

Envisant/Curql Fund Investment FAQs

Is this an investment in Curql or Envisant?

You are purchasing a special class of stock in the ICUL Service Corporation, d/b/a Envisant, and those funds will be aggregated with other Envisant investors for a purchase commitment in Curql II Fund. Through an agreement with the Curql Collective, Envisant investors are treated the same as direct Curql investors except the ability to participate in governance, i.e., shareholder votes. Envisant will be the Limited Partner of record in Curql Fund II.

When will Envisant request our capital contribution for the special class of stock?

Investors will be requested to transfer funds to Envisant within 5 business days after returning an executed CUSO Investment Agreement with Envisant.

When will I get my investment in Envisant back?

Curql Fund II's term will run approximately 10 years with most of the investment in fintechs occurring in the first 5 years. Based on the projected fund timeline, many of the fintechs will begin to exit the Fund via acquisition, IPO, liquidation, etc., after year 5 and all will be out by the end of year 10. When the fund is terminated in 2034, Envisant will repurchase the special Curql shares at a price reflective of the adjusted cost basis (par value of remaining shares owned, adjusted for any remaining unallocated gains and losses due to fintech exits). Curql Collective has the option of extending the life of the Fund for another year if more time is needed to liquidate any remaining portfolio companies.

What happens if a Curql fintech exits the Fund with a gain?

If Curql makes a distribution to limited partners because of this gain, Envisant will make a distribution to special stockholders on a pro-rata basis at the end of the year. Envisant is subject to federal and state taxes, so distributions will be tax effected and reduced by first applying applicable tax rates at that time. It will also offset the gain by any losses incurred by the fund and allocated to limited partners that year based on fintech exits from the fund. Envisant will provide a schedule to each investor reflecting the portion of any distribution that represents a return of capital and the portion representing a gain on sale (which would be treated as dividend income by the investor).

What happens if a Curql fintech exits the funds because it goes out of business or is acquired for less than Curql Fund invested in it?

Losses incurred because of fintech exits from the fund will first be used to offset any gains from fintech exits in the same calendar year. If losses exceed gains in any year, the loss will be carried forward and will offset any gains distributed by the Fund in the following year, if there are any. The losses will continually be tracked and, if they exceed the gains available when the fund is terminated, they will reduce the final repurchase price of Envisant stock by the amount of the accumulated loss.

How do I account for this investment?

You will record the investment as an asset on your books, equal to the value of the amount paid for the special stock in Envisant (cost). The book value of this non-marketable investment will only be adjusted for the portion of capital returned when a Curql Fund fintech exits at a gain, Curql then

distributes cash to limited partners, and Envisant distributes cash to each special stockholder. Envisant will provide a schedule to each investor reflecting the portion of any distribution that represents a return of capital and the portion representing a gain on sale.

What do regulators have to say about this?

The Curql program has been thoroughly reviewed by the NCUA and has a strong performance and compliance track record with Curql Fund I. Illinois credit unions investing in Envisant for Curql Fund I have not reported any issues with regulators. Envisant set the \$100MM asset minimum for credit unions to participate in this program to limit the impact of a potential loss on smaller FI's.

Can I invest more than \$750k with Envisant?

The Envisant aggregation program provides an alternative for credit unions or other investors that can't or don't want to make a \$2 million minimum direct investment in the Curql Fund II. If you want to invest more than the \$750k cap, please contact the Curql Collective to discuss a direct investment.

If I participate in this program and buy Envisant stock, what ownership rights do I have?

This aggregation program was set up by Envisant to enable credit unions with an opportunity to indirectly support and engage with Curql at a lower investment amount. The terms of ownership are detailed in an investment agreement between the credit union and Envisant, but in summary, Special Curql stockholders have no voting rights or involvement in Envisant governance.

Does this investment make me an owner in a CUSO?

Yes, your investment in Envisant is considered a CUSO investment, so you need to follow applicable federal and state CUSO rules.

My credit union is bigger than \$1B in assets, but we don't want to make the \$2MM minimum investment. Can I engage with Curql with an investment in Envisant?

This Envisant program is intended for credit unions with less than \$1B in assets. Credit unions with more than \$1B in assets should contact the Curql Collective about a direct investment with them, or approval to invest through Envisant.

What does it cost to participate in this program?

To help cover the expenses associated with this opportunity, Envisant is charging an annual management fee of 25 bps of your total amount invested. For example, for a \$100,000 investment by a credit union, Envisant will charge \$250 every year until Curql Fund II is terminated. For that fee, Envisant will provide you quarterly updates on the Curql Fund II, distribute any gains (minus any losses) made from any fintech exits from the fund every year, provide you with adjustments to the cost basis of your Envisant shares, send you Envisant's annual audited financial statements, and be available to answer questions about your investment.