

Notice of Meeting of the Members of Atlantic Financial Federal Credit Union

The Board of Directors of Atlantic Financial Federal Credit Union have called a special meeting of the members of this credit union at 40 Schilling Road, Hunt Valley, MD 21031 on January 14, 2025, at 4:00 pm. The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging Atlantic Financial Federal Credit Union with and into Freedom of Maryland Federal Credit Union (hereinafter referred to as the "Continuing Credit Union"), whereby all assets and liabilities of the Atlantic Financial Federal Credit Union will be merged with and into the Continuing Credit Union. All members of Atlantic Financial 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 Atlantic Financial 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 Atlantic Financial 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 Atlantic Financial 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://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 Atlantic Financial 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 will bring greater value to members, including:

- **Expanded Branch Network** – access to eight branch locations throughout Harford and Baltimore Counties.
- **Improved Technology** – continued investment in the latest technology to greater increase access and convenience.
- **Expanded Products and Services** – combined strengths and capabilities of both Credit Unions, resulting in an expanded range of products, services, and solutions tailored to meet members' diverse financial needs and preferences. This includes business banking, wealth management, and additional credit card and debit card options.
- **More Convenience and Accessibility** – access to eight branch locations and expanded branch operations adding more options for members.

The boards of directors and leadership teams of both organizations are unanimously in favor of this partnership and believe it will be in the best interests of both credit unions' members long-term. As such, the Board of Directors recommends that you vote in favor of the merger. *Net worth:* The net worth of a merging credit union at the time of a merger transfers to the continuing credit union. Atlantic Financial Federal Credit Union does have a higher net worth ratio than Freedom of Maryland Federal Credit Union.

Share adjustment or distribution:

Atlantic Financial Federal Credit Union will not distribute a portion of its net worth to its members in the merger. The board of directors has determined a share adjustment, or other distribution of Atlantic Financial Federal Credit Union's net worth is unnecessary because it will instead be invested back into the continuing credit union, providing members opportunities for higher dividends, lower loan rates, and reduced fees.

Locations of merging and continuing credit union: Atlantic Financial Federal Credit Union's main office at 40 Schilling Road, Hunt Valley, MD 21031 will remain open. Atlantic Financial Federal Credit Union's branch located at 1809 Reisterstown Rd., Baltimore, MD 21208 will remain open. Freedom of Maryland Federal Credit Union has the following locations that are nearby:

Main Office:

2019 Emmorton Road
Bel Air, MD 21015

Full-Service Branches:

1990 Rock Spring Road
Forest Hill, MD 21050

2025 Pulaski Highway
Havre de Grace, MD 21078

1304 E. Churchville Rd.
Bel Air, MD 21014

5000 Honeygo Center Drive
Perry Hall, MD 21128

Restricted Access Branches:

8213 Hoadley Road, Building E 5002
Gunpowder, MD 21010

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. The following individuals have received or will receive such compensation:

- Matthew Piazza, President/CEO, will receive a one-time bonus to stay through the effective date of the merger. This bonus is equal to \$38,781.
- Bethany Kenyon, COO, will receive a one-time bonus to stay through the effective date of the merger. This bonus is equal to \$28,750.

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:

CUBallot Election Processing
PO Box 3156
Dublin, OH 43016

To be counted, your Ballot must be received by January 14, 2025 at 4:00 pm.

BY THE ORDER OF THE BOARD OF DIRECTORS ON OCTOBER 28, 2024:



Wade Walters
Board Chair