

Notice of Meeting of the Members of Central Coast Federal Credit Union

The Board of Directors of Central Coast Federal Credit Union have called a special meeting of the members of this credit union at 4242 Gigling Road, Seaside, California 93955 on March 13, 2024 at 5:30 p.m. The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging Central Coast Federal Credit Union with and into Wescom Central Credit Union (hereinafter referred to as the “Continuing Credit Union”), whereby all assets and liabilities of Central Coast Federal Credit Union will be merged with and into the Continuing Credit Union. All members of Central Coast Federal Credit Union will become members of the Continuing Credit Union and will be entitled to and will receive shares in the Continuing Credit Union for the shares they own in Central Coast 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 Central Coast 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 Central Coast 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://ncua.gov/support-services/credit-union-resources-expansion/credit-union-merger-resources/comments-proposed-credit-union-mergers> or mail to

NCUA – Office of Credit Union Resources and Expansion
1775 Duke Street
Alexandria, VA 22314

RE: Member-to-Member Communication For Central Coast Federal Credit Union

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 because it allows for a consolidation of energies and resources of the two credit unions to better serve the members in a competitive and secure environment. As a result of the proposed merger, the Continuing Credit Union will be able to offer, and you will be able to expect:

- **Additional Products and Services**, such as enhanced digital banking, checking and savings products, credit cards, auto and personal loans, home loans, investment and insurance services.

- **Increased Member Access and Convenience** through state of the art online platforms, highly rated mobile banking app and remote check deposit. In addition, the merger will result in 28 proprietary branches and 96 proprietary ATMs in Northern and Southern California with access to 30,000+ fee-free ATMs.
- **Volunteer Representation**, as one member of Central Coast Federal Credit Union's board of directors will serve on the board of the Continuing Credit Union after the merger. In addition, five (5) members of the Central Coast Federal Credit Union's current board will have the opportunity to serve on an Advisory Committee to assist the Continuing Credit Union with post-merger integration and related issues.
- **Continued Leadership Representation** will be maintained as Central Coast Federal Credit Union's President/CEO, Leinette Limtiaco, will become the Continuing Credit Union's Vice President – Branch Operations, Central Coast Region.
- **The Same Knowledgeable and Friendly Employees** would be available to serve you.
- **Community Support**, as the Continuing Credit Union intends to increase the level of support of all community charitable programs Central Coast Federal Credit Union currently supports.
- **More Responsive to Evolving Financial Need**, because becoming a larger credit union with approximately \$6.3 billion in assets provides opportunities to increase efficiencies and return those savings back to members in the form of greater access and value, new technology and services, competitive loan and deposit rates, and higher levels of community giving.

Wescom Central Credit Union's President/CEO, Darren Williams, will continue to be the President/CEO of the Continuing Credit Union after the proposed merger.

Beyond these immediate benefits, this merger will combine two established entities that share similar values and commitment to their members, people, and culture. These two organizations share a core purpose of advancing and promoting the interests of the public to empower people to achieve a brighter financial future. With the combined vision, people, and capabilities of these two organizations, the members, communities, and employees will receive lasting benefits. The combined entity will leverage its leadership and innovation to offer members competitive products and services, even better than they have today.

Net worth: The net worth of a merging credit union at the time of a merger transfers to the Continuing Credit Union. Central Coast Federal Credit Union currently has a lower net worth ratio than Wescom Central Credit Union.

Share adjustment or distribution: Central Coast Federal Credit Union will not distribute a portion of its net worth to its members in the merger. The Board of Directors of the Merging Credit Union has determined a share adjustment, or other distribution of the Merging Credit Union's net worth, is unnecessary because once all one-time merger costs (including early contract termination fees, prepaid expenses, and depreciation) are accounted, and after considering for the Continuing Credit Union's extensive infrastructure and beneficial services and product offerings that will be available to Central Coast Federal Credit Union members, the merger will not result in an increase to the Continuing Credit Union's net worth ratio.

Locations of merging and continuing credit union: The Continuing Credit Union intends to maintain Central Coast Federal Credit Union's four existing locations, subject to sound business practices as well as safety and soundness concerns for the Continuing Credit Union:

- Main branch: 4242 Gigling Road, Seaside, CA 93955
- 510 Canal Street, Suite R, King City, CA 93930
- 1141 South Main Street, Salinas, CA 93901
- 315 Gabilan Drive, Soledad, CA 93960

In addition, Wescom Central Credit Union has the following locations:

- Main Office/Corporate Headquarters: 123 S. Marengo Avenue, Pasadena, CA 91101
- West Covina: 2646 E Garvey Ave South, Suite F, West Covina, CA 91791
- Sherman Oaks: 5000 Van Nuys Blvd #100, Sherman Oaks, CA 91403
- Culver City: 10970 Jefferson Blvd., Culver City CA 90230
- UCLA Campus Branch: Ackerman Student Union, 1st Floor 308 Westwood Plaza, Los Angeles, CA 90095
- Hawthorne: 2871 W. 120th Street, Hawthorne, CA 90250
- La Habra: 1330 South Beach Blvd, Suite B, La Habra, CA 90631
- Torrance: 19780 Hawthorne Blvd, Torrance, CA 90503
- Signal Hill: 2600 Cherry Ave., Signal Hill CA 90755
- Anaheim: 5495 E. La Palma Avenue, Anaheim, CA 92807
- Orange: 3743 W. Chapman Avenue, #C, Orange, CA 92868
- Stevenson Ranch: 24939 Pico Canyon Rd., Suite D, Stevenson Ranch, CA 91381
- Palmdale: 39575 Trade Center Drive, Palmdale, CA 93551
- Ontario: 4330 E. Mills Circle, Ontario, CA, 91764
- Simi Valley: 2691 Tapo Canyon Road, Suite E, Simi Valley, CA 93063
- Costa Mesa: 2701 Harbor Blvd., Suite E-2, Costa Mesa CA 92626
- Tustin: 2979 El Camino Real, Tustin, CA 92782
- Irvine: 15378 Alton Parkway, Irvine, CA 92618
- Thousand Oaks: 11-A East Hillcrest Dr., Thousand Oaks, CA 91360
- Corona: 3431 Grand Oaks Suite 102, Corona, CA 92881
- Riverside: 3790 Tyler St., Riverside, CA 92503
- Laguna Niguel: 28121 Crown Valley Pkwy, Suite K, Laguna Niguel, CA 92677
- Redlands: 9980 Alabama St. Suite F1, Redlands, CA 92374
- Oxnard: 1660 E Gonzalez Rd., Oxnard CA 93036
- West Los Angeles: 11776 Santa Monica Blvd, Suite 117, Los Angeles, CA 90025

