



Outstanding Value ~ Exceptional Service

September 19, 2022

Dear Customer,

I want to extend a heartfelt “welcome to CoVantage Credit Union” in anticipation of the upcoming acquisition. We are so grateful for the opportunity to serve you, and trust you will be delighted with the outstanding value and exceptional service you will receive as a customer and member of CoVantage.

CoVantage is a financially sound and well capitalized financial institution. When you join us, your deposits will be insured up to \$250,000 by the National Credit Union Administration, a federal agency similar to the FDIC. CoVantage and other credit unions are not-for-profit and invest profits into providing lower rates on loans, higher rates on deposits, and more. In fact, CoVantage members have benefited from patronage for 40 consecutive years. Last year’s patronage returned over \$5 million to members in the form of loan interest rebates for borrowers and special dividends for savers. You will benefit too as LincolnWay customers will automatically become members of CoVantage Credit Union and you will have the opportunity for new loans, deposit accounts, and other services.

CoVantage has been recognized nationally for providing outstanding value and exceptional service. Callahan & Associates, an independent credit union research company, has rated CoVantage in the top 1% of all credit unions since 2006. In addition, Forbes announced in June that CoVantage earned the highest rating of all credit unions in the nation for satisfaction, trust, terms, branch services, digital services, and financial advice.

We are pleased and excited for you to be part of the CoVantage family. **Pending regulatory approval, the purchase and acquisition by CoVantage Credit Union is tentatively scheduled for January 1, 2023.** In the coming months, you will receive more information explaining what to expect and when. We anticipate a smooth transition with access to funds and digital banking the day after conversion, similar to our many conversions in the past.

I would like to thank LincolnWay Community Bank for making this acquisition possible. We would not have had this opportunity without the support of LincolnWay’s staff, board members, and shareholders. I am especially grateful to Mark Stevens for his longtime leadership as President/CEO of LincolnWay Community Bank.

Thank you for your continued support and welcome to the CoVantage family. If you have any questions, please reach out to your current LincolnWay banker or visit [www.covantagecu.org/lincolnway](http://www.covantagecu.org/lincolnway).

Warm Regards,

Charlie Zanayed  
President/CEO, CoVantage Credit Union



# Questions & Answers Regarding the Acquisition

## When will the purchase be final?

CoVantage Credit Union's purchase of LincolnWay Community Bank is scheduled to be effective January 1, 2023; however, the transaction is still subject to regulatory approval.

## What is the difference between a bank and a credit union?

Credit unions are not-for-profit financial institutions which allow them to invest their profits into providing lower rates on loans, higher rates on deposits, patronage rebates, and more. Each person who belongs to a credit union is an equal owner (also known as a "member.") Instead of generating profits for stockholders, credit unions are able to focus on their members' needs and generating value for members.

When the purchase is final, you will automatically become a member of CoVantage and your account will remain open for future business with them. For more information on how banks differ from credit unions, visit [www.mycreditunion.gov](http://www.mycreditunion.gov).

## Will my account number change?

Yes. Customers will have new account numbers issued with the conversion to CoVantage's computer system on January 1. CoVantage will communicate with you prior to the conversion date with your new account number.

## What can customers with deposit accounts expect from CoVantage?

CoVantage has very favorable rates. In fact, recently CoVantage was ranked in the top 1% out of 5,000 credit unions for providing value in the form of great rates and low fees by Callahan & Associates, an independent research firm. CoVantage offers a wide range of deposit accounts, including money markets, checking, IRAs, health savings accounts, and CDs (also known as "share certificates") for business and consumer customers. To see current rates, visit [www.covantagecu.org/rates](http://www.covantagecu.org/rates).

## Are my deposits insured by the federal government like FDIC insurance?

Yes. Deposit accounts are insured by the federal agency, National Credit Union Administration (NCUA), up to \$250,000 per account category. Both the FDIC and the NCUA provide government-backed insurance for financial institutions; however, the FDIC insures bank deposits while the NCUA insures credit

union deposits. Insurance coverage offered through NCUA protects members against losses if a credit union should fail. You can have confidence knowing that no one has ever lost a penny from accounts insured by the NCUA's insurance fund. For more information on deposit insurance, visit [www.ncua.gov](http://www.ncua.gov).

## Will the current branches remain open?

Yes. CoVantage is committed to serving the New Lenox and Mokena communities. The current branches will be open as CoVantage branches on the following business day after the conversion for in-person services.

## Will I still know the employees?

Yes. LincolnWay Community Bank employees will become CoVantage employees once the acquisition is final. You will be greeted by friendly staff you've come to know and trust from LincolnWay.

