



Charter Conversion Vote – Frequently Asked Questions

Q: Why are you making this change?

A: The Management Team and Board of Directors agree that the PA Department of Banking does not have the interests of our members in mind and have not fulfilled their obligation to Members Choice. The Pennsylvania Credit Union Code contains a parity clause that allows the Department to grant similar treatment to State Chartered Credit Unions as Federal Credit Unions have; but it, consistently fails to grant this valuable accommodation. As the Board explores future plans to grow and serve, it recognizes this obstacle as one that will not change.

Q: How does this affect me?

A: The charter change from State to Federal, will allow Members Choice a greater flexibility in growth of our business and membership, particularly in underserved areas. You will see no impact to your products and services due to the charter change. You will still be able to use your current check stock, the routing number will not change, debit/credit cards will not be reissued, and our website and digital banking will remain the same.

Q: When does this vote take place?

A: Voting is open on April 1, 2021. All ballots must be returned by April 28, 2021 at 5:00 pm.

Q: How do I vote?

A: You have 2 options for completing your vote.

1. In Branch: Print the ballot from home, complete the ballot you received in the mail, or request a ballot while you are in the branch. Simply fill out your ballot, place it in a sealed envelope, and drop it in the ballot box.
2. Main-In: Print the ballot from home or complete the ballot you received in the mail, then place the ballot in the provided postage paid envelope or mail to: Members Choice Financial Credit Union, P.O. Box 329 Danville, PA 17821. Be sure to allow enough time for your ballot to be received in you choose this option.



Q: Why/How does my vote count?

A: Credit Unions have a cooperative structure. You are a member owner with one vote, like every other member owner, regardless of account balances, products, and services. This vote is your voice in this decision. It is important that we make a statement to the Department of Banking that our member owners are engaged with the credit union and approve of the decision to switch charters.

Q: What is required of me to vote?

A: You must be a member, with your savings account holding your membership fee. Please fill out the ballot in its entirety. This includes your printed name, account number, vote, signature and the date. Your completed ballot must then be placed in a sealed envelope.

Q: Can the joint owner of my account vote?

A: Yes, as long as they also have their membership fee held in the primary savings account or they have a primary account of their own. Each credit union member receives one vote.

Q: What are the benefits of voting to approve the charter change?

A: The Board of Directors has unanimously adopted a resolution to convert our Pennsylvania Credit Union State Charter to a Federal Credit Union Charter. The Board focus on this decision is driven by our ability to better serve our members under the Federal Charter, especially in terms of growth and serving the underserved.

Q: What is the difference between a State and Federal Charter?

A: A federal credit union is a credit union regulated and supervised by the National Credit Union Association. State credit unions instead adhere to state-specific regulations, NCUA regulations where the State Code is silent. In both cases your deposits are insured by NCUA.

Q: Does It matter what branch I visit to cast my vote.

A: No, you may cast your vote in any Members Choice branch.

Q: If I am voting in person, what should I do with the ballot I received in the mail?

A: You can disregard that ballot. Your vote will only be counted one time.



Q: Who will be counting the votes?

A: Votes will be counted by a group appointed by the Board of Directors.

Q: How long will it take for the conversion to take place?

A: First, the decision will need to be approved by a majority vote of 10% or more of our members. Then, the conversion process must occur within 90 days.

Q: What is required for the vote to be approved?

A: We are required to receive ballots from a minimum of 10% of our members. Of all the votes received, a majority (50%+) must be to approve the decision.

Q: What happens if this vote is not approved?

A: We remain a State Chartered Credit Union.