



April 14th, 2023

Dear Allegacy Members,

Over the last several weeks, the economy and global banking matters have captured news headlines. I wanted to take this moment to emphasize that Allegacy continues to be financially strong, and ***your deposits and investments have always been safe and secure***. Yet, we understand many of you still have questions given the unpredictable nature of the current economy.

The *Charlotte Business Journal* recently asked Allegacy to participate in a story about how we are protecting our members and what guidance we are offering in this financial environment. We wanted to share that [article with you here](#), which also appeared in the *Triad Business Journal*. The Business Journal article also offers perspective and reassurance from the National Credit Union Administration (NCUA), the independent federal regulatory agency that insures deposits at federally insured credit unions.

The article echoes my [earlier message](#) to you that there is a tremendous advantage to being part of a credit union. With a broad and diverse base of local members, both individuals and businesses, we reduce risks for all. As you may recall, the banks that collapsed were focused almost solely on technology, start-ups and cryptocurrency sectors. Rest assured that Allegacy performs regular “stress testing” as part of the balance sheet review process to ensure there is enough liquidity (i.e., cash on hand) to fund member needs and demands.

Questions you might have about protections offered to depositors with large accounts that might exceed the FDIC or NCUA guarantees (more than \$250,000) are also addressed. Allegacy works with individual members and businesses to structure their deposits to meet their goals. For example, we could recommend that a couple set up their funds to maximize insurance coverage, whereby each spouse has a separate account, and they have a third joint account. Structured this way, members are fully protected while their deposits grow. We also have financial advisors available to assist members with investing in other assets through our Allegacy Investment Group, available through CUSO Financial Services.

It is heartening to hear from members who have expressed their confidence in the Allegacy team and how we are managing their funds. Our members regularly tell us that they value our relationship with them. The feeling is mutual, as we wholeheartedly value our relationships with our members as we continue to grow our credit union.

All my best,
Cathy J. Pace, President + CEO