

**Proposed Notice of Meeting of the
Members of Shaw University Federal Credit Union**

NCUA 6305A (05/20)

The Board of Directors of Shaw University Federal Credit Union (SUFCU) have called a special meeting of the members of this credit union for 5:00 pm Eastern Time on April 26, 2024 at 118 E. South Street, Raleigh, NC 27601. The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging SUFCU with and into Self-Help Credit Union (hereinafter referred to as the "Continuing Credit Union"), whereby all assets and liabilities of SUFCU will be merged with and into the Continuing Credit Union. All members of SUFCU 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 SUFCU 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 SUFCU, 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 SUFCU encourages you to attend the meeting and vote on the proposed merger. Whether or not you expect to participate in 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/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 SUFCU.

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. Self-Help Credit Union, like SUFCU Credit Union is a Minority Depository Institution with a strong history of serving immigrants, rural communities, and others excluded from the financial mainstream. This merger with a mission-aligned financial institution will enable SUFCU to grow our suite of products and continue to serve existing members.

Net Worth: The net worth of a merging credit union at the time of a merger transfers to the continuing credit union. Self-Help Credit Union has a higher net worth ratio than SUFCU.

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Share adjustment or distribution: SUFCU Credit Union will distribute a portion of its net worth to its members in the merger. The board of directors has approved a special dividend for active members as of the merger effective date equal to 6% of each SUFCU's member shares of record, as of December 31, 2023.

Locations of merging and continuing credit union: SUFCU Credit Union's main office in the state of North Carolina will be located at 1440 Rock Quarry Road, Raleigh, NC 27610.

Self-Help Credit Union's main office will continue to be located at 301 W. Main Street, Durham, North Carolina 27701. By virtue of the merger, SUFCU members will be able to use Self-Help's branch network, which includes:

- 2 branch locations in Raleigh (1440 Rock Quarry Road, Raleigh, NC 27610 and 7029 Harps Mill Rd, Raleigh, NC 27615) and 2 in Durham
- 20 branch locations across North Carolina
- 14 branch locations across Virginia, South Carolina and Florida

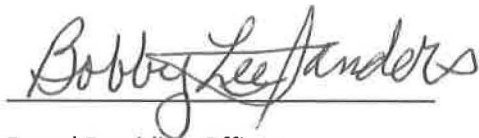
Changes to services and member benefits: the merger will expand member access to home mortgage and other consumer loans for individuals.

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

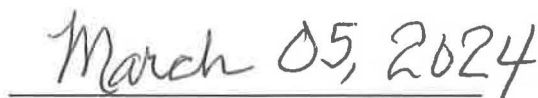
Enclosed with this Notice of Special Meeting is a Ballot for Merger Proposal. If you cannot attend the meeting, please complete the Ballot and return it via email to: creditunion@shawu.edu or in person or by mail to: Shaw University Federal Credit Union, Tupper Hall 201, 118 E South St, Raleigh, NC 27601.

To be counted, your Ballot must be received by April 26th by 5:00 pm Eastern Time.

BY THE ORDER OF THE BOARD OF DIRECTORS:



Board Presiding Officer



Date

**COMBINED STATEMENT OF FINANCIAL CONDITION
AS OF 12/31/23**

| | Continuing CU <u>Self-Help CU</u> 12/31/2023 | Merging CU <u>SUFCU</u> 12/31/2023 | Combined <u>Balance Sheet</u> |
|--|--|--|----------------------------------|
| ASSETS | | | |
| Total Loans Outstanding | 1,539,304,336 | 144,937 | 1,539,449,273 |
| (Less) Allowance for Loan Losses | (47,813,447) | (4,836) | (47,818,283) |
| Net Loans | 1,491,490,889 | 140,101 | 1,491,630,990 |
| Cash | 149,251,932 | 427,241 | 149,679,173 |
| Investments | 17,353,740 | 6,185 | 17,359,925 |
| Land and Building (net) | 25,778,315 | 0 | 25,778,315 |
| Other Fixed Assets (net) | 30,945,677 | 0 | 30,945,677 |
| All Other Assets | 44,035,055 | 6,985 | 44,042,040 |
| Total Assets | 1,758,855,608 | 580,512 | 1,759,436,120 |
| LIABILITIES AND EQUITY | | | |
| Notes Payable | 2,724,525 | 0 | 2,724,525 |
| Non-Trading Derivatives Liabilities, net | 0 | 0 | 0 |
| Accrued Dividends | 34,902 | 0 | 34,902 |
| Accounts Payable & Other Liabilities | 38,332,043 | 769 | 38,332,812 |
| Total Liabilities | 1,276,549,550 | 467,939 | 1,277,017,489 |
| Total Shares | 0 | 0 | 0 |
| Regulatory/Statutory Reserves | 20,023,443 | 0 | 20,023,443 |
| Other Reserves | 146,794,689 | 112,573 | 146,907,262 |
| Undivided Earnings | 301,000,000 | 0 | 301,000,000 |
| Secondary Capital | 14,487,926 | 0 | 14,487,926 |
| Accumulated Other Comprehensive Income | 0 | 0 | 0 |
| Merged Equity | 0 | 0 | 0 |
| Total Liabilities and Equity | 1,758,855,608 | 580,512 | 1,759,436,120 |

Form ballot, NCUA 6306A

Ballot for Merger Proposal

Name of Member:

Account Number:

Your credit union must receive this ballot by April 26, 2024 by 5:00pm. Please mail or bring it to: 118 E. South Street, Raleigh, NC 27601.

I have read the Notice of Special Meeting for the members of Shaw University 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.

Signed:

Member's Name:

Date: