

Merger

Ka'u Federal Credit Union

with

CU Hawaii Federal Credit Union

What You Need to Know!

On November 7, 2011, the Board of Directors of your credit union approved to merge with CU Hawaii Federal Credit Union. On December 8, 2011, NCUA, our federal regulator, approved the merger of these two credit unions.

Why this merger was important.

Since late 2008, hundreds of small credit unions have struggled with the depressed economy; and Ka'u Federal Credit Union is one of those small credit unions that have felt the effect. Along with the depressed economy, increased regulatory and compliance requirements by federal regulators, new laws passed by Congress, and credit union members who have lost their jobs and can no longer meet their financial obligations, Ka'u Federal Credit Union has struggled to meet all of our required regulatory ratios to remain viable allowing us to continue to serve the financial needs of our members.

This merger with CU Hawaii Federal Credit Union is in the best interest of our members and will ensure continued credit union services for the members and all of the people of Ka'u. CU Hawaii Federal Credit Union is a larger credit union that is financially strong and brings to you many new and enhanced products and services continuing to save you hundreds of dollars over products and services offered by a conventional bank. CU Hawaii Federal Credit Union was chartered in 1955 as the Big Island Businessmen's Federal Credit Union. They quickly expanded their field of membership to the community of Hilo and today serve the entire island of Hawaii.

They are an innovative Credit Union and were the first credit union to launch several products and services such as checking accounts, credit and debit cards, and ATM machines all of which are part of their core services today. CU Hawaii Federal Credit Union is a full service financial institution that offers all of the products and services you utilize and more.

CU Hawaii has about 24,000 members with assets exceeding \$225 million. When combined with Ka'u they will have over 27,000 members and \$235 million in assets.

Not only does the merger bring you more products and services, once merged you will enjoy the convenience of eight (8) credit union branches to serve you around the Big Island; which includes the branches in Na'alehu and Pahala with the familiar faces of the employees that have served you for many years.

The main office of CU Hawaii is located at:

476 Hinano Street, Hilo, Hawaii 96720

The branch offices of CU Hawaii are located at:

Hilo – Puainako Branch, 50 E. Puainako Street, Suite 112, Hilo, Hawaii 96720

Kailua-Kona Branch, 75-5781 Kuakini Highway, Kailua-Kona, Hawaii 96740

Ka'u Branch, 95-5664 Mamalahoa Highway, Na'alehu, Hawaii 96772

Kea'au Branch, 16-710 Milo Street, Kea'au, Hawaii 96749

*Pahala Branch, 96-3208 Maile Street, Pahala, Hawaii 96777

Pahoa Branch, 15-2660 Pahoa Village Road, Pahoa, Hawaii 96778

**Waiakea High School (Student Branch), 155 West Kawili Street, RM. B202, Hilo, Hawaii 96720

The merger process is going to take a few months to complete. For now you can conduct business as usual at Ka'u Federal Credit Union's Na'alehu office and Pahala branch. It is anticipated that after April 1, 2012 you will be able to start using and enjoying all of the conveniently located CU Hawaii Federal Credit Union branches across the Big Island, including continuing to come to your credit union branches in Na'alehu and Pahala.

* Open Friday afternoons only from 1 p.m. to 5 p.m.

** Limited access to this branch due to location.