

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

The Board of Directors of Astera Credit Union have called a special meeting of the members of this credit union to be held at 111 S. Waverly Rd., Lansing, MI 48917, on October 29, 2024 at 4:30 p.m. The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging Astera Credit Union with and into Adventure Credit Union (hereinafter referred to as the “Surviving Credit Union”), whereby all assets and liabilities of the Astera Credit Union will be merged with and into the Surviving Credit Union. All members of Astera Credit Union will become members of the Surviving Credit Union and will be entitled to and will receive shares in the Surviving Credit Union for the shares they own in Astera 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 Astera 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 Astera 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 promptly fill-out and 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/services/Pages/resources-expansion/comments-proposed-merger.aspx> or to CURE at 1775 Duke St., 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 surviving credit union follow as separate documents. In addition, the following information applies to the proposed merger.

*Reasons for merger:* Astera Credit Union (the “Credit Union”) is a financially strong credit union serving its members. However, it is finding it hard to compete and maintain financial strength in today’s highly regulated, highly competitive, high-tech environment. The costs of technology and regulations have made it difficult for the Credit Union to provide its members with all of the products and services that larger credit unions can provide.

The Credit Union’s board of directors has contemplated seeking a merger partner for some time. Adventure Credit Union is a larger size organization, financially strong, will offer a larger field of membership for members to refer others who do not otherwise qualify for membership at Astera Credit Union, shares the same common philosophies as our Credit Union and has offered employment to all of our employees, a commitment to retain our branches and serve our members along with an offer of representation on its board of directors. By combining our resources and merging with Adventure Credit Union, we will be able to provide a wider range of products and

services that will continue to serve our members as well as achieve economies of scale to best serve our members in the future.

As a result, the board of directors has determined that the opportunity to merge with Adventure Credit Union is in the best interest of the members.

*Net worth:* The net worth ratio of a merging credit union at the time of a merger transfers to the Surviving credit union; Astera Credit Union has a lower net worth ratio than Adventure Credit Union.

*Share adjustment or distribution:*

Astera 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 Astera Credit Union's net worth is unnecessary because a share in Adventure Credit Union is worth more than a share in Astera Credit Union.

*Locations of merging and surviving credit union:*

Astera Credit Union's main office located at 111 S. Waverly Rd., Lansing, MI 48917 and branch offices located at 14049 Lindsey Pvt. Ln., Dewitt, MI 48820, 3062 S. State Rd., Ionia, MI 48846, 301 E. Jolly Rd., Lansing, MI 48910 and 5615 W. Saginaw Hwy., Lansing, MI 48917 will continue to be operated as branch locations of Adventure Credit Union after the Effective Date of the Merger. Adventure Credit Union has locations at; 630 32nd St. SE, Grand Rapids, MI 49548, 4211 Plainfield Ave. NE, Grand Rapids 49525, 3286 Alpine Ave. NW, Grand Rapids, MI 49544, 6672 Crossings Dr. SE, Grand Rapids, MI 49508, 2500 Alpine Ave. NW, Grand Rapids, MI 49544, 625 S. Cedar St., Ste 14, Landing, MI 48911, 2250 Lake Lansing Rd., Lansing, MI 48912, and 5165 Wilson Ave. SW, Wyoming, MI 49418.

*Changes to services and member benefits:*

For a complete list of services and benefits of becoming a member of Adventure Credit Union, please visit <https://www.adventurecu.org/> for more information.

*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 Board of Directors of Adventure Credit Union have also agreed to enter into agreements with the current Chief Financial Officer, SVP of Operations, SVP of Lending, and VP of Information Technology of Astera Credit Union whereby these employees would be provided with a severance benefit in the event their employment with Adventure Credit Union is terminated without cause. The maximum amount of merger related compensation that may be paid to the most highly compensated employees of Astera Credit Union are listed below:

| Name           | Title                        | Description of Increase            | Amount    |
|----------------|------------------------------|------------------------------------|-----------|
| Debra Miles    | Chief Financial Officer      | Maximum possible severance payment | \$125,000 |
| Chris Tyler    | SVP of Operations            | Maximum possible severance payment | \$125,000 |
| Laura Blanding | SVP of Lending               | Maximum possible severance payment | \$75,000  |
| James Paisley  | VP of Information Technology | Maximum possible severance payment | \$75,000  |

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 Astera Credit Union, c/o Holzman Law, PLLC, at 28366 Franklin Road, Southfield, MI 48034. To be counted, your Ballot must be received by October 28, 2024 at 5:00 pm. Ballot will not be accepted at branches.

BY THE ORDER OF THE BOARD OF DIRECTORS:

DocuSigned by:



By: Kevin Goff

Its: Board Chairperson

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Dated 8/15/2024