



Dear Member,

The Board of Directors and Management of Community Alliance Credit Union (CACU) are **excited** to inform you of a **significant upgrade** to your membership, our plans to partner with People Driven Credit Union (PDCU) which will give you **access to four additional branch locations** (Southfield, Romeo, Warren and Ypsilanti, Michigan).

Through this merger partnership, you will continue to have your connection with the CACU employees and Livonia branch you have grown to enjoy and appreciate. You will also gain additional benefits like enhanced access to CACU services through a larger branch network and improved technology.

In selecting a merger partner, your Board of Directors and credit union leadership were looking for an organization that fit well with CACU in the following ways:

- Leadership who fostered a culture and shared a vision consistent with that of CACU;
- Caring about their employee team and membership like we care about our CACU family;
- Bringing significant benefits to both memberships in terms of access, future financial security, and technology; and
- Finally, just as important, committed to exceptional service and innovative products that meet the needs of the credit union membership.

We found all of this, and more, in People Driven Credit Union and know that this partnership will provide both credit union memberships with a significantly improved membership experience. We are thrilled to have found an organization and team that fits so well with CACU.

Please see the attached Frequently Asked Questions (FAQ) document for more information about your membership and the merger (this document is also available in the “News you can use” section of our website at [www.communityalliancecu.org](http://www.communityalliancecu.org)). We will continue to communicate with you as the merger implementation takes place and as always, are available to serve you and answer your questions.

You may learn more about People Driven Credit Union at [www.peopledrivencu.org](http://www.peopledrivencu.org).

### **What are the next steps?**

CACU and PDCU will continue the due diligence process, while obtaining regulatory approval from the appropriate regulatory bodies (DIFS and NCUA). A special meeting of the Community Alliance Credit Union membership will be called to consider the merger plan and provide an open forum to discuss and address questions and comments from the CACU membership. We expect this meeting to occur in late 2022 and will notify you of the actual date, once we receive approval from the regulators.

CACU’s Board of Directors unanimously endorses this merger and appreciates your continued support. Please continue to watch your mail, email and our website for more information about these exciting developments at CACU.

Karen Sanborn  
Chairperson, Board of Directors

Michele Wollard  
President/CEO



## Merger FAQ for Members

### Why Merge?

Simply put, to improve service and access to members of both credit unions and to provide future enhancements and upgrades to service faster.

In addition to that, both credit unions share a culture guided by service to our members. With our member-centric focus, we bring together two like-minded credit unions. This merger allows two healthy credit unions to combine their vision, experience, and resources to benefit the combined membership, employees, and communities.

### How will this partnership benefit members?

Combining operational resources and talent will enable our two strong credit unions to expand the branch networks and access offerings to our memberships. In addition, a robust combined asset and capital base will assist us in keeping rates on financial products and services advantageously priced, position the credit union for continued growth and expansion, and allow us to deepen our community involvement.

### Together, we will provide an enhanced member experience and added convenience for all members.

- Convenience: Members will now have access to five diverse branch locations. At our combined size, we will also be able to consider expanded branch operations into new areas and other convenience-related improvements for our members.
- Member Service: As a larger organization, we will be able to allocate additional resources to provide even better service to our members.
- Expanded/Improved products and services: Our larger size will allow us to consider many new and expanded products and services.
- Technology: We will improve our technological infrastructure by staying up-to-date with the newest online and mobile banking services.
- More competitive loan and deposit rates for members: Economies of scale will reduce our average operating expenses and position us to pass those savings along to you, the members, through higher dividends, lower loan rates, and reduced fees.

### Why is this partnership a good fit?

We believe that this partnership is a great fit because we share a common bond and commitment to our members, employees, and communities. We are both guided by our strong core values, and we firmly believe in the importance of taking care of our members.....It is our mission to do so.

### What will be the combined credit union's name?

The continuing credit union's name will be People Driven Credit Union, but the service you receive will be the same and even better in many ways. We would also like you to know that the name says it all - Serving "People" is what drives us - the "People" in our memberships and the "People" in the communities we serve.



### **Will my account number change?**

We anticipate no immediate changes to account numbers. However, if any changes need to be made, we will work to ensure a seamless transition so you can conduct your credit union business as you always have.

### **What will happen to my CACU debit card?**

As a part of the merger process, we will be sending new debit cards to Community Alliance members. We will be sending a separate mailing to communicate the process of transitioning from your existing card to your new People Driven Debit Card. You can rest assured that your new card will be connected to your existing account as it is today.

