

May 7, 2024

Dear Member:

We have important news to share with you about the future of Changing Seasons Federal Credit Union (Changing Seasons). After careful evaluation of our credit union over the past several years, it has become increasingly obvious that the cost of doing business for a small credit union has outpaced the ability to afford the next level of products and services desired by our members, leading us to explore a merger. Throughout the process to reach this moment, the Changing Seasons Board of Directors has been firm in its commitment to look after the best interests of its members. After much thought and careful deliberation, the Board approached University Credit Union (UCU) as a voluntary merger partner.

It is important to note that this decision has not been entered into lightly. An analysis was conducted, and the determination was made that Changing Seasons merging into a local, purpose driven credit union would provide the strategic opportunity needed for continued success. There are many areas of alignment between the credit unions. Recognizing the advantages that would flow to our members as a combined larger institution, the decision was made to pursue approval of a merger with UCU.

There will be changes with this merger, including increased availability of local branches, ATMs, drive-up, products and services, and many more immediate benefits of UCU membership. An important benefit, Changing Seasons employees will all become UCU employees once the merger is finalized. We will continue to be some of the same friendly faces you know at your local credit union, just now at UCU, and the team will only expand with many great UCU employees there to assist you with all of your needs.

This process required that a merger request be submitted to the National Credit Union Administration (NCUA) and Maine Bureau of Financial Institutions (BOFI) for review and permission for us to proceed. The approval to pursue the merger was granted by NCUA on April 16, 2024. A membership meeting to approve the merger with UCU is currently scheduled for June 24, 2024, with a completed merger targeted by July 1, 2024.

As always, our focus is on what is best for our members. We have heard from our members and the desire for less fees, better rates and a wider range of products and services. We are confident that the proposed merger with UCU will accomplish all of that and much more. We are confident that members will continue to experience the high level of member service you expect from your credit union today.

The Changing Seasons Board of Directors is pleased to present you, our valued member, with the opportunity to vote on this important recommendation. You will have the opportunity to vote early by mail ballot or attend the membership meeting and vote in-person. If you have questions about the merger, or for more information, please visit: www.changingseasonsfcu.com/ucu/.

We recommend a YES vote on the ballot. It is truly a win-win for all of us.

Sincerely,

Beth Kotredes

Beth Kotredes
Board Chairperson
Changing Seasons FCU

Rob Picard

Rob Picard
President & CEO
Changing Seasons FCU

Notice of Meeting of the Members of Changing Seasons Federal Credit Union

The Board of Directors of Changing Seasons Federal Credit Union have called a special meeting of the members of this credit union at 115 Mecaw Road, Hampden, ME 04444, on June 24, 2024 at 5:00pm. The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging Changing Seasons Federal Credit Union with and into University Credit Union, whereby all assets and liabilities of Changing Seasons Federal Credit Union be merged with and into the University Credit Union. All members of Changing Seasons Federal Credit Union will become members of University Credit Union and will be entitled to and will receive shares in University Credit Union for the shares they own in Changing Seasons Federal Credit Union on the effective date of the merger.
2. To ratify, confirm and approve the action of the Board of Directors in authorizing the officers of Changing Seasons Federal Credit Union, subject to the approval of members, to do all things and to execute all agreements, documents, and other papers necessary to carry out the proposed merger.

The Board of Directors of Changing Seasons Federal Credit Union encourages you to attend the meeting and vote on the proposed merger. Whether or not you expect to attend the meeting, we urge you to sign, date and promptly return the enclosed ballot to vote on the proposed merger.

If you wish to submit comments about the merger to share with other members, you may submit them to the National Credit Union Administration (NCUA) at <https://www.ncua.gov/support-services/credit-union-resources-expansion/credit-union-merger-resources/comments-proposed-credit-union-mergers>. You may also mail your comments to: National Credit Union Administration, Office of Credit Union Resources and Expansion, 1775 Duke Street, Alexandria, VA 22314. The NCUA will post comments received from members on its website, along with the member's name, subject to the limitations and requirements of its regulations.

