

Notice of Meeting of the Members of Baltimore-Washington Federal Credit Union

The Board of Directors of Baltimore-Washington Federal Credit Union have called a special meeting of the members of this credit union at 301 Hospital Drive, Glen Burnie, MD on 11/7/20224, at 4PM. The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging Baltimore-Washington Federal Credit Union with and into Five Star of Maryland Federal Credit Union (hereinafter referred to as the "Continuing Credit Union"), whereby all assets and liabilities of the Baltimore- Washington Federal Credit Union will be merged with and into the Continuing Credit Union. All members of Baltimore-Washington 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 Baltimore-Washington 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 Baltimore-Washington 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 Baltimore-Washington 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://ncua.gov/support-services/credit-union-resources-expansion/credit-union-merger-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 Baltimore-Washington Federal Credit Union into Five Star of Maryland 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.

(Continued on Back)

Reasons for merger: The Board of Directors has concluded that the proposed merger is desirable and in the best interests of members because:

- The continuing credit union will be financially safe and sound and be able to invest in new products, services and technologies.
- The continuing credit union plans on keeping the BWFCU office open and retain its staff.

Net worth: The net worth of a merging credit union at the time of a merger transfers to the continuing credit union. Baltimore-Washington Federal Credit Union does not have a higher net worth ratio than Five Star of Maryland Federal Credit Union.

Share adjustment or distribution:

Baltimore-Washington 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 Baltimore-Washington Federal Credit Union's net worth is unnecessary.

Locations of merging and continuing credit union: Baltimore-Washington Federal Credit Union's main office at 301 Hospital Dr., Glen Burnie, MD 21061 will remain open. Five Star of Maryland Federal Credit Union has the following locations that are nearby:

Main Office:
716 Maiden Choice Lane
Baltimore, MD 21228

Full-service branches:
900 Caton Avenue
Baltimore, MD 21229

Changes to services and member benefits: The continuing credit union will be able to provide a wider range of products and services to our members

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. None of the employees will receive merger-related financial arrangements.

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 301 Hospital Drive, Glen Burnie, MD 21061. To be counted, your Ballot must be received by 11/7/24 at 4PM.

BY THE ORDER OF THE BOARD OF DIRECTORS:

Pam Robinson, President