

June 2010 Statement Changes for Loans

In this month's statement, you may see format changes for some of your loans. These changes are a result of the Regulation Z – Truth in Lending updates that were mandated by the Federal Reserve. Loans that appear in this new format will include the following sections: Information, Transactions, Fees, Interest Charged, Totals Year-to-Date and Interest Rate Detail.

The Information section includes the following:

- Loan Previous Balance – Ending balance on the prior statement
- New Balance – Ending balance for the statement
- Change to Balance – Amount the balance changed during the statement period
- Minimum Payment Due – Payment amount for the loan

Additionally, the Payment Due Date, Past Due as of Date, Credit Limit and Number of Payments may print in this section.

The Transactions section includes payments and advances to the loan. Payment details such as interest, late charges and the change to balance will no longer be provided. Fees and interest collected will not be printed in this section. The regulation mandates this information be reported in the Fees and Interest Charged sections.

The Fees section includes fees imposed on the loan, regardless if they affect the loan balance. Fees may include any late payment fees collected when a payment is applied to the loan, insurance or debt cancellation premiums and any one time fees. Fees collected from a share account may be reported in the fees section for a loan. A total of fees collected during the reporting period is also included in this section. Total fees may not reflect all activity in the section. The reversal of fees reported on a prior month's statement may not be reflected in the current month total. The total fees reported for the statement period will begin accumulating based on fees that were assessed during June and forward.

The Interest Charged section includes interest collected when payments are applied. A total of interest collected during the reporting period is also included in the section. The total may not reflect all activity in the section. The reversal of interest reported on a prior month's statement may not be reflected in the current month total. The total interest reported for the statement period will begin accumulating based on interest that was collected during June and forward.

The Totals Year-To-Date section includes the total fees and total interest charged for the reporting year.

The Interest Rate Detail section includes the interest rate and the balance subject to the interest rate for the time period applicable. An entry will record any change to the balance at the end of a day or the effective date of a rate change. If multiple transactions are applied on the same day, only the ending balance for the day will be reflected. There will not be an entry for each change in balance that happens on the same day.

We hope this overview of the new loan format will be helpful in reading and understanding the changes to your loan statement information.

If you need further assistance, please call a Member Services representative at 615-284-5356.