



March 13th, 2023

Dear Allegacy Member,

Given the extensive publicity about the collapse of Silicon Valley Bank in California and the closing of New York based Signature Bank, I am sending important information designed to help reassure you, our Allegacy members, with any concerns you may have. We recognize and acknowledge that financial uncertainty is a source of stress for many people. At Allegacy, we will continue to deliver on our promise to care for the total wellbeing of our members and community.

We will continue to monitor any developments impacting financial institutions. On Sunday evening, the Federal Reserve and Treasury Department announced new measures to protect depositors at Silicon Valley Bank and Signature Bank and make them whole.

Rest assured that Allegacy Federal Credit Union is **on sound financial footing and is not at risk** of the kinds of pressures that faced Silicon Valley Bank, which caters largely to the tech industry, or Signature Bank of New York, which mainly caters to the cryptocurrency industry. Both of those financial institutions are concentrated in volatile specialty industry sectors.

Allegacy is a community-focused credit union with a broad and diverse base of local members, both individuals and businesses. This means Allegacy is:

- **Highly liquid.** We have the ability to provide our members access to the cash they need to manage their financial lives.
- **Well capitalized.** We have the financial reserves to protect the credit union in uncertain economic times like these.
- **Diverse in our member base.** This includes member-owners from hundreds of employer groups across many different industries. This means we are not overly exposed to the risks of any particular industry or member group.

Allegacy Federal Credit Union is federally insured, meaning we are a safe place for members to save and invest in their futures. All depositors are protected by the National Credit Union Share Insurance Fund, with deposits insured up to at least \$250,000 per individual depositor.*

We appreciate and value your trust in us as your credit union.

All my best,
Cathy J. Pace

****The Share Insurance Fund insures individual accounts up to \$250,000. Additionally, a member's interest in all joint accounts combined is insured up to \$250,000. The Share Insurance Fund also separately protects members' IRA and KEOGH retirement accounts up to \$250,000 and provides additional coverage for members' trust accounts. The Share Insurance Fund has the backing of the full faith and credit of the United States.***