

## **Data Conversion is the Final Step of the Merger Process**

**1/14/10**

**The Data Conversion is scheduled for February 2, 2010.** As many of you are aware, the merger of Berks Community FCU into Bellco FCU is entering the last stage of completion, Data Conversion. Data Conversion is the combining of all accounts onto one main computer system for all branches to access. After the data conversion, members will have the ability to conduct financial transactions at all three branch locations. Both the Bellco and Berks employees have spent hundreds of hours working on the details of this conversion. Each product was evaluated and a methodology was developed for the data conversion. Both Berks Community FCU and Bellco FCU are community-chartered credit unions; therefore, the products were very similar and the integration worked well.

**Our system integration team** has evaluated each product and preformed a number of test conversions. The results have been great and we are very confident in our ability to complete the data conversion on February 2, 2010 with little impact to our members. We realize that even with the best testing there can still be issues that arise when attempting to complete a data conversion of this size. Therefore we have contracted our processor's technical support team to be on site at our credit union for at least a week following the data conversion. This will expedite our ability to resolve any issues that may occur after data conversion.

**Berks Account Numbers,** One of the most challenging decisions made by our integration team was the decision of maintaining current account numbers or to change account numbers. As a result of past mergers, the Berks account numbers varied in length and had little commonality for data processing, in addition, many Berks account numbers matched the Bellco numbers requiring a change. After a full evaluation it was determined that the best decision was to change account numbers and clean up a problem that was expected to continue to cause issues for both members and our Teller staff. We have the ability to cross reference old account numbers to new ones and we do not have to reissue checks (drafts). We will slowly phase out old checks (drafts) with new checks as members reorder.

**We ask for your patience,** Data conversions are extremely work intensive. All employees are required to be on staff and vacations are prohibited for all employees during the time of conversion. We have high expectations that our months of testing and planning will minimize issues for our members. At the same time, we realize that any problems that arise can possibly generate hundreds or even thousands of phone calls. Please understand that all employees are working and providing their best efforts and we will resolve any issues as quickly as possible.

**The magnitude of this change to our institution,** Bellco FCU and Berks Community FCU have combined to make one of the most financially sound and largest community credit unions in Berks County. We now have 38 employees and our assets are well over \$100 million. Our total membership is now over 14,000 members and growing quickly. We've actually minimized our marketing through the merger because investments in Bellco have been so strong. We now have three locations with two drive-ups along with ATM's at all locations. We have installed a new phone system connecting all three locations together with the ability to expand. We're remodeling the Front Street location immediately starting in January. We have added our online internet banking product for all members. We've added new computers and data communication circuits, adding to the redundancy of all our systems. We've

increased employee training and increased our product mix for our members. We've combined our management teams and employees to streamline communications for outstanding results. Best of all, we have maintained our combined objective of, "People Helping People." We've grown in size and strength but are dedicated to maintaining that small town local institution you love. We're not for profit and our combined 14 board members are still volunteers. Our board volunteers care about our credit union, our members and our mission. We don't ever want to be like a multibillion dollar bank with owners out of the county and out of the community. We know we can serve our members best as a local, personable, credit union in Berks County, just as we have been doing for the past 70 years.

**We all love what we do** at Bellco and we're here to be better than any other option for your banking, savings, checking, CDs, money market accounts, loans, Visa, club accounts, IRAs, Internet Banking service, personal attention ... the list goes on. We hope you tell a friend about the credit union you own, every dollar is a share in your institution and we listen to our members.

**A few questions have been asked by members:**

**Why is the merger a good thing for members?**

A. There are several ways that members benefit from the combination:

1. Members now have access to three locations to complete their financial transactions (Reading, Sinking Spring, and Wyomissing).
2. Saturday hours are available at the Wyomissing Office.
3. A broader line-up of products and services are available.
4. Financially, Bellco Federal Credit Union is the one of the strongest credit unions serving Berks County.

**Q. Why are so many changes necessary?**

A. We realize that you are experiencing a lot of changes. We have tried to minimize the impact and appreciate your understanding as we complete the final steps of bringing the two credit unions together to better serve you. Our goal is to meet the needs of our community by providing affordable, competitive services to our members.

**Q. Why is the maturity date of my CD listed on my new Bellco FCU monthly statement one day earlier than it was on my Berks Community FCU statement?**

A. Different processing systems operate slightly differently. On the system that Berks used, you could not access your certificate balance until the day **after** the actual maturity date. So on the statements, they added one day to reflect the day that you could withdraw your money. On the system that Bellco FCU uses, we allow you to access your money on the actual maturity date, so on your statement that is the date you will now see.

Kindly understand that the final process of this merger is the Data Conversion, as we complete this process you will start to see the benefits of two great community-chartered credit unions combining.

Bellco and Berks- “Simply better together for you”. As your CEO, I will make every effort to ensure our credit union is the best it can be for all of Berks County.

Thomas H. Gosling

CEO, Bellco FCU