

## NOTICE OF SPECIAL MEETING OF THE MEMBERS OF PARTNERS FINANCIAL FEDERAL CREDIT UNION

The Board of Directors of Partners Financial Federal Credit Union have called a special meeting of the members of this credit union on July 1, 2020, at 4:00 p.m. Due to COVID-19 restrictions and for the safety of our members, the meeting will be held virtually. You can join the meeting electronically with the gotomeeting link provided below (If this link does not work, please copy and paste it or type it directly into your browser).

Date: Wed, Jul 1, 2020 - 4:00 PM - 5:00 PM (EDT)

**Please join my meeting from your computer, tablet or smartphone.**

[https://global.gotomeeting.com/join/\[REDACTED\]](https://global.gotomeeting.com/join/[REDACTED])

**You can also dial in using your phone.**

United States: [REDACTED]

Access Code: [REDACTED]

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<https://global.gotomeeting.com/install/376853917>

The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging Partners Financial Federal Credit Union with and into Peoples Advantage Federal Credit Union (hereinafter referred to as the "Continuing Credit Union"), whereby all assets and liabilities of Partners Financial Federal Credit Union will be merged with and into the Continuing Credit Union. All members of Partners 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 Partners 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 Partners 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 Partners 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 CURE at 1775 Duke Street, Alexandria, VA, 22314 and the member portal website at <https://www.ncua.gov/support-services/credit-union-resources-expansion/resources/comments-proposed-credit-union-mergers>. 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 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 interest of members for increased accessibility to branches and availability of additional products and services. The merger will allow the credit union to enable future growth and increase economies of scale to continue to compete in the financial sector.

Net worth: The net worth of a merging credit union at the time of a merger transfers to the continuing credit union. Partners Financial Federal Credit Union does not have a higher net worth ratio Peoples Advantage Federal Credit Union.

Partners 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 Peoples Advantage Federal Credit Union net worth, is unnecessary because the value of the shares will remain the same after the merger with Peoples Advantage Federal Credit Union.

Locations of merging and continuing credit union: Partners Financial Federal Credit Union's main office at 1200 New York Ave, Glen Allen, VA, will remain open as a branch of Peoples Advantage Federal Credit Union. The other branches located at 14901 Dogwood Villa Dr, Chesterfield VA, 400 North 8<sup>th</sup> St., Ste 117, Richmond, VA, and 8721 Staples Mill Rd, Richmond, VA will also remain as branches upon merger. Peoples Advantage Federal Credit Union has the following locations that will also be available to members at 110 Wagner Rd, Petersburg, VA (main office), and a full service branch at 2801 Conduit Rd., Colonial Heights, VA.

Enclosed with this Notice of Special Meeting is a Ballot for Merger Proposal. Please complete the Ballot and return it to Robert Mann, P.O. Box 746, Fredericksburg, VA 22404 . To be counted, your Ballot must be received by July 1, 2020, at 4:00 p.m.

Please note the proposed merger must have approval of the majority of voting members.

BY THE ORDER OF THE BOARD OF DIRECTORS:

President Christopher D. Franklin  
Date April 22, 2020

NCUA Form 6305A

**BALLOT FOR MERGER PROPOSAL**

Name of Member:

Account Number:

Your credit union must receive this ballot by July 1, 2020. Please mail it to:

Robert Mann, P.O. Box 746, Fredericksburg, VA 22404

I have read the Notice of Special Meeting for the members of Credit Union. The meeting will be held on the above date to consider and act upon the merger proposal described in the notice. I vote on the proposal as follows (check one box):

☐ APPROVE the proposed merger and authorize the Board of Directors to take all necessary action to accomplish the merger.

☐ DO NOT APPROVE the proposed merger.

Signed:

Member's Name

Date: