



MERGER QUESTIONS & ANSWERS FOR OUR MEMBERS

Q1: Why does G.E.M. Federal Credit Union (GEM) want to merge?

While GEM is financially strong, the opportunities and efficiencies afforded by merging with a larger organization are undeniable. This partnership would create a credit union that offers you even more value than you have today. In planning for the future, both credit unions realize that a combined organization would bring much greater strength and competitive advantages than each could provide on its own. The merged credit union would blend the vision, people, experience, capabilities, and resources of two strong credit unions, benefiting our members, communities, and employees for the long term. A merger with Great River Federal Credit Union (GRFCU) would create a combined organization of over \$275 million in assets with expanded services to serve you.

Q2: Why Great River Federal Credit Union (GRFCU)?

We selected GRFCU because of its excellent reputation for member service, its strong financial position, and its expansive list of products and services. GRFCU is committed to providing exceptional member service, while maintaining the safety and security of members' assets and information.

You will benefit from this new relationship by having access to a complete line of products and services you don't have available today. These products and services include or will be substantially enhanced:

- State-of-the art online, mobile and video banking services which will allow our members to conduct their financial transactions from anywhere in the world.
- Increased rates on deposit accounts.
- GEM members benefit from GRFCU's Refer a Friend program, where they gave out over \$82,000 to members in 2020.
- Access to debit and cashback credit rewards.
- Access to Shared Branching network, giving you access to over 5,600 locations and 30,000 ATMs.
- Dedicated phone contact center.
- Online consumer, mortgage and business loans working with credit union employees, not 3rd party providers.
- Expanded field of membership

Q3: What happens to "me" as a member of the Credit Union?

The credit union philosophy of "Once a Member, Always a Member" is alive and well. All members of GEM will automatically have their membership converted to GRFCU. Your opportunity to participate in a democratic

cooperative remains. You can be elected to the volunteer leadership of the credit union, and you still have your vote in the annual elections.

We will transition all member accounts as seamlessly as possible. You will receive a comprehensive GRFCU member packet, which will include all the information you need to enroll in the new products and services available to you.

Q4: How will this merger affect my current deposit rates?

Current GEM share account holders may continue to maintain the GEM share account or the equivalent at GRFCU at an interest rate no less than what a GEM shareholder received on the execution date of the Merger Agreement. There will be no requirement to purchase or utilize any additional services in order to maintain this rate.

Q5: Will interest rates change on my existing loan?

No! You have a contract and the rate and terms you have as a GEM member will be honored for the term of that loan.

Q6: What will happen to my Individual Retirement Accounts (IRA) with GEM?

There will be no changes to the custodianship of current IRAs and your current rate will be honored as of the merger date.

Q7: How is my National Credit Union Administration (NCUA) deposit insurance affected?

Your deposits will continue to be insured by the NCUA.

Q8: What will happen to any electronic services such as ACH, Automatic Withdrawals and Payroll Deductions?

We do not expect any interruption to your electronic services such as direct deposit and automatic withdrawals. We are preparing future communications that will include specific information about any changes to your accounts or electronic services. Our intentions are to keep you informed and make this transition as seamless as possible.

Q9: Will I be able to access my account history?

Your prior account history will be available through online or printed statements after the merger date.

Q10: When will the merger take place and when will GEM become GRFCU?

We anticipate the effective date of the merger to be January 31, 2022. The merging of accounts and systems will be rolled out throughout 2022 with consistent communication.

Q11: What will the credit union be called and where will the headquarters be located?

The legal entity will be Great River Federal Credit Union, but in order to maintain name and marketing recognition, GEM and GRFCU will be utilizing a co-branding strategy. GRFCU's headquarters is located in Minnesota and through their state-of-the-art online banking and national network of ATM's, have a national

reach for all members. GEM will continue to operate as a branch of GRFCU from our current facility at 2401 N Broadway, Minot, ND.

Q12: What happens to the GEM Board of Directors?

GRFCU has seven (7) Board of Directors. At conversion, two (2) of the seven board members will be from GEM's current Board of Directors.

Q13: How will the integration of the two credit unions be managed?

Both credit unions have been working together to develop a well-defined process for managing the integration. Beyond the continued daily service to members, the merger is top priority. Systems, policies, accounts, teams, branches, training, member communication, etc. are all being considered. The management of both credit unions are excited and confident about combining the best practices of both credit unions.

Q14: Will the employees of GEM be retained?

It is GRFCU and GEM's desire to retain 100% of GEM's employees. We will continue to serve you with the same friendly employees you have grown accustomed to, with the same personal touch you have come to expect.

Q15: Where should I mail my deposits and payments?

For now, there will not be a change to our phone number and mailing address. You may continue to mail deposits and payments to 2401 N Broadway, Minot, ND 58703. If changes occur, GRFCU will notify you in advance and help you step by step with any changes.

Q16: What else can you tell me about GRFCU?

GRFCU was originally chartered in 1948 as Machinists Federal Credit Union. The credit union served the needs of the employees of the refrigerator factory, Franklin Manufacturing.

In 1964, the charter was expanded to include several other trade groups and the credit union's name was changed to St. Cloud T & L Credit Union. The field of membership was primarily members of local trade and labor unions. As time went on, more and more employer groups other than the trade and labor unions were able to join the credit union.

In 1999, they changed their name to Great River Federal Credit Union to better reflect the membership. Not only were they serving the needs of the Trades and Labor Union workers, they were also serving the needs of employees from over 80 employer groups in the state of Minnesota, where the "Great River" begins.

In April of 2001, GRFCU became a community credit union, expanding their field of membership to include the tri-county area of Benton, Sherburne, and Stearns counties in the state of Minnesota.

In May 2021, they joined the American Consumer Council (ACC), a non-profit membership organization dedicated to consumer education, advocacy, and financial literacy. This allowed them to expand their field of membership to include anyone who joins the ACC (at no cost to the member). In addition to the ACC membership, anyone who has a relative that is a member of GRFCU, or anyone who works at one of their Select Employer Groups (SEG) is eligible to become a member. What's more, once someone is a member, any of their immediate family members also qualify for membership. That includes siblings, parents, and children. At GRFCU, they follow the motto "Once a Member, Always a Member." So even if you move, you can still be a GRFCU

member and conveniently do all of your business online and through the shared branching and ATM network. They are able to be the primary financial institution for anyone, regardless of where life takes them.

GRFCU's goal is to continue expanding their footprint while providing exceptional service to their members, whether it is in person or through convenient online and mobile options. Great River Federal Credit Union's tagline is *Where Every Story Matters™*.

Q17: Where can I find more information and whom shall I contact?

As soon as the merger is approved, there will be website landing pages that will cover additional FAQ's, as well as timelines and up-to-date information.

The FAQ's listed above are just some of the questions that have been asked during past mergers throughout the credit union industry. If you would like to ask a specific question not listed above, please contact Kim Colbenson at 701-852-3866 or email kimc@gemcu.org.