## Does CoVantage charge checking account fees?

CoVantage has **no fees** for overdrafts, insufficient funds, or courtesy pay. Personal checking accounts are completely free. There is no monthly fee, no minimum balance requirement, and the account even earns dividends. On the commercial side, checking account fees are minimal.

## Will I get new checks and an ATM/debit card?

Yes. CoVantage will provide you with a free box of new checks that you can begin using on January 1<sup>st</sup>. Checks that were issued by LincolnWay Community Bank will be accepted by CoVantage for 60 days after the computer conversion. You will be able to use your ATM/debit cards issued by the bank only through the date of conversion, and then such cards will be deactivated. CoVantage will issue new ATM/debit cards prior to January 1<sup>st</sup> so you will not be without an ATM/debit card at any time. CoVantage will communicate more details on these changes as the date of conversion approaches.

## Does CoVantage charge ATM fees?

You can access your money with your CoVantage ATM/debit card and make unlimited fee-free withdrawals at the ATMs at the New Lenox and Mokena branches and at over 35,000 ATMs nationwide that belong to the Co-op and Alliance One networks. Visit [www.covantagecu.org/locations-hours](http://www.covantagecu.org/locations-hours) for more information or look for the blue Alliance One logo or red Co-op logos on the ATM.

## Are my automatic payments and deposits going to transfer during the conversion?

All electronic transactions currently debited and credited to your LincolnWay account will need to be updated with your new CoVantage account number and routing number. CoVantage will notify you in advance of when such updates need to be made. Automatic payments and deposits that were formerly linked to your bank account and routing number will continue to post for 60 days after the computer conversion.

## What will happen to my loans?

Any loans you have with the bank will be transferred to CoVantage with no change to your payment amount, due date, or interest rate. For the past 40 years, CoVantage members have received patronage in the form of a loan interest rebate. In 2021, a record \$5 million in patronage was deposited into the accounts of members who borrowed and saved with CoVantage. Borrowers received a rebate of 6.1% of their total 2021 interest paid on qualifying commercial, mortgage and consumer loans. For example, if a member paid \$50,000 in interest on their commercial loan, they were eligible for a rebate of \$3,050 in patronage for that loan. **In 2023, interest you pay on loans with CoVantage will be eligible for future loan interest rebates, which return a portion of the interest paid on loans during the year.**

## Can I continue to use my credit cards?

Credit cards through LincolnWay Community Bank, that were issued through Elan, may continue to be used with no change at this time. After the acquisition, you may elect to apply for or request that your credit card balance be transferred to a CoVantage Cash Back Visa® or Great Rate Visa® Credit Card. More information on this opportunity will be provided in future communications.

## Will I have online access to my account soon after conversion?

Yes, you can expect to have access to your account information in online/mobile banking after the computer records conversion takes place. More information about enrollment will be shared in future communications.

## Has CoVantage been a part of mergers or acquisitions in the past?

Yes. CoVantage has completed a number of successful acquisitions dating back to 2003 without delays to members' accounts or access to their money.

## Does CoVantage do commercial lending?

CoVantage is a highly successful commercial lender and is one of only a few credit unions nationally that has been serving commercial members the entire time they've been in business, which dates back to 1953. Currently, CoVantage's commercial loan portfolio is \$400 million and includes commercial real estate, single payment notes, letters of credit, equipment loans, business credit cards, and more.

## Where are other CoVantage branches located?

Headquartered in Antigo, Wisconsin, CoVantage has branches in northern, central, and eastern Wisconsin and in the Upper Peninsula of Michigan. Locations can be found by visiting [www.covantagecu.org/locations-hours](http://www.covantagecu.org/locations-hours).

## I don't visit any branches. How can I get assistance from CoVantage?

CoVantage has a full-service contact center that is available **7 am to 7 pm weekdays, and 8:30 to noon on Saturdays**. In addition, CoVantage provides a robust digital and mobile banking platform that includes free 24/7 transactions, mobile loan applications, mobile account opening, bill pay service, and remote deposit capture.

## Why was CoVantage Credit Union chosen to purchase LincolnWay Community Bank?

CoVantage has a lot to offer. For example, you will have access to a wider variety of products with enhanced features: larger business lending opportunities due to CoVantage's size; strong mortgage lending services; and rates that are consistently ranked among the best-of-the-best. In addition to great products, the credit union's mission and values align well with those at LincolnWay. The mission at CoVantage is to welcome all regardless of wealth and provide outstanding value and exceptional service, which is consistent with LincolnWay's commitment to providing low-cost services and promoting the long-term health of businesses and individuals. CoVantage also has a history of giving back and supporting local organizations and schools throughout the communities in which they have branches.

## What if I have additional questions?

Please reach out to your current LincolnWay banker or visit [www.covantagecu.org/lincolnway](http://www.covantagecu.org/lincolnway).