



CORE PROCESSING SYSTEM CONVERSION

Important: We're making big changes under the hood — here's how they will affect you

In March 2021, Velocity will upgrade to a new processing core — the primary computer system that manages almost every transaction we conduct for members — so that we can continue to provide you with safe, secure products and services now, and deliver the latest innovations in the future.

This investment in our technological foundation will allow us to better serve you for years to come. Ideally, most of the changes will be invisible to you. But rest assured that if the services you use will be affected, we'll let you know.

You can help us to that end by making sure that your contact information is up to date (see Quick Tips box).

While we've been working behind the scenes on this big change for some time, we realize that the process is probably new to you. So, we've set up a page of **Frequently Asked Questions** about the core conversion on our website. You can find it at velocitycu.com/conversion. The page also includes every piece of communication that we've sent so you won't miss a thing.

We plan to expand our deposit, loan and investment products for consumers and small businesses. We are looking forward to the

QUICK TIPS

If you received this newsletter in your printed statements, you might consider switching to **eServices**, which includes **eStatements** and **eAlerts**. You'll receive your statements much quicker, plus there's an online archive at your fingertips. You can print your statements at home or save them to your home computer ... it's safer and much more efficient than mailed paper statements.

If you're reading this online because you already receive eStatements, that's a great start.

We're sending some notices and letters by regular mail, so please make sure that we have your current mailing address, too.

You can check this information and update it if you need to by logging into Online Banking or the Velocity mobile app and selecting "Update Contact Info" from the "Services" menu.

We hope you'll all opt in for email communication. Just visit velocitycu.com/opt, enter your name and email address, and you'll be good to go!

new changes, and we hope you are, too.

HERE ARE SOME IMPROVEMENTS YOU CAN EXPECT:

- Faster teller transactions
- Faster, easier to set up direct deposits and electronic loan payments
- Improvements to automated payments
- More options for accounts and services for businesses
- A new personal line-of-credit loan program

THINGS THAT WON'T CHANGE:

- Your member number (mostly)
- No changes to online banking logins and passwords
- No need for new checks
- No need for new debit or credit cards

NOTABLE CHANGES:

- Account numbers will change.
- No more S, I, L account code extensions
- Statements will change for the better
- Teller receipts will change and we will be able to offer receipts by email, if you like
- **Online banking**
 - Slight changes in look, better!
 - Transaction history views will change a bit
 - Real estate loans will be visible in much more detail than before

For information on **closures necessary to perform the upgrade**, please see item at right.

We appreciate your patience while we build a better Velocity!

UPCOMING CLOSURES

In observance of the federal holidays, Velocity Credit Union will be closed:

Mon., Jan. 18: Martin Luther King, Jr. Day

Did you know? The civil rights leader enrolled at Morehouse College at the age of only 15, having skipped grades 9 and 12. He graduated as an ordained minister with a sociology degree.



Mon., Feb. 15: Presidents Day

Did you know? If you enjoy all of these Monday holidays, you can



McClory

thank Rep. Robert McClory of Illinois. In the 1960s, he championed the Uniform Monday Holiday Act, which shifted several holidays from specific

dates to a series of Mondays. The law also combined the celebration of George Washington and Abraham Lincoln's birthdays to the new "Presidents Day".

Fri., Feb. 26-Mon., Mar. 1: Conversion Branch Closures

To facilitate core system upgrades (see story, left), **we will close at 5pm on Feb. 26 and our offices, lobbies and drive through lanes will be closed through Monday, March 1.**

During this time, Online Banking will be unavailable. Credit and debit card transactions will still be authorized but with smaller approval limits.

OPERATION BLUE SANTA

Through the generosity of our members, employees, and Velocity, we donated more than \$3,300 to ensure that area families in need have a joyous holiday season.



Thanks to everyone who helped us reach our goal!

BOARD OF DIRECTORS

Nominees and annual meeting date announced

The nominating committee has completed its evaluation of potential candidates for positions on the Velocity board of directors. This process included interviewing and carefully screening the candidates' qualifications in accordance with the nominating process specified in the credit union's bylaws. The individuals shown here have been nominated to fill three positions on the Velocity board of directors.

Nominations for vacancies may be made by petition signed by one (1%) percent of the membership with a minimum of (20) and a maximum of five hundred (500). Members desiring to petition for a place on the ballot shall first have submitted an application and resume to the nominating committee before the prescribed cut-off date and have appeared before the nominating committee for personal interview.

Mary Paredes

- Retired — Community Care Services, Rosewood Zaragosa Health Center
- Previously served as board chair and second vice chair
- Current board member
- Velocity member for more than 25 years

John Ross

- Retired — City of Austin Police Department
- Served on the Austin Police Retirement Board
- Current board member
- Velocity member for more than 50 years

Joe Putman

- Retired — Commander, Austin Police Department, Velocity Credit Union
- Current board member
- Velocity member for more than 35 years

2020 annual meeting: 12pm Tuesday, April 27, 2021, location TBD.

NOTICE TO VELOCITY MEMBERS WITH IRAs, REGARDING 2020 REQUIRED MINIMUM DISTRIBUTION WAIVER

The term IRA will be used below to mean Traditional IRA, Roth IRA, and SIMPLE IRA, unless otherwise specified. If this is an inherited IRA, the IRA Owner is the beneficiary who has inherited this IRA.



