperous 2011. Merri Nixon, CEO

CHRISTMAS CLUB BENEFITS

Wouldn't it be nice to have money for Christmas set aside each year? With a Forest Area FCU Christmas Club, you can be financially prepared for every holiday season. Christmas Clubs are frozen accounts, so your deposits are safe from casual expenses throughout the year. These accounts also receive a higher interest rate than our regular

share accounts. Each year, your savings will be released overnight on October 31st, signaling to you that it's time to start your shopping.



Explore our Services



- Free Online Banking
- Free Bill Pay
- Free Checking
- Free Notary Service

NEW Free Financial Counseling

Free IRA Administration

Earn Score Card Points for Debit Card Use

Earn Score Card Points for Visa Card Use

NEW SHARE BRANCH RULES

Effective February 1, 2011, members visiting an Xtend Shared Branch Credit Union will be required to present a valid government issued picture ID when performing a shared branch transaction. **MEMBERS WILL NEED TO KNOW THEIR FULL ACCOUNT NUMBER** to be served by a shared branch teller.

You may have noticed that some shared branch credit unions are already requesting this information and also other security questions may be asked. In the future other enhancements will be made to further protect the account from fraud and unauthorized access. Some of these requirements could be Code Words on all accounts, the last four digits of an account owner's social security number or even the account owner's drivers license number. Our credit union will monitor these new requirements and will notify you of any changes necessary. We already are updating Code Words in our offices and suggest that you consider adding that to your account the next time you visit one of our offices or add it on **It's Me 247** online banking in My Personal Information under the Preferences tab.

ANNUAL NOTICE OF REQUIRED PROPERTY INSURANCE: If you have a loan with Forest Area Federal Credit Union which gives the credit union a lien on your vehicle, home or other property you are required to provide us a copy of the insurance coverage and list the credit union as an additional insured on your policy. Please ask that your insurance company provide the annual paid policy statement to us.

Forest Area FCU

Notes and Numbers

Board of Directors

Lee Sandy—Chairman

Donald Crawford—Vice-Chair

Polly Piltz—Treasurer

Jack Lyon—Secretary

Richard Gray—Board Member

Rex Reed—Board Member

Lyle Spalding—Board Member

Alan McCullen—Associate Director

Asset Size as of 11/30/10

\$77,842,783.47

Number of Members as of 11/30/10

10,819

Our mission is to provide our members with quality financial services, giving special attention to their individual needs.