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Questions about the proposed merger:

Q: What is a Merger?

A: At its core, a merger is a partnership between two credit unions, often one larger and one smaller – but not always, so they can share the important (and often expensive) support and services they both need to help them succeed. The credit unions merge their staff, resources, and operations to benefit their entire membership.

It's important that we pause here and say that a merger is very different than what we may think of as a 'takeover' or 'buy-out'. Credit unions are owned and controlled by members like you and our proposed merger began with our volunteer board of directors seeking out a merger partner on behalf of our members.

Similarly, the Simplicity CU Board of Directors considered the benefits of this proposed merger for their membership and, with both Boards in agreement, we can move forward together.

Q: Why consider a merger at this exact time?

A: There are a lot of factors that led us to pursue a merger and bring it to our membership for approval.

Things like the rising cost of member services and employee benefits, the changing demographics of the CONE membership along with the expectations of current and future members, CONE's inability to invest in new products and services that members want and need, and the well-being of our staff were just some of those considerations.

With all of those concerns looming, our ability to satisfy our state regulators' requirements began to suffer and created a higher sense of urgency.

Q: Are we merging because our credit union is failing?

A: We know that a merger sounds like a drastic measure, and that can cause concern. The good news is that CONE has continued to be listed as "Well Capitalized" by both the DFI and the NCUA which is proof positive that we're not 'failing'.

The not-so-good news, though, is that we are shrinking and finding it harder to attract new members. Because of that we're choosing to be proactive and consider the best path forward before we're forced to act.

Q: Is there anything else you could have done to remain independent, or was a merger inevitable?

A: When it became clear that we needed to make serious changes to keep serving our members, we left no stone unturned. We explored new marketing strategies to attract new members, reduced expenses by consolidating or eliminating products that weren't serving you like they should and eliminated some of the perks that made us unique, like our Annual Member Picnic.

Finally, after losing and not replacing three full-time staff in 2020 alone, we felt that we had reached the point where we couldn't offer you the full benefit of being a credit union member without the help of a partner like Simplicity CU.

Q: Why didn't CONE consider merging with another credit union in the Valley?

A: Yes! It may seem that the path to a credit union in Central Wisconsin is hard to follow. Your Board of Directors reached out to numerous credit unions to request information and gauge their interest in a partnership or merger. In fact, we contacted nearly all of the credit unions in the Fox Valley, large and small, and several outside of the area, including Simplicity CU.

We felt it was our responsibility to look holistically at the benefits any other credit union could offer our members and choose the best fit.



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Q: What happens if the merger is not approved?

A: If the merger is not approved, CONE will be in an almost impossible situation to offer our members the products they need and deserve, the employees the benefits they need and borrowers and savers the current market rates.

Because we believe so strongly that a merger is the right path for CONE and our members, we're confident that asking everyone to vote in favor of the merger is the right thing to do.

Q: What made the board decide that Simplicity CU was the best merger partner?

A: Simplicity's financial stability, commitment to the communities they serve, and the ability to meet our membership's unique needs were certainly important, but that's not all. Having been able to work with members of the Simplicity Team, we learned that, even though they have a larger staff, they value connection and care for their team and their members just like we do.

They use the name 'Simplicity Family' when they talk about their members and staff, and we knew that we would all be welcome as a part of that family.

Q: What will the impact of the merger be on me, personally as a member?

A: This merger will benefit current and future CONE members in a lot of exciting ways.

For example, you'll have more options for how and where you'll do your financial business with:

- A broader suite of products and services
- Our current branch and branches in Central Wisconsin
- Access at thousands of Co-Op shared branches nationwide.

Plus the confidence of knowing that you have a team of compassionate and innovative experts backed by one of the strongest financials in the state!

Q: What will change as a result of a merger (acct #'s, passwords, checks, checking acct numbers, credit/debit cards, etc.)?

A: It's smart to think about what you may need to do to continue to get the most out of your membership. We know there will be some changes as we move ahead and work through the behind-the-curtain details but our commitment to you is that we'll make those changes simple, give you straightforward information as we have it, and work with you along the way. Stay tuned for more!

Q: Will our employees be retained?

A: Yes! All of the CONE staff that you have gotten to know will still be here! We are all very excited to share in the expanded benefits and opportunities for internal promotions that Simplicity will bring!

Q: Will our branch be closed?

A: No! Our branch will remain open. In fact, we hope to open a second branch in our area in the future and expand into other communities!

Q: What do members need to do now?

A: The first thing we hope you'll want to do is participate in the democratic process and vote in support of the merger (when the vote happens in Mid-May). If you're not ready to pledge your support quite yet, we'd ask that you reach out to the CONE staff and Board of Directors to discuss any questions or concerns you have.

Once the merger is effective, things won't change overnight. We'll keep you informed on the finer details of your account numbers, checks, debit cards, etc. Don't worry. The CONE and Simplicity Team will handle a lot of the heavy lifting for you and be there along the way to make this a smooth and easy transition.