

**Ka'u Federal Credit Union
Merger with
CU Hawaii Federal Credit Union**

FREQUENTLY ASKED QUESTIONS

Q. Why does Ka'u FCU have to merge with CU Hawaii?

A. Being a small Credit Union, Ka'u, like many small credit unions across the Nation has been challenged by today's economy and not the having resources to comply with new federal regulations.

Q. Why has the staff been cut in half?

A. Due to the change in the workflow there is not a need for as many full time employees to run the branch.

Q. Why wasn't a membership vote called for regarding the merger?

A. Our regulators, the National Credit Union Administration waived the membership vote due to time constraints to ensure continued member service in Ka'u.

Q. Will the office in Na'alehu continue to serve our needs?

A. Yes, this building will be a branch of CU Hawaii providing all of the services you've enjoyed and bringing you many more new products and services. Also, the Pahala branch will continue to serve the members on Fridays from 1 – 5 pm.

Q. I currently have a Share Certificate with Ka'u FCU; will this certificate still be active earning the same dividend?

A. Yes, your Share Certificate will remain active with the current dividend rate that you are receiving with the original maturity date. However, your dividends will be posted to your share account monthly instead of quarterly.

Q. Will I still be able to use my Ka'u FCU checks?

A. Yes, CU Hawaii will continue to process all outstanding Ka'u FCU checks. It is suggested that during the months of April/May that you order new checks under your CU Hawaii account.

Q. Will my member account number change?

A. No, your account number will remain the same. However we do have about 500 Ka'u members that are also CU Hawaii members. Once the merging of our data takes place, you will have two accounts at CU Hawaii. If you want to keep two accounts that is fine, however if you would like to pull the accounts together under one of your account numbers simply stop by any of our offices or give us a call at 933-6700.

Q. Can we use the other branches of CU Hawaii?

A. There is still a lot of work to do in bringing our two data processing systems together. However, after April 1st we anticipate that all of the Ka'u members will be able to get services, cash checks, make loan payments, etc. at all of our branches throughout the Big Island. Also, CU Hawaii members can use the Na'alehu and Pahala branches after April 1st.

Q. What is going to happen with my home banking and online bill payments?

A. For those members that have home banking we ask that once the merger is completed after April 1st, that you sign up for Home Banking with CU Hawaii and set up your online bill payment. We are sorry for the inconvenience, however we do want to let you know that online bill payment services through home banking is FREE at CU Hawaii. By signing up for Home Banking and Bill Payment you will no longer be charged the \$6 per month that you currently have to pay.

Q. Will I be able to continue to use my Ka'u FCU Debit Card?

A. You will be able to continue to use your Ka'u FCU Debit card until March 31st. A new CU Hawaii Debit Card will be mailed to you on March 15th and you should receive your new card prior to March 31st. Your new CU Hawaii Card will be ready to activate and you can start using it on April 1st. All Debit Card transactions will process through your checking account; just like they currently do with your Ka'u Debit Card.

Q. What if I have an automatic recurring payment being charged to my Debit Card; do I have to do anything?

A. Yes, if you have a recurring debit attached to your debit card you will have to call the company cancel your current debit card with them and have the company set up the recurring debit to your new CU Hawaii Debit Card.

Q. Will the hours of operation change?

A. For now, the hours will be the same you have experienced over the years.

Na'alehu

Monday – Thursday – 9 am – 4 pm

Fridays – 9 am – 5 pm

Saturday – 8:30 - 11:30 am

Pahala

Fridays – 1 – 5 pm

Q. What will happen to my loan and where do I make payments?

A. Your loan information will be transferred over to CU Hawaii with all of the same loan agreements that were originally made at the time of your loan. You should continue to make your loan payment at Ka'u FCU up until March 31st. After April 1st you can make payments right here in Ka'u or at any of the other CU Hawaii branches.

Q. I'm having automatic payments made right now for my (insurance, Visa, etc.). Will that continue? Do I have to do anything?

A. No, you don't have to do anything, if you have ACH (automatic payments) being made out of your account.

Q. My paycheck is direct deposited to Ka'u FCU. Do I have to do something to have it direct deposited into my account after the merger?

A. No, your paycheck will continue to be deposited to your account once the merger is completed.

Q. What happens to Ka'u Federal Credit Union's Board of Directors?

A. Following the merger the credit union will be under the guidance of CU Hawaii's Board. However, the Ka'u Board and members of the Supervisory Committee has graciously volunteered to sit on an Advisory Committee for one year.

Q. Are you going to open a branch in Ocean View?

A. We will examine the needs of our Ocean View members. Opening a branch can be very expensive; paying rent, utilities, employee salaries, and much more. Down the road, this is certainly something that will be looked at.

Remember, the ATM is still located in the Malama Market and will continue to provide you with access to your account funds.