



## **NOTICE OF SPECIAL MEETING OF THE MEMBERS OF ADVANTIS CREDIT UNION**

Dear Member,

The Board of Directors of Advantis Credit Union has called a Virtual Special Meeting of the Members of the credit union on September 23, 2024, at 5:30 pm. The meeting will be held via Zoom. To receive a meeting link, please register at [www.advantiscu.org/merger](http://www.advantiscu.org/merger).

### ***Purpose of Special Meeting & Member Action***

The purpose of the Special Meeting & Member Action is:

1. To consider and act upon a Merger Plan and proposal for merging Advantis Credit Union of Oregon City, Oregon with Rivermark Community Credit Union of Beaverton, Oregon (hereinafter referred to as the "Continuing Credit Union") whereby all assets and liabilities of Advantis Credit Union will be merged with and into the Continuing Credit Union. All members of Advantis 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 Advantis 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 Advantis 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 Advantis Credit Union encourages you to attend the virtual meeting to consider and act upon the merger. Whether or not you expect to attend the virtual meeting, we urge you to vote online at [www.advantiscu.org/mergervote](http://www.advantiscu.org/mergervote) by selecting the Vote Now button—OR—sign, date and promptly return the enclosed mail ballot to vote on the proposed Merger ahead of the voting deadline. The merger vote will be administered by a trusted third party.

### ***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. Key information from the financial statements of both Credit Unions, as well as the projected combined financial statement of the Continuing Credit Union is included in the notice below.

The following information applies to the proposed Merger:

**Reasons for Merger.** The Board of Directors believe this merger will serve to deliver more benefits to our members, faster – including more locations, advanced technology and online banking capabilities, and enhanced products and services.

Uniting two financially strong credit unions - in the same market area - will enable the organizations to accelerate our purpose-driven mission to become *the leader* in fostering financial wellness for our members and the broader community in Oregon and SW Washington. This merger will provide the scale and financial resources necessary to empower future generations with the financial service tools and coaching resources they need.

- **Increased Branch Locations and Extended Hours** – By combining our branch network, members will have access to twice the number of branch locations, more surcharge free ATMs, and more video tellers within the market areas we serve. Advantis currently supports 9 branch locations and Rivermark 10 branch locations. Together we can double the number of branches, which would have taken several years to accomplish. In addition, members will have access to extended hours of operation through video teller services available 8am to 8pm weekdays and 10am to 6pm on Saturdays. As a result, we anticipate increased member convenience, greater market presence, enhanced member satisfaction, and improved operational efficiencies.
- **Video Banking** – With two-way video banking services, members can converse with knowledgeable staff from the comfort of their home, including in remote or underserved areas where physical branch locations are not available. Video banking is the fastest growing delivery channel among Rivermark members and would be made available to Advantis members upon systems integration in early 2025.
- **Enhanced Online Banking** – Advantis members will continue to enjoy the same online and mobile banking experience following the merger with Rivermark, along with some welcome upgrades! This includes new and enhanced account transfer options, additional tools to manage debit and credit cards, and greater access and features for members with an Advantis loan or mortgage.
- **More Financial Coaches** – Members will benefit from over 75 certified financial coaches working in their best interest, including more than 20 bilingual coaches. Providing greater access to personalized member advocacy and education is at the heart of our decision to merge. With our combined resources, we can accelerate wellness programs to assist members in overcoming financial challenges.
- **Community Impact** – As we combine forces, it will provide us with the scale and resources to focus intently on community advocacy anchored in financial wellness. We intend to make substantial investments into financial wellness initiatives for our members and the broader community, including historically marginalized and underserved communities. These initiatives include forming and funding a 501c(3) foundation that will provide grants and charitable giving to local non-profit organizations, expanding new programs and products, and fostering new community partnerships.

**Net Worth.** The net worth ratios as of December 31, 2023, for Rivermark was 9.16%, Advantis was 11.14%, and the combined credit unions was 10.26%. The net worth ratios for the combined credit unions are expected to rise from 11.10% at the end of 2024 to 12.95% at the end of 2028. The difference between the net worth ratios of Rivermark and Advantis as of December 31, 2023, was 198 basis points, which is well below the 500-basis point threshold set by the NCUA for additional analysis. The capital and net worth ratios of the combined credit unions meet the definition of a well-capitalized credit union as defined by the NCUA.

**No Share Adjustment.** Advantis Credit Union will not distribute a portion of its net worth to its members in the Merger. The Directors of Rivermark and Advantis have carefully analyzed the assets and liabilities of the Credit Unions and have appraised each Credit Union's share values in alignment with the NCUA definitions for market value. It is the opinion of the Board of Directors of Rivermark and Advantis that the merger should be completed without any adjustment in shares of the members of Advantis upon completion of the merger. Based on the current financial and statistical reports, the Credit Unions have made a joint appraisal of assets and liabilities to determine the value of shares in each Credit Union. The probable asset to share ratios as of December 31, 2023, for Rivermark's book value calculation came in at 1.12 and the market value at 1.07, which compares to Advantis' book value calculation at 1.14 and the market value at 1.13. The Credit Unions have determined that the shares in each Credit Union are close in value and the credit unions will not be proposing a share value adjustment as part of the merger.