### **What will happen to my CACU credit card?**

There is nothing you need to do to transfer your credit card after the merger. Upon expiration of your current card, a new card will be issued with the People Driven Credit Union (PDCU) name. You can continue to use your current card or you can apply for a new credit card right away with the PDCU name.

### **What do I need to do if I have direct deposit designated for CACU?**

Nothing, your deposits will continue to come into your accounts, just as they do now.

### **Will I be able to use my Community Alliance Credit Union checks?**

Yes, you will be able to use your current supply of CACU checks until they are gone. In short, your checks will continue to clear your current account.

### **What will happen to the branch I use after the merger?**

CACU's Livonia Branch office will remain open to service you and the PDCU membership. PDCU has four branches located in Southfield, Ypsilanti, Romeo, and Warren. The combined five branches fit nicely together to provide service to a wider community. All the branches have drive-thru service available and feature 24-hour ATM access. After the merger is completed and the two computer systems are combined, you will be able to use all five branch locations. Watch for additional communications for updates.

### **What will happen to the employees that I know and appreciate at CACU in the combined credit union?**

All employees will have positions at the combined credit union. You will see the same familiar faces you have come to know and enjoy! Gaining the experience of the teams at both organizations is one of the primary reasons for the merger. Our combined staff will be able to serve the combined membership more efficiently and even better.



**Will my current Share Certificate rates and maturities be honored after the merger?**

Yes, all rates and terms of share certificates currently held by Community Alliance Credit Union members will be honored as initially contracted. At maturity, you will have the option to redeem your funds or allow the certificate balance to roll over to the closest term certificate offered at the current offering rate, as you do now.

**What will happen to the interest rates on my existing CACU loans?**

You have a contract, and the rate and terms you have in that contract, as a Community Alliance Credit Union member, will be honored for the term of that loan.

**Where should I mail my loan payments or deposits?**

You can continue to send mail payments to the same address you currently use. However, this is an excellent time to set up automated payments from your credit union accounts for your loan. We also have the ability to pull your loan payments automatically from another financial institution on the due date, if that is easier for you.

**Will employee email addresses be changing?**

Yes. At some point all team members will be using People Driven business e-mail addresses. We'll be providing new business cards leading up to the merger with that information so that they can share them with you.

**Will there be any change to account notices, receipts, or statements?**

Yes, all Community Alliance members will see our new People Driven Credit Union logo on all materials they receive from the credit union upon completion of the proposed merger.

**Will the institution routing number change?**

Once the merger takes place, the combined credit union, going by the name of People Driven Credit Union, will have "ownership" of the Community Alliance Credit Union routing number. In other words, the Federal Reserve will know that Community Alliance items need to come to us. Eventually, the combined credit union will use only the People Driven Credit Union routing number.

**Will my deposits continue to be insured by the NCUA?**

Yes, the standard share insurance amount is \$250,000 per share owner, per insured credit union, for each account ownership category. If you plan to have more than that on deposit, give us a call to find out how to protect deposits beyond that base amount covered by the NCUA.



### **What is the timeline for the merger?**

With your positive vote, the formal merger is expected to take place on January 1, 2023, which is the first step. The second step will consolidate both credit union members' account information to the People Driven Credit Union's system, which is the same system currently used by Community Alliance Credit Union, another benefit of the partnership. The data conversion is expected to take place on March 15, 2023. Additional information will be communicated to you as we get closer to this date.

### **Who will lead the combined credit union?**

People Driven Credit Union's current President/CEO Renee DeMarco will serve in that capacity of the combined credit union. Renee has been the President/CEO of PDCU for 10 years and a credit union President/CEO for 23 years throughout her career. Michele Wollard, President/CEO of Community Alliance Credit Union for 30 years, will be stepping down at the completion of the Merger.

### **Who will serve on the Board of Directors?**

The new Board of Directors (BOD) will consist of all existing board members of both credit unions who wish to continue to serve as Directors. The newly combined BOD will appoint their Board Officers, as appropriate.

### **What will be the size of combined credit union?**

The new combined credit union will serve over 28,000 members with over \$460 million in assets.

### **How will the integration of the two credit unions be managed?**

Both credit unions have been working together to develop a well-defined process for managing the integration. Beyond the continued daily service to members, this partnership is a top priority. Our systems, policies, accounts, teams, branches, training, member communication, etc., are being considered. The management of both credit unions are excited and confident about combining the best practices of both credit unions for the benefit of both memberships.