

Announcing the Partnership of



A MESSAGE FROM OUR BOARD

We are excited to announce a formal partnership between Calcite Credit Union (CCU) and Alpena Alcona Area Credit Union (AAACU) pending regulatory approval and a positive membership vote. The merger provides many positive opportunities for members, staff, and our communities. We think you will greatly appreciate all of the new possibilities.

Over the next several months, a merger packet and ballot will be mailed to all Calcite Credit Union members over the age of 18 in good standing. A special meeting of the CCU membership will be called to vote on the merger plan and tally the ballots that were mailed in or received during a special membership meeting. We will seek an affirmative membership vote from you before moving forward with the merger. The date for a membership vote has not yet been determined, but we will keep you informed when that date is finalized.

We value you and are committed to keeping you up to date on the progress of the partnership as it continues to develop. The latest updates will be posted on our website or available at any branch. Rest assured, it is “Business as Usual” at CCU and you will receive the same exceptional service you have come to expect, and we are proud to deliver.

Sincerely,

Scott McLennan, Board President

Better Together
***Preserving your financial future with your most
trusted and valued financial partner for life***

MERGER FAQ'S

What has been proposed to take place between Calcite Credit Union and Alpena Alcona Area Credit Union?

After considerable due diligence and negotiations, the Board of Directors of Calcite Credit Union and Alpena Alcona Area Credit Union (AAACU) have unanimously decided that a partnership between the two credit unions would result in an increase in benefits to the combined memberships. The merger of these two credit unions will allow for an expansion of branch locations, lower competitive rates, new digital solutions, and a greater commitment to the member experience. To achieve a successful merger, an affirmative vote must be given by the Calcite Credit Union membership.

Why have the two credit unions proposed a merger?

- While looking to the future, both organizations have expressed the desire to emphasize the member experience through competitive rates, additional products, and new innovative solutions. The integration of CCU into AAACU allows for a blend of experience, talent, and resources; resulting in working together as the most trusted resource to help our members' financial lives.
- Many cost savings will result from this merger, which is sensible use of your credit union's resources. This is important as remaining competitive and sustainable requires efficiency in operations. Some CCU members are also members of AAACU and vice versa. It makes sense to look at expanded ways to partner.
- Equally important is the focus on community. We love living and working in Northeast Michigan, and both credit unions have been a part of our local communities for decades. We want to build upon this history and commit to more involvement, investment, and leadership in all the communities we will serve. Building better communities will make for an even better Northeast Michigan and we want to lead the cause together.

Is the credit union in financial trouble?

No. Both credit unions continue to grow and are successful independently. They are very well-capitalized and profitable, thanks to two sets of exceptionally loyal members. The Boards of Directors of both credit unions agree that there are significant benefits to both memberships when forming a deliberate partnership.

Will my accounts continue to be insured?

Yes. Your accounts will continue to remain well protected and insured. Your deposits are federally insured through the National Credit Union Administration for up to \$250,000 and backed by the full faith and credit of the United States Government.

Will my branch remain open?

Yes. Calcite Credit Union's branches will remain open and are an important part of the partnership. Once the merger has been completed, members will have access to 10 branch locations (stretching from Tawas City to Cheboygan) and a continued fee-free ATM network across the USA (30,000 ATMs nationwide). Plus, both credit unions are part of the Xtend network of credit union branches, giving members access to more shared branches in Michigan and other states.

How would member accounts be impacted?

Before the completion of the merger, members of each credit union will experience no changes to their accounts, account numbers, or service standards. Once the merger is successfully approved by our members, Calcite Credit Union will work to ensure a seamless conversion of accounts and account numbers. Fortunately, both credit unions use the same processing system, making for a much smoother transition. The timeline and conversion of account information will not occur until Spring 2023. We will provide additional information regarding this process once the merger is approved.

Will any staff be laid off because of this merger?

No. All team members from Calcite Credit Union will be a vital part of the combined credit union. The merger will promote greater employee career growth opportunities, enhanced employee benefits package, and training resources. Plus, AAACU's leaders expressed that keeping Calcite's team was a "must" during early conversations.

What will happen to the Board of Directors?

The organization would have a Board of Directors composed of two (2) members from Calcite Credit Union's existing Board and seven (7) members from AAACU's existing Board to ensure that the combined organization will have representation from both credit unions to speak on behalf of the combined membership.

Will the merger affect membership eligibility?

There will be no effect on membership eligibility for current members of each credit union. As a result, Calcite Credit Union's "new" field of membership will expand to any persons who reside, work, own real property, attend school, or worship within any county in the State of Michigan. There's more credit union for everyone!

Will there be a name change for Calcite Credit Union?

Yes. Calcite Credit Union will merge into Alpena Alcona Area Credit Union and operate under the new name. Alpena Alcona Area Credit union is no stranger to serving Northeast Michigan. With branches up and down US 23 (and in Atlanta, too), serving Posen, Rogers City, and Cheboygan is a natural fit.

What is the proposed merger process and timeline?

Regulatory approval from DIFS and the NCUA is required in addition to conducting a vote of membership approval to continue the merger process. A majority membership vote is required for merger approval. Calcite Credit Union anticipates a membership vote in late Summer 2022, with the merger to be completed in early-2023. As explained above, we anticipate a conversion of accounts and account numbers from one processing system to the other by Spring 2023.

Do both credit unions support this partnership?

Yes. Both Boards unanimously voted in favor of this merger and are excited about the opportunities that this partnership will provide to our members, local communities, and employees.

What are the overall benefits of a merger between CCU and AAACU?

- Strengthened long-term viability.
- Opportunity for geographic expansion.
- More products, services, and branches to better serve member needs.
- Ability to compete with large financial institutions while maintaining a strong local presence.
- The natural association of our organizations, due to our similar core values and beliefs.
- Support of the credit union movement and the ability to build our collective profile and impact.

What new products and services will be available because of the merger?

To name just a handful:

- Commercial Lending Services
- Trust Account Services
- Cash rewards for member loyalty through the use of technology
- Construction Loans
- Increased geographic locations for convenience
- Larger Financial Literacy Outreach
- Student-run branches in local schools
- Indirect Lending with dealers for easier access to financing
- Strong career pathing for employees
- Enhanced employee benefit package
- Strategic succession plan
- Ability to offer added technology
- Safety Deposit Box
- Opportunities for members to participate in community involvement

What if I have additional questions?

If you have any questions about this proposed merger and how it could impact you, please visit a branch location, call Calcite Credit Union (989-734-4130), or visit the credit unions' websites at www.calcitecu.com and www.aaacu.com.

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