

Notice of Meeting of the Members of Springfield Postal Employees Federal Credit Union

The Board of Directors of Springfield Postal Employees Federal Credit Union have called a special meeting of the members of this credit union at 150 N. Limestone Street, Room 202 on August 20, 2024, at 7:00 p.m. The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging Springfield Postal Employees Federal Credit Union (SPEFCU) with and into Pathways Financial Credit Union (hereinafter referred to as the "Continuing Credit Union"), whereby all assets and liabilities of SPEFCU will be merged with and into the Continuing Credit Union. All members of SPEFCU 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 SPEFCU 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 SPEFCU, 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 SPEFCU 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 Springfield Postal Employees FCU

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 this merger will result in members of SPEFCU gaining access to many new products/services and enhanced electronic access to their credit union membership accounts. Members will also gain additional full-service branch access, as the combined credit union will offer up to ten (10) full-service branches.

The merger will provide SPEFCU members with access to over 5,000 Shared Branches and surcharge-free ATMs. This will significantly enhance convenient access for the members of SPEFCU.

Pathways will also be delivering a Comprehensive Digital Experience for SPEFCU members. Pathways has the resources to improve account management with the latest technologies, including a full-service online access program with bill pay, mobile check deposit, mobile account access, pay anyone payments, text alerts, 24/7 online loan application solutions, and more.

Both credit unions share similar philosophies and a commitment to a high level of service, so apart from the benefits of an increased branch network and access to new products/services, members should see very little change during the transition.

Net worth:

Pathways does not have a higher net worth ratio than SPEFCU. Upon the merger, the net worth of SPEFCU will transfer to Pathways.

Share adjustment or distribution:

The directors of Pathways and SPEFCU carefully analyzed the assets and liabilities of each credit union and appraised each credit union's share and loan values. They determined that the net worth of Springfield Postal Employees Federal Credit Union (merging credit union) is 15.41% compared to Pathways Financial Credit Union's (continuing credit union) net worth of 10.71% as of February 29, 2024. SPEFCU wishes to recognize its members for maintaining deposits and loans with the Credit Union and will distribute a portion of its net worth to its members as part of the merger. The board of directors has agreed to distribute a portion of SPEFCU's net worth as a special dividend, with a total of \$50,000. The dividend will be paid out to members in the form of a special dividend on share accounts and a loan interest rebate on loans that members have with SPEFCU. The dividend amount will be based on balances as of June 30, 2024. All closed accounts and negative accounts were excluded. The minimum dividend amount will be \$20 and the maximum dividend for any one membership is \$1250. If the merger is approved, the special dividend will be distributed into each eligible member's share account on the effective date of the merger.

Locations of continuing credit union:

Pathways Financial Credit Union has branch office locations throughout the state of Ohio. The following is a list of all our publicly accessible branch offices:

Springfield

Springfield

1850 S. Limestone Street
Springfield, OH 45505

Dayton and Southwest Ohio

Aberdeen

1100 U.S. Rt. 52
Aberdeen, OH 45101

Beavercreek

3562 Dayton Xenia Road
Beavercreek, OH 45432

Englewood

175 W. Wenger Road
Englewood, OH 45322

Columbus and Central Ohio

Columbus West

750 Georgesville Road
Columbus, OH 43228

Delaware

879 W. William Street
Delaware, OH 43015

Gahanna/New Albany

5665 N. Hamilton Road
Columbus, OH 43230

Grandview

1445 W. Goodale Blvd.
Columbus, OH 43212

Marysville

121 Emmaus Road
Marysville, OH 43040

Whitehall

5025 E. Main Street
Whitehall, OH 43213

Changes to services and member benefits:

This merger will provide the resources to bring SPEFCU members greater value through additional products/services, advanced technological capabilities, an expanded branch/ATM network, and extremely competitive deposit and loan rates. Other merger benefits include:

- Mobile & Online Account Access Options
- Expanded access from 1 branch to 10 Full-Service Branch Locations
- Access to the Nationwide Shared Branching Network, with 7 Locations in Springfield Free Swipe2Save Checking with a 10% APY Owner Rewards Savings Account
- Free ATM/Debit Cards Share Certificates of Deposit
- Free Online Access to your Credit Score and Credit Report
- 1.5% Cash Back Rewards MasterCard Credit Card
- Low-Rate MasterCard Credit Card
- More Consumer and Real Estate Loan Options Drive-thru Teller Service at Select Branches
- Mortgage & Home Equity Loans
- Retirement Planning Services
- Ohio Homebuyer Plus Savings Program

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. SPEFCU and Pathways certify that there are no merger-related financial arrangements being offered to any officials or employees of SPEFCU by Pathways.

Merger Approval and Ballot:


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.

Please complete the Ballot and return it to the address below.

E Space Communications, Inc.
P.O. Box 3156
Dublin, OH 43016-9842

To be counted, your Ballot must be received by 7:00 p.m. on August 20, 2024. Mail ballots received after this date and time will not be counted.

BY THE ORDER OF THE BOARD OF DIRECTORS:



President

06-03-2024

Date