Shared Branching/ATMs: The Continuing Credit Union is not a member of a shared branching network; however, in addition to the proprietary branch/ATM network above, you will also have access to over 30,000+ fee-free ATMs.

Merger-related financial arrangements: The Board of Directors of Central Coast Federal Credit Union and Wescom Central Credit Union believe it will be beneficial to the members of the combined Continuing Credit Union to retain the services of Central Coast Federal Credit Union's senior team after the merger and to reward them for their service.

NCUA Regulations require merging credit unions to disclose certain increases in compensation that any of the Merging Credit Union's officials or the five most highly compensated employees have received or will receive in connection with the merger above a certain threshold. The following individuals are eligible to receive such compensation, which is reasonable and commonplace in the financial services industry:

- **Leinette Limtiaco, President/CEO:** The Continuing Credit Union will continue to employ Ms. Limtiaco as the Vice President – Branch Operations, Central Coast Region under the terms of a three year employment agreement. Ms. Limtiaco will receive an annualized salary increase of \$136,000.00 (less withholdings) to bring her pay up to the Continuing Credit Union's salary band for the position, which is customary and appropriate given the size of the institution and increased responsibilities. Ms. Limtiaco will also be eligible to receive a severance opportunity of up to \$280,000.00 (approximately \$168,000.00 after taxes assuming a 40% tax rate) if the Continuing Credit Union terminates her employment without "Cause" during the term of the employment agreement.
- **Larry Hartman, Vice President of Member Engagement:** The Continuing Credit Union will continue to employ Mr. Hartman on an "at-will" basis with an annualized salary increase of \$9,000.00 (less withholdings), to bring his pay to the Continuing Credit Union's salary band for the position, which is customary and appropriate given the size of the institution and increased responsibilities. Mr. Hartman will be eligible to receive a severance opportunity of \$82,500.00 (approximately

\$49,500.00 after taxes assuming a 40% tax rate) if he voluntarily terminates employment during a limited period of time after the merger.

- **Lori Miller, Human Resources Manager:** The Continuing Credit Union will continue to employ Ms. Miller on an “at-will” basis with an annualized salary increase of \$23,495.50 (less withholdings), to bring her pay to the Continuing Credit Union’s salary band for the position, which is customary and appropriate given the size of the institution and increased responsibilities. Ms. Miller will be eligible to receive a severance opportunity of \$64,302.25 (approximately \$38,581.35 after taxes assuming a 40% tax rate) if she voluntarily terminates employment during a limited period of time after the merger.
- **Elizabeth Ortiz, Retail Market Manager-Soledad:** The Continuing Credit Union will continue to employ Ms. Ortiz on an “at-will” basis with an annualized salary increase of \$22,070.22 (less withholdings), to bring her pay to the Continuing Credit Union’s salary band for the position, which is customary and appropriate given the size of the institution and increased responsibilities. Ms. Ortiz will also be eligible to receive a severance opportunity of \$60,000.00 (approximately \$36,000.00 after taxes assuming a 40% tax rate) if she voluntarily terminates employment during a limited period of time after the merger.
- **Amanda Gibson, Accounting Manager:** The Continuing Credit Union will continue to employ Ms. Gibson on an “at-will” basis with an annualized salary increase of \$1,499.88 (less withholdings), to bring her pay to the Continuing Credit Union’s salary band for the position, which is customary and appropriate given the size of the institution and increased responsibilities. Ms. Gibson will be eligible to receive a severance opportunity of \$16,000.00 (approximately \$9,600.00 after taxes assuming a 40% tax rate) if she voluntarily terminates employment during a limited period of time after the merger.

Please note that the proposed merger must have the approval of the majority of members who vote.

Enclosed with this Notice of Special Meeting is a Ballot for Merger Proposal. If you cannot attend the meeting to personally deliver your Ballot, please complete the Ballot and return it in the enclosed postage-prepaid envelope to Central Coast Federal Credit Union, c/o CUBallot-Election Processing, E Space Communications, Inc., P. O. Box 3156, Dublin, OH 43016-9842.

To be counted, your Ballot must be received by March 13, 2024 at 5:30 p.m. Also, if required, the Credit Union will submit an application to the Commissioner of the California Department of Consumer Financial Protection & Innovation for approval of the merger pursuant to California Financial Code Section 15201(b).

BY THE ORDER OF THE BOARD OF DIRECTORS:

Juanita Casiano-Ferrante

Juanita C. Casiano-Ferrante, Board Chairperson

January 24, 2024

Date