

Notice of Meeting of the Members of UMICO Federal Credit Union

The Board of Directors of UMICO Federal Credit Union Credit Union have called a special meeting of the members of this credit union at the Special Metals FCU Branch located at 4340 Middle Settlement Road in New Hartford, NY on September 18, 2024 at 5:00pm. The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging UMICO Federal Credit Union with and into Special Metals Federal Credit Union (hereinafter referred to as the "Continuing Credit Union"), whereby all assets and liabilities of the UMICO Federal Credit Union will be merged with and into the Continuing Credit Union. All members of UMICO 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 UMICO 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 UMICO 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 UMICO 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 UMICO 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 UMICO FCU members will be provided with a wider array of financial products and services, including greatly improved succession plan and an improved member service location. With Special Metals FCU's past Manager/CEO resigning, the Special Metals and UMICO FCU Board of Director's feels leveraging their now shared Manager/CEO Manager/CEO with a record of accomplishments and leadership in a well-run credit union is the proper succession plan. The Board of Director's also feel the ability to serve a greater population of the current potential membership base with Special Metals FCU's historic ability to serve their current membership.

Net worth: The net worth of a merging credit union at the time of a merger transfers to the continuing credit union. At the time of the merger, it is anticipated that the net worth ratios of both credit unions will be above required regulatory levels and will be fairly equal as a percentage of assets, respectively.

Share adjustment or distribution: UMICO Federal Credit Union will not distribute a portion of its net worth to its members in the merger. The board of directors has determined that a share adjustment, or other distribution of UMICO Federal Credit Union's net worth is unnecessary because it is anticipated that the net worth ratios of both credit unions will be above required regulatory levels and will be fairly equal as a percentage of assets, respectively.

Locations of merging and continuing credit union: UMICO Federal Credit Union's main office at 180 Genesee Street in New Hartford will remain open as a branch office of the continuing credit union. Special Metals Federal Credit Union's headquarters and branch at 4340 Middle Settlement Road in New Hartford will remain the headquarters for the continuing credit union as well as a branch office.

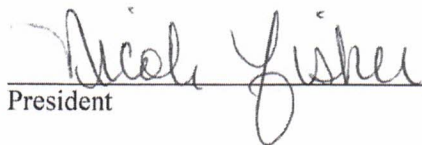
Changes to services and member benefits: Certain fees may be applicable or higher after the merger. Some fees will be reduced or eliminated. A complete fee schedule will be provided to all members.

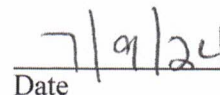
Merger-related financial arrangements: NCUA Regulations require merging credit unions to disclose certain increases in compensation that any of the merging credit union's officials or the five highest compensated employees have received or will receive in connection with the merger. No merger-related financial arrangements are in place.

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

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 to UMICO Federal Credit Union, RE: Supervisory Committee, P.O. Box 373 New Hartford, NY 13413. To be counted, your Ballot must be received by September 18, 2024, at 5:00pm.

BY THE ORDER OF THE BOARD OF DIRECTORS:


President


Date

Ballot for Merger Proposal

Name of Member: _____

Account Number: _____

Your credit union must receive this ballot by 5:00pm, September 18, 2024

Please mail this ballot to:

UMICO FCU
RE: Supervisory Committee
PO Box 373
New Hartford, NY 13413

I have read the Notice of Special Meeting for the Members of UMICO Federal Credit Union.
The meeting will be held on the above date to consider and act upon the merger proposal
described in the notice. I vote on the proposal as follows (check one box):

[☐] **Approve the** proposed merger and authorize the Board of Directors to take all necessary action to
accomplish the merger.

[☐] **Do not approve** the proposed merger.

Member Signature

Date

Member Name (printed)