



3236 Lockport Rd., Niagara Falls, NY 14305

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Notice of Meeting of the Members of Rediform Niagara Falls, NY Federal Credit Union

The Board of Directors of Rediform Niagara Falls, NY Federal Credit Union have called a special meeting of the members of this credit union at 3236 Lockport Road, Niagara Falls, NY on July 30, 2024 at 4:30 P.M. The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging Rediform Niagara Falls, NY FCU with and into Encompass Niagara Federal Credit Union (hereinafter referred to as the "Continuing Credit Union"), whereby all assets and liabilities of the Rediform FCU will be merged with and into the Continuing Credit Union. All members of Rediform FCU 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 Rediform FCU 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 Rediform FCU, 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 Rediform FCU 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/resources/comments-proposed-credit-union-mergers> or mail to:

NCUA – 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 the merger: The Board of Directors has concluded that the proposed merger is desirable and in the best interests of members because the Manager is well past retirement age and the credit union has been unsuccessful in hiring a new Manager.

Net worth: The net worth of a merging credit union at the time of a merger transfers to the continuing credit union. Encompass Niagara Federal Credit Union does not have a higher net worth than Rediform Niagara Falls, NY FCU.

As of 9/30/23 Rediform Niagara Falls, NY Federal Credit Union had a net worth of 15.77% and Encompass Niagara Federal Credit Union had a net worth of 11.39%. Rediform Niagara Falls, NY Federal Credit Union will distribute a portion of its net worth to its members in the merger. The Board of directors has determined to distribute a portion of Rediform's net worth as a 4% bonus dividend.

Locations of merging and continuing credit union: Encompass Niagara FCU's main office at 2525 Military Road, Niagara Falls, NY 14304.

Changes to services and member benefits: Encompass Niagara Federal Credit Union offers additional products and services, including Home Equity Loans, Courtesy Pay, Drive thru Service and a 24/7 ATM to name a few.

There will be no compensation changes due to 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, please complete the Ballot and return to 3236 Lockport Road, Niagara Falls, NY to be counted. Your Ballot must be received by July 30, 2024 at 4:30 p.m.

BY THE ORDER OF THE BOARD OF DIRECTORS:

Paul F. Klock

President

May 30, 2024

BALLOT FOR MERGER PROPOSAL

Name of Member _____

Account Number _____

I have read the Notice of Special Meeting for the members of Rediform Niagara Falls, NY FCU
The meeting will be held on the 30th of July 2024.
Your credit union must receive this ballot by July 30, 2024.

Please mail or bring to:
Rediform Federal Credit Union
3236 Lockport Road
Niagara Falls, NY 14305 (postage paid envelope provided)

- ☐ **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)

