

NOTICE OF SPECIAL MEETING OF THE MEMBERS OF MASON COUNTY SCHOOL EMPLOYEES CREDIT UNION

The Board of Directors of Mason County School Employees Credit Union have called a special meeting of the members of this credit union at to be held at United Methodist Church of Ludington, 5810 Bryant Rd., Ludington, MI 49431 on September 14, 2024 at 3:30 p.m. The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging Mason County School Employees Credit Union with and into Safe Harbor Credit Union (hereinafter referred to as the "Surviving Credit Union"), whereby all assets and liabilities of the Mason County School Employees Credit Union will be merged with and into the Surviving Credit Union. All members of Mason County School Employees Credit Union will become members of the Surviving Credit Union and will be entitled to and will receive shares in the Surviving Credit Union for the shares they own in Mason County School Employees 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 Mason County School Employees 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 Mason County School Employees 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 promptly fill-out and 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/services/Pages/resources-expansion/comments-proposed-merger.aspx> or to CURE at 1775 Duke St., 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 surviving credit union follow as separate documents. In addition, the following information applies to the proposed merger.

Reasons for merger: Mason County School Employees Credit Union (the "Credit Union") is finding it hard to compete in today's highly regulated, high-tech environment. The costs of technology and regulations have made it difficult for the Credit Union to provide its members with all of the products and services that larger credit unions can provide.

Safe Harbor Credit Union is a larger organization within our community that is financially strong, offers a larger field of membership for members to refer others who do not otherwise qualify for membership at Mason County School Employees Credit Union, offers more services to its members, and offers more locations and channels to serve our members. By combining our

resources and merging with Safe Harbor Credit Union, we will be able to provide a wider range of products and services that will continue to serve our members as well as achieve economies of scale to best serve our members in the future.

As a result, the board of directors has determined that the opportunity to merge with Safe Harbor Credit Union is in the best interest of the members.

Net worth: The net worth of a merging credit union at the time of a merger transfers to the Surviving credit union; Mason County School Employees Credit Union has a higher net worth ratio than Safe Harbor Credit Union.

Share adjustment or distribution:

Mason County School Employees Credit Union will distribute a portion of its net worth to its members in the merger. The board of directors has determined to distribute 55.37% of Mason County School Employees Credit Union's net worth as of March 31, 2024, as a merger bonus dividend, which will be paid to the former members of Mason County School Employees Credit Union as of December 31, 2023, based on loan and savings criteria.

Locations of merging and surviving credit union:

Mason County School Employees Credit Union's main office located at 809 E. Tinkham Ave., Ludington, MI 49431 will close prior to the Merger Effective Date. Safe Harbor Credit Union has a location at 5511 W. US Highway 10, Ludington, MI 49431 as well as a Xtend CU shared branch location at 6000 28th St. SE, Grand Rapids, MI 49546.

Changes to services and member benefits:

For a complete list of services and benefits of becoming a member of Safe Harbor Credit Union, please visit <https://www.safeharborcu.org/> for more information.

Merger-related financial arrangements:

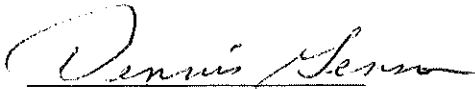
NCUA Regulations require merging credit unions to disclose certain increases in compensation that any of the merging credit union's officials or the five most highly compensated employees have received or will receive in connection with the merger which exceeds the greater of \$10,000, or 15% of their total compensation. The maximum amount of merger-related financial arrangements that may be paid to the officials of Mason County School Employees Credit Union are listed below. This list does not include employees or officials who will receive less than the greater of \$10,000 or 15% of their total compensation, or credit union members who may receive more than the below amounts:

Name	Title	Description of Increase	Amount
Walter Leinberger	Board Member	Estimated bonus dividend	\$15,444.80
Kathy Winczewski	Board Member	Estimated bonus dividend	\$15,874.08

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, please complete the Ballot and return it to Mason County School Employees Credit Union C/O Holzman Law, PLLC, 28366 Franklin Rd., Southfield, MI 48034. To be counted, your Ballot must be received by September 13, 2024 at 5:00 pm. Ballots will not be accepted at branches.

BY THE ORDER OF THE BOARD OF DIRECTORS:



By: Dennis Genson

Its: Board Chairperson

Dated July 8, 2024

BALLOT FOR MERGER PROPOSAL

Enclosed is a Ballot for Merger Proposal. If you cannot attend the Special Meeting, please complete both the top and bottom portion, then return the document using the enclosed prepaid envelope.

Your credit union must receive this ballot by September 13, 2024.

Name _____

Account Number _____

Please mail it to:

Mason County School Employees Credit Union
C/O Holzman Law, PLLC,
28366 Franklin Rd.
Southfield, MI 48034

Or, you may bring the ballot to the Special Meeting on September 14, 2024 at 3:30 p.m.

I have read the Notice of Special Meeting for the members of Mason County School Employees 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.