

Information regarding recent bank failures

Hello Chaffey members,

I am Diane Kotlewski, CEO of Chaffey Federal Credit Union. By now you have likely seen the news regarding the failure of Silicon Valley Bank and Signature Bank within the last few days. I would like to take a moment to reassure you about Chaffey Federal Credit Union's position, and to let you know that we are a safe and sound financial institution.

First off, Chaffey FCU serves a different customer base than these two institutions. These institutions had assets tied to venture capital (or startup) firms and crypto currency. Chaffey FCU has no assets tied directly to either of these two categories.

Second, deposits at Chaffey FCU are almost fully insured through the National Credit Union Administration Share Insurance Fund, and our additional share insurance provided by American Share Insurance. Only about 2% of our deposits are not covered by these two sources, and that primarily relates to members who have over \$500,000 on deposit with us.

Finally, while Chaffey FCU has not been immune to the impacts of rising interest rates over the past year, we have taken steps to moderate our position in such a way as to not cause a negative impact our membership.

If you have additional questions regarding the events surrounding recent bank failures, keep an eye on our "in the news" page on our website. If you have questions about the safety of your funds at Chaffey FCU and would like to put a number to what you have covered here, give us a call or you can Google the NCUA's share insurance estimator. And remember, we do offer the resources of our registered investment advisor, Shelly Aros. We would be happy to coordinate an appointment with her to review your investment portfolio.

Remember that we here at Chaffey FCU are here for you and your families, with a goal to empower you to manage your finances for long-term benefit. Thank you for your time today, and as always, thank you for your membership.

March 13th, 2023