



December 21, 2016

A MESSAGE FROM THE CHAIRMAN OF THE BOARD

We are pleased to provide an update on our proposed merger partnership with North Island Credit Union.

Our regulators, the National Credit Union Administration (NCUA) and the California Department of Business Oversight (DBO), have both approved our merger plans. With these approvals now in place, we are ready to move to the next step of asking North Island members to support the merger proposal through a voting process.

We continue to be very excited about this merger and what it will mean for our collective members. As a larger credit union, we will have the resources to continue to improve your banking experience with the latest online and mobile technologies, new products and services to meet all your financial needs, and highly competitive rates. All of our branches will remain open to serve you, and we will add 11 branches in San Diego County for our members. Combined, members will have access to their accounts through 24 branches with extended Saturday banking hours, 30,000+ fee-free ATMs, and 24 hour automated telephone, digital and mobile banking.

One of our highest priorities in proposing this merger is ensuring that we retain the personal member service we offer today. North Island Credit Union shares our member-first culture, with the same commitment to understanding and meeting each member's unique needs. Your credit union will remain member-owned, focused on providing the highest level of service by the same employees who serve you today.

I also want to emphasize that we will remain focused on serving educators, and look forward to serving school employees and districts in the San Diego area and other new markets. As a larger credit union, we will also be able to expand our support of the educational community in Los Angeles and San Diego with new scholarships, educator grants and school support programs.

We look forward to this next important step in serving your best interests and financial needs. We will continue to update you about this exciting opportunity. In the meantime, please don't hesitate to contact us at communications@californiacu.org if you have any questions. We greatly appreciate your membership and support of this exciting opportunity.

Sincerely,

Walton Greene, PsyD
Chairman of the Board