August 2026

MEMBER INSIGHTS

MONTHLY NEWS FROM YOUR CREDIT UNION

MERCK EMPLOYEES FEDERAL CREDIT UNION

From the Office of the President

PARTNERING WITH OUR MEMBERSHIP FOR SAFE BANKING

Last January your credit union took another important step in our mission to provide one of the safest and most value-driven banking experiences in the country today.

We launched our Carefull fraud monitoring solution on January 29th. Fast forward to today and we have a solid understanding of the impact it is having. Consider these statistics:

- Approximately 2,500 members and family members are covered by the Carefull service.
- Collectively the accounts that our members have enrolled in the Carefull monitoring service are valued at more than $370 million.
- Our Carefull users are savvy about security. Approximately 50% of our Carefull users have added Trusted Contacts to their accounts, a key feature to ensuring safety in challenging times. We urge all members to add Trusted Contacts on their credit union accounts. You can do that by clicking here. https://www.merckcu.com/trusted-contact
- Since we launched, Carefull members have received more than 200,000 email fraud alerts about activity on their accounts. Incredibly, those emails had a 72% open rate, showing the value users put on this service.
- 93% of Carefull users have signed up for the included Identity Theft coverage.
- Approximately 20% of users have added the optional and complimentary Home Title protection.

It's important to note Carefull is not a narrow service. It offers all of the following benefits:

- $1 million in Identity Theft Insurance
- Credit Monitoring
- Home Title and Address monitoring
- Monitoring for one other member of your family is included.
- One-on-One fraud consultation with Carefull representatives.
- Ability to add Trusted Contacts
- Continual fraud education on new and emerging frauds.

The stories of fraud prevention and satisfaction with the service have flooded in since launch:

"I feel that Carefull is watching my accounts better than I am!!"

— Joanne Y., Merck member

"Always a quick response and professional help."

— Joe P., Merck member

"It gives me peace of mind knowing that my accounts are being actively watched and protected with care. That level of vigilance is something I deeply value."

— Kathleen N., Merck member

"Carefull is a comprehensive tool that covers all of my banking, investment, and credit accounts as well as my home title. It also monitors for at risk behaviors that might indicate an error or that someone is taking advantage of us - and it operates vigilantly 24/7-365 - more than the most careful person can do on their own."

— Rita W., Merck member

We decided to provide this valuable fraud prevention service at no charge because it fits into our goal of safe banking in what has become a fraud-filled environment. Fraud is a global industry of organized groups which is expected to be the third largest economy in the world in five years, just behind the U.S. and China economies. If you have yet to sign up for Carefull, you can do so here: https://www.merckcu.com/carefull.

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Carefull is just one small aspect of our safe banking journey. While technology is vital in fighting fraud, the human element can be even more important. Our team is trained on what to look for in fraudulent transactions, which often means challenging our members during certain transactions, such as large wires or cash withdrawals. We have countless examples of members being pushed into transactions by fraudsters, but our team's savvy approach to fraud detection has stopped them in their tracks.

"Slow Down. Stop. Escalate."

It may sound simple, but this four-word Enterprise Risk Management mantra has helped us detect and stop fraud in hundreds of cases by simply taking the time to evaluate all aspects of the transaction and not rushing just to get the transaction processed. Fraudsters specialize in rushing its targets and being pushy. It doesn't work here. While AI and advanced technology is all the rage, the human element has made us a leader in fraud prevention with one of the lowest fraud loss ratios of any financial institution.

We Need You to Partner With Us

We can't do this alone. Your role in fraud prevention is even bigger than ours. Members must take the time to check in on their accounts. Monitoring your accounts regularly is the best defense against fraud. We have made that easy with a variety of account alert functions available in online banking, and of course the alert system built into the Carefull fraud monitoring service. If you are not using these valuable fraud fighting tools, I urge you to enroll or contact us with any questions.

Data Awareness

We encourage members to be aware of their "data surroundings." This means not providing personal and financial information in email, texts, over the phone, or any other method to any source you are not familiar with. Protect your personal data. We are here if you want to get our input on inquiries you receive that you are concerned about. Carefull also offers a 24/7 hotline (833-836-0050) that you can use to talk to fraud specialists directly about potential fraud.

Financial Safety

I want to close with a focus on the financial health of your credit union. We maintain a rock-solid balance sheet that performs in all economic environments. The credit union's reserves are more than twice the regulatory requirement. Our regulator, NCUA, requires us to maintain 7% capital. We currently have more than 14% in capital, enabling us to not only weather economic storms, but even more importantly it allows us to invest in the credit union with important fraud fighting tools like Carefull, our great team, and the many automated solutions we use to protect you.

We talk about fraud prevention a lot at the credit union and it's not meant to alarm members. The sky is not falling, but the frenzy of fraud has ticked up everywhere and we have seen creative and clever fraud schemes that some of our members have fallen victim to. I simply urge you to do your part in keeping your accounts safe and leverage the credit union's many resources to assist you in our shared safe banking journey.

Paul Gentile
President/CEO



The credit union team recently congratulated one of its long-time members, Carolina Ferraro, who is retiring after a dynamic 37 year career at Merck. She is looking forward to doing what she wants and enjoying life!
From left: Jeannette Tursi, Latosha Nelson, Paul Gentile, Ferraro and Rosemary Torres.

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