



FREQUENTLY ASKED QUESTIONS



Q. WHAT IS A MERGER?

A. A merger is an agreement between two organizations that have a common goal to grow and serve their members and communities. This is an opportunity for two successful individual organizations to come together and be a more successful single entity. The merger represents a mutually beneficial partnership that both organizations are entering into freely. This collaboration brings together two organizations to benefit the memberships of both organizations. Strategically, a merger allows both organizations to combine resources to grow in our communities, take better care of our current members and bring in new members. Credit union services are an important option, and this merger allows both credit unions to reach more consumers.

Q. WHY ARE FIRST UNITED CREDIT UNION AND NORTH CENTRAL AREA CREDIT UNION MERGING?

A. In today's competitive, regulatory environment, it has become increasingly difficult to provide high tech products and services and maintain compliance with state and federal regulations without a significant investment in human resources and technology. The merger provides both credit unions with the ability to offer its membership additional financial products and services that require increased staff expertise at lower operating costs.

There are many reasons credit unions look to seek a merger partner. In our case, the board's decision centered on the following list of important factors:

- Convenience- members will now have access to a total of five branches.
- Member Service- larger organization will allow us to bring things in house like a plastics department, call center and allowing our employees to grow in their department.
- Expanded/Improved Products and Services.
- More competitive loan and deposit rates.
- Employee Opportunities. Better benefits, wages, and position opportunities.
- Improved Technology.

Q. WHEN DOES THE MERGER TAKE PLACE?

A. The merger must be approved by the State of Michigan and the National Credit Union Administration. Once we have received approval from these government agencies, we will then ask First United CU members to vote and approve the merger. NCACU members do not vote due to First United CU merging into NCACU. At that time, you will receive more information about the merger. We expect that this will all take place during 2023.

Q. IS NORTH CENTRAL AREA CREDIT UNION BEING BOUGHT OUT OR ACQUIRED?

A. Absolutely not. This is a partnership between two successful organizations so that we can serve you, and our community, even better.

Q. WHO IS FIRST UNITED CREDIT UNION?

A. First United Credit Union originally served Wyoming, MI and continues to serve the greater Grand Rapids area. Visit www.FirstUnitedCU.org to find out more.

Q. WHAT WILL THE NAME OF THE NEW CREDIT UNION BE?

A. First United Credit Union will be changing its name to NCACU (North Central Area Credit Union)

Q. WHERE WILL THE CORPORATE OFFICE BE LOCATED AND WILL THE CURRENT LOCATIONS REMAIN OPEN?

A. The lobbies in Houghton Lake, Roscommon, Grayling and Standish will remain open and members will benefit from adding the Grandville office that First United CU currently has.

Q. WHEN WILL THE PARTNERSHIP BECOME OFFICIAL?

A. Tentatively, July 2023, pending regulatory and First United CU member approval.

Q. WHY DOES THIS PARTNERSHIP MAKE SENSE?

A. Coming together as one organization allows us to combine resources to grow in other communities, take better care of our current members, and to bring in new members.

Q. WHY MERGE NOW?

A. This is a unique time in the history of our economy, and it has created some new opportunities for two credit unions like First United CU and North Central Area CU. We've seen increased competition and growth within the credit union industry, and we've continued to see banks take a step back. This is a great opportunity to take a step forward for our members and communities.

Q. WHAT WILL HAPPEN TO THE EMPLOYEES?

A. You'll continue to still see the same friendly faces when you visit each location! A great benefit of this merger is that there is no overlap and that employee positions fit well in each organization. The team we are bringing together will enhance service and our members and communities.



FREQUENTLY ASKED QUESTIONS



Q. HOW MUCH IS THE MERGER GOING TO COST?

A. As a combined organization, we gain substantial savings through economies of scale. For example, both credit unions currently operate on the same data processing system, which will reduce costs going forward. We will also be combining phone systems, internet banking systems, card processors, and more. While there are short-term costs associated with combining credit unions, in the long term this positions us to be more efficient. It also helps us provide members with additional conveniences and enhanced products and services.

Q. WHAT'S IN IT FOR THE MEMBERS?

A. Many Things! More products and services and greater impact in your community. Also, the merged organization will allow two strong credit unions to join together to provide the opportunity to offer membership across the State of Michigan.

Q. ARE THERE ANY IMMEDIATE CHANGES THAT WILL IMPACT MY ACCOUNTS?

A. The change to accounts will be gradual and we will communicate with you throughout the process.

Q. WILL THIS AFFECT MY SERVICE AND WILL THERE BE SERVICE INTERRUPTIONS?

A. Same great service! You will only see positive changes, at this time, we do not anticipate any service interruptions, but we'll definitely keep you informed.

Q. WILL MY ACCOUNT NUMBERS CHANGE?

A. This is still being determined, at this time NCACU account numbers will not be affected.

Q. WILL ONLINE BANKING & TELEPHONE BANKING WORK THE SAME AND WILL I NEED TO SET UP NEW PASSWORDS FOR PHONE OR ONLINE BANKING.

A. This will not be affected as First United CU is merging into NCACU. You will be notified in advance of any changes.

Q. CAN I CONTINUE TO USE THE SAME CHECKS, ATM, DEBIT AND CREDIT CARD?

A. You will be able to use all of your existing checks. If that changes, provisions will be made to assist those members who have a large stock of unused checks. Debit and credit cards may change at some time in 2023. If that happens you will be notified well in advance and new cards will be issued to all members before the existing cards are deactivated.

Q. WILL MY DIRECT DEPOSIT, AUTOMATIC PAYMENTS, TRANSFERS, LOANS, & SAVINGS TRANSACTIONS CONTINUE WITHOUT INTERRUPTION?

A. Yes. If you currently have direct deposit of your payroll check, payroll deduction or direct deposit of pension or social security to your account, it will automatically continue without you having to do anything.

Q. WILL MY LOAN OR ACCOUNT RATES AND FEES CHANGE?

A. Rates on existing fixed-rate loans will remain the same. Through economies of scale, the combined organization is looking to provide better rates and fees for members. Any changes will be clearly communicated in advance along with any new service offerings.

Q. WHEN CAN I USE BOTH CREDIT UNION'S LOCATIONS?

A. When the voluntary merger is approved, systems will begin to be combined. You will be updated with our progress and notified when you will have full access to the new Grandville location. At this time, you can still use First United CU's location in Grandville as shared branching.

Q. ARE BOTH CREDIT UNIONS FEDERALLY INSURED?

A. Yes. Both credit unions are federally insured through NCUA up to \$250,000.

Q. IF I DON'T HAVE AUTOMATIC PAYMENTS, WHERE SHOULD I MAIL MY PAYMENTS?

A. Keep mailing your payments the same way you have been. When changes are made, you will be notified in advance.

Q. IS MY PERSONAL INFORMATION SAFE?

A. Yes. North Central Area Credit Union has been in business for more than 66 years and considers privacy and protection of member personal information its highest priority. North Central Area Credit Union uses state-of-the art technology to protect your information and all of their staff are trained to assure member confidentiality. North Central Area Credit Union does not disclose member information to any third parties unless it is authorized by law.

Q. WILL THE PHONE NUMBERS OR WEBSITE CHANGE?

A. Phone numbers will not change. The website for the combined organization will be www.NCACU.org.