The Coronavirus Aid, Relief and Economic Security (CARES) Act, signed into law on March 27, 2020, states that individuals, including beneficiaries, are not required to take required minimum distributions (RMDs) from their Traditional and SIMPLE IRAs, or inherited IRAs in 2020. In addition, a beneficiary of inherited IRA assets, who has elected to take distribution of the IRA by December 31 of the fifth year following the year of the original IRA owner's death, is not required to count 2020 in the calculation of the five year period, gaining one year to deplete the inherited IRA.

NOTE: If you have already received a payment in 2020, you may wish to consult with a competent tax advisor to determine your options.

COMPLAINT NOTICE

If you have a problem with the services provided by this credit union, please contact us at: **Velocity Credit Union, P.O. Box 1089, Austin, TX, 78767; 512.469.7000; contact@velocitycu.com.** This credit union is incorporated under the laws of the State of Texas and under state law is subject to regulatory oversight by the Texas Credit Union Department. If any dispute is not resolved to your satisfaction, you may also file a complaint against the credit union by contacting the Texas Credit Union Department at: **914 East Anderson Ln., Austin, TX, 78752-1699; 512.837.9236; www.cud.texas.gov.**

Documents available to members

Upon request, members are entitled to review or receive a copy of the following credit union documents: Balance Sheet & Income Statement, Summary of the most recent annual audit, written board policy regarding access to the articles of incorporation, bylaws, rules, guidelines, and board policies, and Internal Revenue Service Form 990.

NEW BRANCH PROGRESS



Our new downtown Austin branch, as viewed from the corner of 12th and Sabine Streets, is really taking shape! The facility is located on the site of our former Annex building, across Sabine Street from our current downtown branch.

It won't be long now — new Velocity downtown branch nears completion

Drive-thru lanes and ITMs top the list of convenient features that await

Shiny! New!

Our soon-to-open downtown branch cuts a stylish and modern, pace-setting figure among the emerging Waller Creek landscape.

When the facility opens this month, it will sport easy I-35 access along with four drive-thru lanes featuring our **VelocityLIVE ITMs**, which allow users to see and speak with a live teller and conduct most transactions that were previously only available in-branch.

Members have found the new service, which has been available at our current downtown branch and our Quarry Lake lobby for some time, to be invaluable during the Coronavirus pandemic.

You'll also find a bright, full-service lobby (currently available by appointment only) and a self-service coin machine, along with other state-of-the-art conveniences.

Watch for a grand-opening celebration as soon as we can safely and fully open. In the mean time, find updates at velocitycu.com.



VELOCITY IN THE COMMUNITY



Velocity helps Habitat for Humanity build a house

Last Fall, Velocity continued its commitment to the community by joining other members of the Austin Chapter of Credit Unions and their partners to sponsor **The House that Credit Unions Built**.

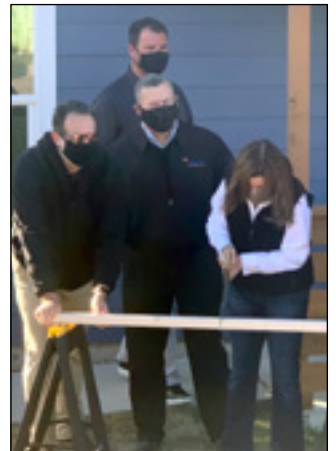
The partnership with **Habitat for Humanity** resulted in the construction of a safe, accessible and affordable new home purchased by Kirsten, a woman with disabilities who has built a life in Austin but became uncertain whether or not she would be able to remain here.

"This is the first time in the nation that credit unions have joined together to build a home for a Habitat for Humanity affiliate. It has been a joy to work alongside the credit union employees and witness their love of this community," said Austin Habitat for Humanity CEO Phyllis Snodgrass.

You can find out more about how to help Habitat for Humanity at austinhabitat.org.

"It has been a joy to work alongside the credit union employees and witness their love of this community."

Phyllis Snodgrass,
CEO, Habitat for Humanity



Velocity president and CEO Debbie Mitchell cuts the ribbon — er, saws the board — to dedicate The House that Credit Unions Built.

Earn \$100* for rolling over your 401(k) or IRA!

Get a



ROLLOVER REWARD*

from



Details at velocitycu.com



Schedule your no-obligation consultation with CFS' Financial Professional **Kent Johnson** today!

*Rollover must be an IRA, 401(k), 403(b), 457, or TSP. Offer valid for individuals who open a new retirement account through CUSO Financial Services, L.P. ("CFS") by February 26, 2021. Void where prohibited. Velocity Credit Union membership is required to take advantage of this special offer. Participants will receive a \$100 deposit to their Velocity account for rollover amounts \$25,000 and higher. Deposit will be placed in the member's account 60 days after account funding. Taxes are the sole responsibility of the recipient. Limit one \$100 reward per member. Limited time offer. While supplies last. Before deciding whether to retain assets in an employer sponsored plan or roll over to an IRA an investor should consider various factors including, but not limited to: investment options, fees and expenses, services, withdrawal penalties, protection from creditors and legal judgments, required minimum distributions, and possession of employer stock.

^Non-deposit investment products and services are offered through CUSO Financial Services, L.P. ("CFS"), a registered broker-dealer (Member FINRA/SIPC) and SEC Registered Investment Advisor. Products offered through CFS: are not NCUA/NCUSIF or otherwise federally insured, are not guarantees or obligations of the credit union, and may involve investment risk including possible loss of principal. Investment Representatives are registered through CFS. The Credit Union has contracted with CFS to make non-deposit investment products and services available to credit union members."