



Kitsap Credit Union In Our Community

Oct. 4	Naval Base Kitsap Keyport Chili Cook Off	Oct. 20	Healthy Tomorrow Award Dinner
Oct. 11 & 12	AARP Driver's Safety Course	Oct. 20	International Credit Union Day
Oct. 20	Washington C.A.S.H.'s C.A.S.H. Works – A Celebration of local Entrepreneurs	Nov. 3	CFC Harlem Ambassadors Basketball Tournament
		Nov. 5	Asset Building Coalition of Kitsap – Survive & Thrive Financial Fair

CEO Update

In light of ongoing messages about political gridlock and the economy, it is especially gratifying for me to share good news about your Credit Union. First, I'm pleased to share that we have launched the much-anticipated mobile products! Kitsap Credit Union members now have free access to banking and bill pay services through our mobile website, as well as banking services through free Android and iPhone apps. And, we're already planning enhancements to bring bill pay to the Android and iPhone apps next year.

We have also decided to formally adopt a new logo. Nearly 18 months ago, we embarked on a long-term marketing campaign called, "Keep Up the Good Work." Introduced with this campaign was a warm and colorful logo that artistically depicts the local working families we serve. We will gradually begin to upgrade many visual elements with the new logo, such as our website, branch signs, brochures, and forms.

More good news is that we remain focused on serving our members

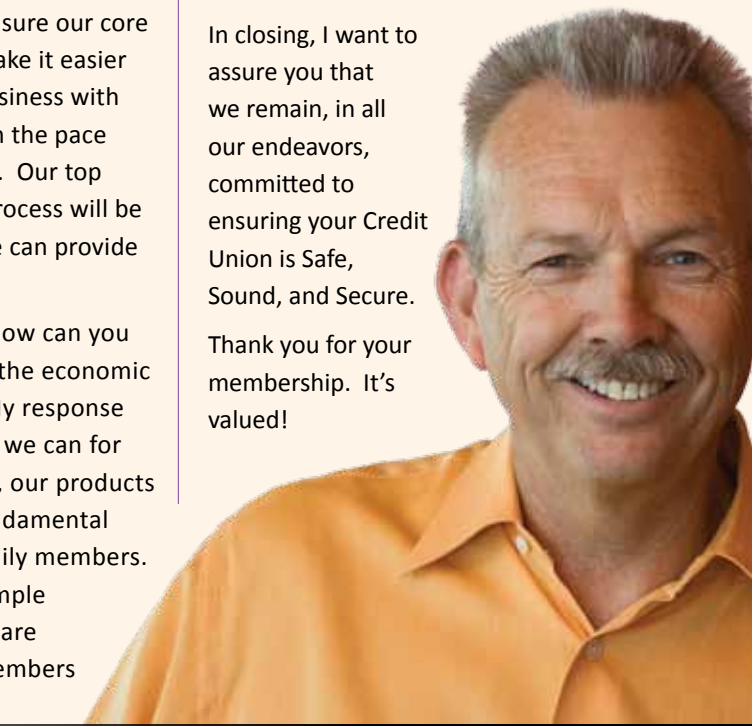
today, as illustrated by the launch of mobile banking, and in the future. Among our long-range plans include analysis of a potential upgrade to our core information technology system. We've been serving our members from the same operational platform for the past 20 years. Although we've added enhancements as the system advanced, and as products and services demanded, we want to ensure our core system will continue to make it easier for our members to do business with us, as well as keep up with the pace of technological advances. Our top priority throughout this process will be maximizing the service we can provide to you, our members.

Many members ask me, how can you plan for the future when the economic future is so uncertain? My response is that we must plan, and we can for three solid reasons. First, our products and services are core, fundamental needs of our working family members. From cars to homes to simple checking accounts, these are everyday needs of our members

during good or tough economic times. Second, our cooperative model has performed solidly throughout these challenging years. Our reserves have carried us through and we never stopped lending to our membership. Lastly, we have been planning and growing for over 78 years now and this same care and commitment is needed today more than ever.

In closing, I want to assure you that we remain, in all our endeavors, committed to ensuring your Credit Union is Safe, Sound, and Secure.

Thank you for your membership. It's valued!