**Locations of Merging and Continuing Credit Union.** The Continuing Credit Union will maintain all Advantis and Rivermark's current and planned branch offices, Teller Kiosks, and administration facilities in the following locations:

Current Advantis Credit Union Offices	
Belmont Branch	3010 SE Belmont St. Portland, OR 97214
Downtown Branch	120 SW Taylor St. Portland, OR 97204
Fremont Branch	3515 NE 15th Ave. Portland, OR 97212
Gresham Branch	2229 NE Burnside Rd. Gresham, OR 97030
Hillsboro Branch	7387 NE Butler St. Hillsboro, OR 97124
Lombard Branch	4800 N Lombard St. Portland, OR 97203
Scholls Ferry Branch	12262 SW Scholls Ferry Rd. Tigard, OR 97223
West Linn Branch	21900 Willamette Dr. West Linn, OR 97068
Woodstock Branch	4235 SE Woodstock Blvd. Portland, OR 97206

Current Rivermark Community Credit Union Offices	
Cedar Hills Branch	2905 SW Cedar Hills Blvd, Beaverton, OR 97005
The Dalles Branch	1240 W 6th Street, The Dalles, OR 97058
Gresham Branch	1058 Sleret Avenue, Gresham, OR 97030
Happy Valley Branch	15963 SE Happy Valley Town Center Dr. Happy Valley, OR 97086
Hawthorne Branch	2537 NE Hawthorne Blvd, Portland, OR 97214
Hollywood Branch	4730 NE Sandy Blvd, Portland, OR 97213

Maupin Branch	501 Deschutes Avenue, Maupin, OR 97037
Progress Ridge Branch	14985 SW Barrows Road, Beaverton, OR 97007
Tualatin Branch	8235 SW Tualatin-Sherwood Road, Tualatin, OR 97062
Vancouver Branch	1910 W Fourth Plain Blvd, #100, Vancouver, WA 98660
Beaverton Drive-up Teller Kiosk	4875 SW Griffith Drive, Beaverton, OR 97005
Newberg Remote Teller Kiosk	2414 Portland Road, Newberg, OR 97132

Current Administration Facilities*	
Advantis Administration	14405 Myers Road, Oregon City, OR 97045
Rivermark Administration	9125 SW Gemini Drive, Beaverton, OR 97008

\*No financial transactions are available at the administration facilities.

**Changes to Services and Member Benefits.** The Credit Unions have made no immediate post-merger plans to reduce branch facilities, ATM network access, or existing accounts and services offerings currently offered or available to Advantis Credit Union members.

**Merger-related Financial Arrangements.** NCUA Regulation require merging credit unions to disclose certain increases in compensation that any of the Merging Credit Union's board of directors, CEO or the four other most highly compensated employees have received or will receive in connection with the merger above a certain threshold. The following individuals are eligible to receive payments which may exceed the threshold as defined by the NCUA.

- *Jason Werts, Advantis President/CEO:* Jason Werts' annual base salary, noncash benefits, and potential maximum incentive compensation will be increased by an amount of up to \$163,978 (less lawful withholdings). This amount was determined by a market study of similarly sized credit unions and reflects that larger-sized credit union.
- *Greg Spear, Advantis SVP / Chief Financial Officer:* Greg Spear's annual base salary and potential maximum incentive compensation will be increased by an amount of up to \$83,005 (less lawful withholdings). This amount was determined by a market study of similarly sized credit unions and reflects that larger-sized credit union.

As a customary practice of doing business, Advantis offers employee benefit arrangements to some members of senior management. These arrangements are not affected by the merger.

**Summary of Merger Plan.** Enclosed is a Summary of the Merger Plan which provides important Merger information including the organization of the Board of Directors and Audit Committee, information on Senior Management, and an itemized estimate of the direct costs of the merger.

**Effective Date.** Subject to approval by the Oregon DFR, NCUA and members of Advantis Credit Union, the Credit Unions have planned an effective date for the merger of October 1, 2024. This is subject to change based on the timing of regulatory approval and an affirmative member vote.

**Merger Approval and Ballot.** In order to accomplish the merger, it is necessary to obtain approval of a majority of the members of Advantis Credit Union who vote on the proposal. In accordance

with its Bylaws, Advantis Credit Union is conducting the member vote on the merger proposal through an electronic and mail ballot to the Advantis Credit Union members. The ballot distribution, collection, custody, and tabulation will be conducted entirely by an independent third-party company.

If you would like to submit your ballot **electronically**, visit [www.advantiscu.org/mergervote](http://www.advantiscu.org/mergervote). Your electronic ballot must be received no later than 6:30 pm on September 23, 2024, the date of the Special Meeting. Mailed Ballots must be received by no later than 5:00 pm on the date of the Special Meeting. Ballots received after this date and time will not be counted.

Enclosed with this Notice of Special Meeting is a Ballot for Merger Proposal. If you'd like to submit your ballot via **mail**, please complete the Ballot and return by U.S. Mail in the enclosed, self-addressed postage-paid envelope and mail it to the following address so that it is received no later than 5:00 pm on September 23, 2024:

Advantis Credit Union  
c/o CUBallot – Election Processing  
E Space Communications, Inc.  
P. O. Box 3156  
Dublin, OH 43016-9842

***Share Comments about the 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) via their website at: [www.ncua.gov/services/Pages/resources-expansion/comments-proposed-merger.aspx](http://www.ncua.gov/services/Pages/resources-expansion/comments-proposed-merger.aspx); OR—mail them to the NCUA:

NCUA – Credit Union Resources and Expansion  
RE: Advantis Credit Union Merger  
1775 Duke Street, Alexandria, VA 22314

The NCUA will post comments received from members on its website, along with the member's name. Comments will be subject to the limitations and requirements of NCUA regulation 12CFR §§708b.106(e).

We look forward to taking this next important step in our organizations' history and delivering on the many benefits of this merger. Please don't hesitate to contact us at 503-785-2528 or via the secure message center in online / mobile banking if you have any questions. Thank you for your continued membership and for your thoughtful consideration of this exciting opportunity.

**BY THE ORDER OF THE BOARD OF DIRECTORS:**



Tarun Gudz, Board Chair

Date: August 5, 2024