



June 2022

Greetings CCSECU members!

By now you should have received a letter regarding a potential merger with the Illinois Educators Credit Union (IECU), headquartered in Springfield. We recognize that, while the letter had a lot of valid information, it was also pretty technical at times based on information requirements that needed to be met in the letter.

We thought it might be helpful to send a follow-up answering some of the questions that many of you might be asking and to explain a little more about what to expect if the merger goes through.

Why Are We Merging Now? We did not make this decision lightly or quickly. Since our longtime CEO Penny Sergent passed away a year ago, we have been unable to find anyone with the skills needed to effectively run a credit union of our size. Penny could do it all and did, but, sadly, people like her are really hard to find in today's job world. Losing Penny was upsetting personally for many of us, but truly devastating for the day-to-day operations of the credit union. We have been fortunate to have other credit unions graciously willing to help us get through the past year (including IECU), but those arrangements just aren't sustainable for the long term. Bearing that in mind, when IECU and others floated the prospect of merging, we felt that IECU was the best fit and offered the best level of service and products for our members. This proposed merger is a deliberate choice that we made to better serve you and all of our members.

How Does This Impact Me? By merging with IECU, we, as a board, feel that this will better serve our members (YOU!). IECU is approximately five times our size which means that they can offer way more products and services than we have been able to. In addition to what we offer, such as savings and checking accounts, auto loans, Visa cards, etc., IECU also offers things like mortgages, educator grants and a much more user-friendly online banking platform than we can support. All while offering as good and sometimes better rates as CCSECU. We encourage you to look at their website (<https://www.iecumember.org/>) to learn more about IECU and what they offer.

Are My Accounts Safe? Absolutely. Similar to banks, credit union members have insurance against any type of loss. The reality is that our credit union is very financially stable and has almost \$1.3 million dollars in net worth and over \$16 million in total assets. IECU has an even higher net worth than CCSECU so your accounts are very safe.

Is the CCSECU Going Out of Business? Not at all. Unlike normal banks, credit unions are not beholden to stockholders whose main goal is to turn a profit. Our goal is to better serve our members through better rates, lower fees and more personal service. Bearing that in mind, credit unions, like ours, have good years and not so good years because our main goal and function is not to make a profit, but to provide better products and services. This year has been challenging for the credit union as we have struggled with leadership gaps, changing interest rates and investment returns and a challenging economy for all of us. We have a positive net worth and a loyal membership which is what attracted IECU to propose merging with us.

Will the Credit Union Stay Where It Is? Yes. Part of our agreement with IECU is that we will continue to have our location in Champaign. We would never have agreed to anything less. As many of you know, we purchased our current facility a few years ago because we were committed to serving our members in a convenient location. IECU recognizes that our building is a true asset and has no plans whatsoever to close or relocate our operations. That is a commitment that we insisted on and IECU was more than willing to agree to that. In addition, part of our agreement stipulates that some of our CCSECU board members become members of the IECU board to help ensure that our current members are being represented.

What Can I Expect After the Merger? Once the merger is approved, IECU will work to combine our information with theirs. This will take a few months, as after 85 years in business, there is a lot of data. In the meantime, we will continue to access our information as we always have. Later this fall, as they work toward the combination, members will be notified of any changes to online access or account numbers.

So, Now What? The letter you should have received goes through some of the particulars about voting options for the merger; but, the main thing to know is that there will be a special meeting on July 28 at 6:00 PM at the credit union to cast your vote live and in-person. If approved, the target date for the merger to become effective is August 1, 2022.

As a board and staff, we have worked tirelessly for the past year to keep things going as best we could. We are grateful for you, our members, for your loyalty and dedication to keeping our credit union alive. The past twelve months have been difficult for all of us in more ways than one. We truly believe that this proposed merger will not only offer some stability for our credit union, but also improve the level of products and services we are able to offer all of you.

Most sincerely yours,

Your CCSECU Board Members:

Sandy Davin, Board President

Mary Anderson

Marty Carlson

David Gordon

Delores Lloyd

Robert Meagher

Grace Mitchell

Greg Stock