



August 20, 2015

Dear Member:

Since 1949, Contra Costa Federal Credit Union has faithfully served public service employees emphasizing personal service, basic financial products, and financial education. During the past 66 years, our Credit Union has grown from one office and \$1,200 in assets to six full-service branches and \$650 million in assets.

In the past 10 years, however, membership has not significantly grown due to a variety of factors, including less hiring by government entities, increased competition by out of area credit unions and non-banks, and the advent of remote services which reduce the need to visit a branch. A credit union must grow members in order to offer upgraded services, maintain competitive loan rates and low fees, expand the branch network, and be sufficiently profitable to give you, the shareholder, a reasonable return on your savings and to maintain adequate capital reserves.

After much deliberation, the Board of Directors, management team, and I feel the best course of action is to convert our Credit Union's charter to include all individuals who live, work, or worship in Contra Costa, Alameda, and Solano Counties. The only difference between the current and proposed charters is that your friends and neighbors not affiliated with a government entity will be able to enjoy the same benefits of membership accessible to you. Most of the credit unions originally chartered for county employees nationally have converted to the proposed "community charter" and are thriving today.

This proposal comes with two other changes. The conversion will involve changing from a federal charter to a state charter. This means a California state agency, the Department of Business Oversight, overseeing financial institutions will be examining us annually as well as the National Credit Union Administration (NCUA). **Your savings will continue to be federally insured by the NCUA up to \$250,000 as it is currently.**

The other change will be our name. In order to attract and welcome new members into the expanded field of membership, we will be changing our name to **1<sup>st</sup> Northern California Credit Union**.

In the next few weeks, you will have the opportunity to determine the future of our Credit Union. You will be receiving a ballot in the mail and an invitation to attend a membership meeting at a date and time to be determined. In the meantime, please feel free to contact me with your comments and questions, or visit us at our website, [www.contracostafcu.org](http://www.contracostafcu.org), for more detailed information.

Sincerely,

A handwritten signature in black ink, appearing to read "David M. Green".

David M. Green  
President/CEO

[dgreen@contracostafcu.org](mailto:dgreen@contracostafcu.org)

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