Other Information Related to the Proposed Merger:

The Board of Directors has carefully evaluated and analyzed the assets and liabilities of the credit unions and the value of shares in both credit unions. The financial statements of both credit unions, as well as the projected combined financial statement of the continuing credit union, follow as separate documents. In addition, the following information applies to the proposed merger.

Reasons for merger: The Board of Directors has concluded that the proposed merger is desirable and in the best interests of members for a number of reasons, such as better pricing and services, additional products, enhanced convenience and account access and lower operating costs as a larger combined institution. The merged credit union will also achieve economies of scale which will permit it to better compete in the increasingly competitive financial services industry. By joining together, Changing Seasons Federal Credit Union and University Credit Union will retain their members-first philosophy and be better positioned to serve members now and into the future. As a result, the Board of Directors has determined that the opportunity to merge with University Credit Union is in the best interest of the members.

If the merger is approved by the members, your savings with University Credit Union will remain federally insured by the National Credit Union Share Insurance Fund (NCUSIF), an arm of the National Credit Union Administration, and backed by the full faith and credit of the United States Government.

Net worth: The net worth of a merging credit union at the time of a merger transfers to the continuing credit union. Changing Seasons Federal Credit Union (7.51%) has a lower net worth ratio than University Credit Union (9.07%).

Share adjustment or distribution: Changing Seasons Federal Credit Union will not distribute a portion of its net worth to its members in the merger. The board of directors has determined a share adjustment, or other distribution of Changing Seasons Federal Credit Union's net worth is unnecessary because Changing Seasons has a lower net worth ratio than University Credit Union. In addition, once all one-time merger costs (including early contract termination fees, integration costs for core banking and other data systems and write-downs of fixed and other assets to be retired) are accounted for, University Credit Union's extensive infrastructure and beneficial services and product offerings that will be available to Changing Seasons Federal Credit Union members are taken into consideration, and the need for maintaining current net worth position, the differences in the Credit Union's probable asset share ratios are negligible, with University Credit Union's being higher.

Locations of merging and continuing credit union: The Changing Seasons Federal Credit Union main branch location in Hampden, Maine, will remain open for a period of several months following the merger until it is consolidated with the 977 Union Street, Bangor Maine branch. University Credit Union currently has eight branch locations in the service area, three in close proximity.

115 Mecaw Road, Hampden, ME 04444 – Changing Seasons FCU

15 Main Street, Orono, ME 04473 – UCU Headquarters

5748 Memorial Union, Orono, ME 04469

977 Union Street, Bangor, ME 04401

154 High Street, Farmington, ME 04938

32 Campus Avenue, Gorham, ME 04038

391 Forest Avenue, Portland, ME 04101

181 Main Street, Presque Isle, ME 04769

116 O'Brien Avenue, Machias, ME 04654

In addition, University Credit Union is a member of the nationwide shared branching network, allowing members access to over 5,000 branch locations throughout the United States.

Changes to services and member benefits: University Credit Union plans to evaluate the longevity of products offered by Changing Seasons Federal Credit Union to make later determinations of discontinuation or duplication of offerings.

Member Approval and Ballot: Please note that the proposed merger must have the approval of the majority of members who vote. In accordance with its Bylaws, Changing Seasons Federal Credit Union is conducting the member vote on the merger proposal through a mail-in or in-person ballot to the Changing Seasons Federal Credit Union members. The ballot distribution, collection, custody and tabulation will be conducted by an independent third-party company, CU Ballot.

Enclosed with this Notice of Special Meeting is a Ballot for Merger Proposal. If you cannot attend the meeting, please complete the Ballot and return it by mail only to:

E Space Communications, Inc.
c/o CUBallot – Election Processing
P. O. Box 3156
Dublin, OH 43016-9842

To be counted, your Ballot must be received by June 24, 2024 at 5:00pm. You may also cast your vote in-person at the meeting. **The branch cannot accept ballots or mail ballots for members.**

BY THE ORDER OF THE BOARD OF DIRECTORS:

Beth Kotredes

Chairperson
Beth Kotredes

May 7, 2024