Elliot Gregg

President/CEO, Community Champion, Numbers Guru



An Auto Loan That Puts You First

New & Used Auto Loans

We are owned by our members. And as a financial co-op, we make decisions that are best for our members. That's why they've made us Kitsap's number one auto lender for years.

as low as
3.99% APR¹
 up to 72 months • \$0 down

Buying is easy. You have choices:

- Visit any of our branches,
- Apply online at kitsapcu.org,
- Get a same day KCU auto loan at one of our dealer partners, listed at kitsapcu.org

¹APR refers to the minimum Annual Percentage Rate. The APR assumes borrower will set up and maintain automatic monthly payments for the life of the loan. This APR is a Limited Time Offer. On approved credit. The rate for which the borrower qualifies will depend on the borrower's credit score, term of the loan, down payment, and past credit performance. On new, untitled automobiles, Kitsap Credit Union will finance up to 100% of the purchase price plus tax, license, and warranty not to exceed \$2,000 or 110% of MSRP, whichever is less. Add 0.50% for model years 2004 to 2007. Example: A monthly payment on a loan amount of \$25,000, 72 month term, and a rate of 3.99% would be \$391.07.

Latoiya
Car Owner, Big Sister, Bargain Shopper

Protecting Against Fraud

Debit and Credit card fraud is the fastest-growing type of fraud, and much of it comes from criminal activities you can't control. At Kitsap Credit Union, we're proud of the measures we take to help protect your debit and credit cards. At first, some measures may seem a bit inconvenient, but everything we do is designed for your safety.

We actively monitor for fraud to identify trends that place members at risk, as a result, you may receive a phone call from us to verify transactions that appear outside of your normal credit or debit purchases. At times, it is necessary to

block certain types of credit and debit card activities, or certain regions in the world where known fraud is

occurring. Please understand we're only trying to protect you. Be patient, we'll work things out.

For questions you might have about plastic card fraud or any other concerns, contact us today at (360) 662-2000.



Board Of Directors Nomination By Petition Process



A Nominating Committee annually nominates KCU members to fill expiring terms on your Credit Union's Board of Directors. Additional nominations for the Board of Director terms may be made by petition. Ballots will be mailed to all members in February of each year, if additional nominees are received by petition.

If no nominations by petition are received, a mail ballot election will not be necessary. Nominations from the floor at the annual meeting in March, 2012 will not be entertained unless unforeseen circumstances prior to the election result in an insufficient number of candidates for the vacancies.

How to Nominate By Petition for 2012

The petition must contain the signatures, printed names and addresses of at least 500 current Kitsap Credit Union members. Nominations must be accompanied by the Candidate Application (brief statement of qualifications and biographical data), the Statement of Consent (agreement to serve if elected) and Statement of Disclosure. These required forms are available from the Administration Department at KCU's Bremerton Harborside office.

The petition and signed forms must reach the Secretary of the Board of Directors, Kitsap Credit Union, P.O. Box 990, Bremerton, WA 98337, no later than January 20, 2012.



Important Update on U.S. Savings Bonds

The U.S. Bureau of the Public Debt announced in July of this year that as of January 1, 2012, paper savings bonds will no longer be sold at financial institutions. This action, which supports the U.S. Department of the Treasury's goal to increase the number of electronic transactions with citizens and businesses, is projected to help save American taxpayers approximately \$70 million over the first five years.

But savings bonds are not going away. Kitsap Credit Union members can continue to purchase Series EE and I bonds through TreasuryDirect®, a secure, web-based system operated by the U.S. Bureau of Public Debt – where investors have been purchasing savings bonds, available 24/7, since 2002.

Those currently holding paper savings bonds can continue to redeem them at Kitsap Credit Union and other financial institutions. For more information about the elimination of paper savings bonds and how to enroll in TreasuryDirect®, visit www.treasurydirect.gov.



Flu & Pneumonia Shots Available

We are once again partnering with Maxim Health Care to make available seasonal influenza (flu) and pneumonia vaccinations for our members and their families. Flu shots are \$25 and pneumonia vaccinations are \$60. Maxim accepts Medicare Part B and Aetna insurance for flu and pneumonia shots. Medicare Part B must be the primary source of insurance in order to qualify.

Here is a schedule of the dates and times by branch.

October 11th
11:30 a.m. – 5:30 p.m.
East Bremerton Branch
6651 NW State Hwy 303

October 12th
11:30 a.m. – 5:30 p.m.
South Kitsap Branch
393 South Kitsap Blvd.

October 13th
11:30 a.m. – 5:30 p.m.
Silverdale Branch
9481 Silverdale Way NW

October 14th
11:30 a.m. – 5:30 p.m.
Bremerton Harborside Branch
155 Washington Ave.