

Notice of Meeting of the Members of Credit Union of Vermont

The Board of Directors of Credit Union of Vermont has called a special meeting of the members of this credit union at 2 S Main Street, Rutland, Vermont 05701, on Monday, December 15th, 2025 at 6:00pm. The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging Credit Union of Vermont with and into Vermont Federal Credit Union (hereinafter referred to as the "Continuing Credit Union"), whereby all assets and liabilities of Credit Union of Vermont be merged with and into the Continuing Credit Union. All members of Credit Union of Vermont 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 Credit Union of Vermont 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 Credit Union of Vermont, 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 Credit Union of Vermont 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/credit-union-merger-resources/comments-proposed-credit-union-mergers>. You may also mail your comments to: National Credit Union Administration, Office of Credit Union Resources and Expansion, 1775 Duke Street, 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 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 of Credit Union of Vermont and Vermont Federal Credit Union is desirable and in the best interests of members for a number of reasons, such as better pricing and services, additional products, enhanced convenience and account access and lower operating costs as a larger combined institution. The merged credit union will also achieve economies of scale which will permit it to better compete in the increasingly competitive financial services industry. By joining together, Credit Union of Vermont and Vermont Federal Credit Union will retain their members-first philosophy and be better positioned to serve members now and into the future. As a result, the Board of Directors has determined that the opportunity to merge with Vermont Federal Credit Union is in the best interest of the members.

If the merger is approved by the members, your savings with the Continuing Credit Union will remain federally insured by the National Credit Union Share Insurance Fund (NCUSIF), an arm of the National Credit Union Administration, and backed by the full faith and credit of the United States Government.

Net worth: The net worth of a merging credit union at the time of a merger transfers to the continuing credit union. Credit Union of Vermont (13.71%) has a higher net worth ratio than Vermont Federal Credit Union (9.88%).

Share adjustment or distribution: Credit Union of Vermont wishes to recognize its members for maintaining strong relationships 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 determined a one-time special dividend of \$100 to each eligible member plus an amount estimated to be between 4.25% and 4.50% of members' average balance on their shares** for the six-month period preceding the date of this mailing. The special dividend would be a one-time capital distribution payable to eligible Credit Union of Vermont members in an aggregate total amount not greater than \$1,250,000, depending on expenses related to the merger and the net worth of Credit Union of Vermont at the effective date of the merger. Eligible members are defined as those natural persons members having at least one share in their main share account as of 6/30/2025 and who continue to be a member in good standing as of the date the special dividend is paid. The payment of this special dividend would be prior to the effective date of the proposed merger. **Shares only. Does not include certificates, checking accounts, money markets, retirement accounts, or loans. Does include Business Members and their share accounts.

Locations of merging and continuing credit union: The Credit Union of Vermont's branch location in Rutland will remain open following the merger. In addition, the eight current Vermont Federal Credit Union branch locations will be available. The combined branch locations are as follows:

Vermont Federal Credit Union Branches

Branch Name	Address	City	State	Zip
Kennedy Drive - South Burlington	275 Kennedy Drive	South Burlington	VT	05403
Burlington	84 Pine Street	Burlington	VT	05402
Milton	4 Centre Drive	Milton	VT	05468

St. Albans	55 Old Orchard Road	St. Albans	VT	05478
Middlebury	1 Court Street	Middlebury	VT	05753
Vergennes	100 Panton Road	Vergennes	VT	05491
Essex	1 Carmichael Street	Essex Junction	VT	05452
Barre	315 North Main Street	Barre	VT	05641

Credit Union of Vermont Branch

Branch Name	Address	City	State	Zip
Headquarters	2 South Main Street	Rutland	VT	05701

Changes to services and member benefits: The credit unions have made no post-merger plans to reduce branch facilities, ATM network access, or existing accounts and services offerings currently offered or available to Credit Union of Vermont members.

Member Approval and Ballot:

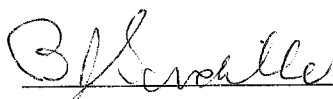
Please note that the proposed merger must have the approval of the majority of members who vote. In accordance with its Bylaws, Credit Union of Vermont is conducting the member vote on the merger proposal through a mail-in, in-person, by telephone, or electronic ballot to the Credit Union of Vermont members. The ballot distribution, collection, custody and tabulation will be conducted by an independent third party company, CU Ballot.

Enclosed with this Notice of Special Meeting is a Ballot for Merger Proposal. If you cannot attend the meeting, vote electronically or by telephone, please complete the Ballot and return it to:

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

To be counted, your Ballot must be received by December 15th, 2025, at 6:00pm. You may also cast your vote in-person at the meeting. Branches cannot accept ballots or mail ballots for members.

BY THE ORDER OF THE BOARD OF DIRECTORS:


Barbara J. Sandillo, Chairperson

9-24-25
Date



Dear Credit Union of Vermont Member:

For 66 years, the Credit Union of Vermont has been committed to serving our members and community. Today, we're excited to take the next step with our plans to merge with locally based Vermont Federal Credit Union — a partnership that brings together two strong financial institutions with shared values and a dedication to exceptional member service.

Members will continue to enjoy the same exceptional, local service they know and trust from the Credit Union of Vermont, now with added benefits such as:

- **Expanded Access:** Members will gain access to 8 additional Vermont branch locations, as well as a Nationwide Shared Branching Network.
- **Local Member Call Center:** Open six days a week (Monday-Saturday) to assist you.
- **Convenient Online Services:** Including remote loan applications and closings.
- **Same Knowledgeable, Friendly Employees:** Everything you love about our staff.

In addition to these benefits, Credit Union of Vermont wishes to recognize its members for maintaining strong relationships with the Credit Union by awarding a special dividend to its members as part of the merger. The enclosed packet contains more detailed information as well as your ballot for voting. Your board of directors strongly recommends a YES vote. This recommendation is based on a comprehensive analysis of the potential benefits and positive impacts on our organization. By voting YES, we can ensure continued growth and success, aligning with our strategic goals and long-term vision.

We will also be having several informational sessions for members to provide additional information and answer any questions. These will be held on:

- **November 4, 2025 @ 6:00pm** (in-person at 2 South Main Street, Rutland, VT 05701)
- **December 9, 2025 @ 6:00pm** (online – a link will be provided to those registered)
- **December 15, 2025 @ 6:00pm** (Special Membership Meeting in-person at 2 South Main Street, Rutland, VT 05701 - **LAST DAY TO VOTE**)

Pre-registration for any of these informational session opportunities is required and can be made by e-mailing us at kaylee@cuvermont.coop or by calling 802-773-0027.

Recognizing the importance of this vote, you will have an opportunity to vote early by mail ballot (enclosed), electronically, by phone, or by attending the membership meeting and voting in person.

If you wish to vote online, simply visit <https://cuvermont.cuballot.com/>. If you wish to vote by phone, the number created specifically for that purpose is 888-762-8530. Alternatively, enclosed with this letter are materials including a Notice of Special Meeting and a paper ballot for mail-in voting, complete with a pre-paid return envelope.

Please support your credit union by voting YES on the ballot. It is truly a win-win for all of us.

Sincerely,

Bryan Kent

Bryan Kent, Credit Union of Vermont CEO

Ballot for Merger Proposal

Name of Member: _____

Account Number: _____

Your credit union must receive this ballot by December 15, 2025

Please mail or bring it to:

**CUBALLOT - ELECTION PROCESSING
E SPACE COMMUNICATIONS INC.
PO BOX 3156
DUBLIN, OH 43016-9842**

I have read the Notice of Special Meeting for the members of Credit Union of Vermont

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.

Member Signature

Date

Member Name (printed)