

****IMPORTANT INFORMATION -
CONCERNING YOUR CREDIT UNION ACCOUNT & CREDIT UNION MERGER****

March 25, 2016

Dear Schuylkill Federal Credit Union Member:

Please accept this letter as official notification that Schuylkill Federal Credit Union will merge with, and in to, Hidden River Credit Union effective May 1st, 2016. The credit union consolidation will complete the merger of the two institutions in accordance with the merger proposal approved by the National Credit Union Administration, Pennsylvania Department of Banking and the membership of SFCU that occurred on October 29th, 2015.

All SFCU members will receive a FINAL account statement reflecting final dividends effective April 30th, 2016. The account statement should be retained for future purposes. Following the merger consolidation of member accounts, members will also receive their new Hidden River Credit Union account number and other important account information at that time.

Prior to the actual merger consolidation date, SFCU will remain open during normal business hours; but will close on April 29th, 2016, at 11:00 AM, in order to begin the merger consolidation of member accounts.

The credit union will re-open for business as Hidden River Credit Union at 7:30 AM, Monday, May 2nd, 2016, and follow the normal business hours of HRCU thereafter, with the exception of Saturday drive-through hours. It is anticipated any service interruptions during the merger transition will be kept to a minimum, and normal account services will be available at that time.

IN THE INTERIM, PLEASE MAKE NOTE OF THE FOLLOWING IMPORTANT INFORMATION:

- **Share Savings Accounts** - All members with a SFCU regular share account will not be required to take any action as a new HRCU savings account will be opened automatically as part of the merger consolidation process. Account terms will change to those currently in effect at HRCU. The rate of interest received on the account will *increase* to HRCU's current rate in effect; and account interest will compound and post quarterly to all accounts, as opposed to monthly posting.
- **Checking Accounts** - Members with a SFCU checking account will not be required to take any initial action as a new HRCU checking account will be opened automatically as part of the merger consolidation process. Account terms may change to reflect HRCU policy. SFCU embossed personal checks WILL remain in effect for payment until October 1st, 2016, following the merger consolidation. New HRCU personal account checks will be available for purchase on or before that date. All SFCU checking account holders will begin to receive interest paid on all checking account balances effective with the merger date. Interest will compound and post quarterly to all checking accounts.
- **Direct Deposit & ACH** - Members with Direct Deposit or other ACH account transactions will continue to receive their normal Direct Deposit and ACH account transactions. Transaction amounts will be posted to checking or regular savings as normally directed. With the merger's completion, members are encouraged to verify the status of any automatic account transfers such as established electronic funds transfers (EFT).
- **ATM/Debit Card** - Members utilizing a SFCU ATM/Debit Card may continue to have account and card access through April 29, 2016, at which time the card will be CANCELLED and will be unavailable for use. Reward points will also terminate on April 29, 2016. A NEW HRCU ATM/Debit Card will automatically be ordered and forwarded, along with activation instructions, prior to the old card's cancellation. However, the new card will require activation for use AFTER the merger consolidation on May 1, 2016.

- **Credit Card** - Members with a SFCU credit card may continue using their credit card normally, as all account terms remain in effect. A new credit card will be issued on the card's normal expiration date.
- **E-Services** - Members currently utilizing SFCU e-services products including, phone, online and mobile account access applications (including e-statements) will no longer have access available after April 29th, 2016. Enrollment in HRCU's Out-Reach 24/7 Audio, Online and Mobile account applications (including e-statements) will become available after the merger consolidation on May 1st, 2016.
- **Share & IRA Certificates of Deposit** - Members with one or more SFCU certificate(s) of deposit (or IRA certificate of deposit) will continue under the same account terms and rate of return until maturity. However, account interest will compound and post quarterly to the certificate or IRA certificate account (or the certificate's maturity date), as opposed to monthly posting.
- **Club Accounts** - Members with either Vacation, Christmas or Tax club accounts will continue under the same account terms until the associated club account matures in accordance with HRCU maturity dates. However, the rate of interest received on the account will *increase* to HRCU's current rate in effect until maturity and account interest will compound and post quarterly to all club accounts, as opposed to monthly posting. At maturity, the club account balance can be closed, transferred or rolled over under the new terms and conditions. Dormant club accounts (those dormant more than 2 years) and with balances of less than \$5 will be closed and transferred to their regular share savings account. The associated HRCU maturity dates are as follows:
 - Vacation Club = July 1st, 2016
 - Christmas Club = October 1st, 2016
 - Tax Club = No fixed maturity date; account terms will change effective October 1st, 2016.
- **IRA Clubs and IRA Certificates (Traditional & Roth)** - Members with either a SFCU IRA club (share) account or IRA certificate of deposit will receive a notification letter from HRCU requiring a new form be signed, completed and returned in the postage paid envelope in order to continue servicing the investment account. All other account terms remain in effect. However, the rate of interest received on IRA club (share) accounts will *increase* to HRCU's current rate in effect; and account interest will compound and post quarterly to IRA clubs (shares) and IRA certificate accounts (or the certificate's maturity date), as opposed to monthly posting.
- **The Credit Union Overnight Deposit Drop Box** - Members are reminded to discontinue usage of the deposit drop box located at the credit union's main entrance until after April 30th, 2016. Members may begin using the deposit box again after the merger consolidation on May 1, 2016.
- **Loans** - Members with a SFCU signature, vehicle, share secured, real estate or other loan type are not required to take any action. There will be no change in loan terms. All loan payments and interest rates will remain in effect until the loan maturity. Payments made by mail will continue to be accepted at the credit union's normal mailing address.

If you have any additional questions concerning the merger process; or questions concerning your account, please feel free to contact the credit union during normal business hours at 570.628.4656.

Sincerely,

Cindy Nettles, CEO