HFS
FEDERAL CREDIT UNION
Where Caring Counts

September 24, 2015

(First Name) (Last Name)
(Address Line 1)
(City), (State) (Zip)

Dear (First Name),

We are happy to announce that the merger between North Hawaii Community Federal Credit Union and HFS Federal Credit Union was approved by the members of North Hawaii Community Federal Credit Union with an overwhelming 95% of the ballots in favor of. Effective October 1, 2015, you will officially be a member of HFS Federal Credit Union.

It's a pleasure to welcome you into our membership! We are truly excited and honored to be able to serve you while maintaining North Hawaii Community Federal Credit Union's tradition of outstanding member service.

The next step of the merger is preparing for the transition of your account information into our systems. You will not see any interruption to your services during this time and should conduct business as usual. Please continue to utilize the branch in Honoka'a, checks, debit cards, accounts, and other services as you normally would. For your convenience, beginning October 1st the new office hours will be 8:30 am – 5:00 pm, Monday thru Friday. As we work through this transition, our primary objective is to have as little impact to you as possible. In the event of a change impacting you, we will notify you as soon as possible with details of the change.

Our goal is to complete the conversion of account information by June 2016. Once the transition is complete, you will enjoy an expanded offering of products and services in addition to convenient access to all 7 branch locations throughout the Big Island.

For additional information, we've included a helpful FAQ on the back of this letter. If you have any questions or concerns, please contact any branch office or call us at 930-1400. We will provide you with more information about our merger and conversion as more details become available.

Once again, welcome to HFS Federal Credit Union, we look forward to serving you.

Mahalo,

Nathan N. Abe, President/Chief Executive Officer
HFS Federal Credit Union

FAQ Regarding Merger with HFS Federal Credit Union

- **How will my current savings, checking and other deposit accounts be affected?**

  Your existing NHC FCU Fee Schedule will remain the same until the accounts are integrated into our system by June 2016. However, effective October 1, 2015 NHC FCU deposit rates will be changed to mirror HFS FCU's current rates (see schedule below). This means you'll begin earning more on your share accounts sooner!

SHARE ACCOUNTS Effective: October 1, 2015					
	Dividend Rate	**Annual Percentage Yield (APY)**	**Dividend Compounded**	**Dividends Credited**	**Dividend Period**
Regular Share	0.15%	0.15%	Monthly	Monthly	Monthly (calendar)
Special Share	0.15%	0.15%	Monthly	Monthly	Monthly (calendar)
Individual Retirement	1.50%	1.50%	Quarterly	Quarterly	Quarterly (calendar)
Super Money Market (Money Manager)	0.25%	0.25%	Monthly	Monthly	Monthly (calendar)
Business/Club	0.15%	0.15%	Monthly	Monthly	Monthly (calendar)
Share Draft	0.00%	0.00%	Monthly	Monthly	Monthly (calendar)

- **I currently have a loan with NHC FCU, how will this be affected?**

  Your rates and terms on existing loan balances will remain the same. Please continue to make your payments as usual through NHC FCU.

- **I was thinking about applying for a loan or credit card with NHC FCU. Who do I apply with and what will my rate be?**

  You may still apply for any of the NHC FCU lending products at the Honokaa branch office until our conversion in 2016. All *new* loans will be subject to HFS FCU's current lending rates as of October 1, 2015. You may find these at www.hfsfcu.org or posted at your NHC FCU office. New credit cards must be opened through HFS FCU.

- **What if I want to take advantage of an HFS FCU product or service now?**

  NHC FCU members are welcome to open an account and be eligible for any of the products and services offered by HFS FCU prior to the conversion in 2016. Please visit any of our branch locations at Hilo, Keaau, Prince Kuhio, Waimea, Kona Coast or Kealakekua to get started. Since you'll be an official member of HFS Federal Credit Union, we'll be waiving our membership fee for you. Our savings account requires a $50.00 minimum balance.