



Dear Valued Member:

On behalf of the Board of CrossPoint Federal Credit Union, we are pleased to share exciting news. We have received regulatory approval to pursue a merger partnership with Nutmeg State Financial Credit Union for the purpose of bringing you more benefits and value from your credit union.

Both Crosspoint Federal Credit Union and Nutmeg State Financial Credit Union's board of directors and leadership teams support this merger. However, the final decision is up to you. You are being asked to vote on a proposal for a merger with Nutmeg. Unlike bank mergers that are designed to make money for stockholders, this merger represents a partnership between two Connecticut credit unions. For nearly 90 years both organizations have shared a commitment to members, employees, and the communities we serve. Together, the combined organization will be better positioned to continue to enhance products and services now and into the future.

Here are just some of the benefits you will enjoy because of the merger. Additional benefits are outlined in the enclosed Notice of Special Member Meeting.

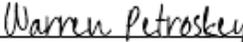
- Our branches will remain open and the same friendly staff that serve you today will continue to serve you in the combined organization. PLUS, members will gain eight additional branches, and access to 30,000+ fee-free ATMs
- A dedicated Call Center with expanded hours
- Higher deposit rates & fewer fees
- New Checking options with cash back & ATM fee rebates
- Expanded low-rate loan options
- Access to Financial Planning & Investment Services
- Access to insurance products, including homeowners & auto insurance
- Full-service Business Banking & Lending programs

Your vote is important and a merger between CrossPoint Federal Credit Union and Nutmeg State Financial Credit Union must have the approval of a majority of members of the credit union voting on the proposal. Along with this letter, you will find a Notice of Special Meeting and a ballot which includes a postage paid return envelope. Members also have the option to vote electronically.

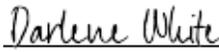
We look forward to this next important step in serving your best interests and financial needs. Please don't hesitate to contact us at 203.288.1695 or merger@crosspointfcu.org if you have any questions. You can also find more information about this proposed merger at <https://crosspointfcu.org/merger-info/>.

We greatly appreciate your membership and thank you for your support of this exciting opportunity.

Sincerely,



Warren Petroskey
Board Chairperson



Darlene White
President/Chief Executive Officer

Notice of Meeting of the Members of CrossPoint Federal Credit Union

The Board of Directors of CrossPoint Federal Credit Union have called a special meeting of the members of this credit union at Devonshire Hall 109 Sanford Street Hamden, CT 06514 on November 19, 2025, at 4:30pm EST. The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging CrossPoint Federal Credit Union with and into Nutmeg State Financial Credit Union (hereinafter referred to as the “Continuing Credit Union”), whereby all assets and liabilities of CrossPoint Federal Credit Union will be merged with and into the Continuing Credit Union. All members of CrossPoint 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 CrossPoint 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 CrossPoint 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.

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 CrossPoint 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.

How This Merger Will Benefit Members

The Board of Directors has concluded that combining the energies and resources of CrossPoint Federal Credit Union and Nutmeg State Financial Credit Union will provide significant and lasting benefits and value to our members. Not only will members be able to access new branches,

surcharge-free ATMs, products and services, they also will have the advantage of membership in a larger, stronger combined credit union that is well positioned to grow and increase member value over the long term.

Both credit unions share a commitment to members, employees and the communities they serve and are committed to providing access to financial services and education -- ensuring underserved communities and individuals can connect with the products, tools and support they need. Through this partnership, Nutmeg will bring its Products with a Purpose offering to CrossPoint's members and communities. This product offering was designed to empower underserved populations and create meaningful pathways toward long-term financial well-being.

Through this merger, the membership will see the following benefits.

Enhanced Convenience and Account Access

- CrossPoint's four branch locations will be maintained. Additionally, members will gain access to an additional eight Nutmeg State Financial Credit Union locations across Connecticut.
- Access to 30,000+ fee-free ATMs through the CO-OP and SUM Networks
- Dedicated Contact Center and Expanded Call hours Monday through Saturday
- Live Chat for remote service assistance
- The latest internet and mobile banking technologies, at no charge, including real time Person to Person (P2P) transfers
- Instant Issue Debit and Credit Cards
- Expanded online account opening & in-branch service options

New Products and Services and other related benefits

- Credit cards with enhanced loyalty program benefits. For every qualifying purchase, members will earn valuable points that can be redeemed for gift cards, top name-brand items, vacation getaways, valuable services, and once-in-a-lifetime experiences.
- NSF and overdraft transfers drop from \$5/item to \$0
- Overdraft/NSF Fee drops from \$34 to \$0
- New checking account options, including checking with ATM fee rebates and cash back on debit purchases
- ATM/Debit cards with EMV chip technology & contactless functionality
- Free credit score monitoring
- Access to Financial Planning and Investment Services
- Access to insurance products, including homeowners, auto, life, renters & motorcycle insurance
- Credit-building products, including checking accounts & credit cards
- Higher deposit and certificate rates and fewer fees on account services

Expanded Lending Programs

- In-house residential lending programs
- Smart Energy Loans
- Car Ownership Program

Business Banking Services

- Business Savings, Checking and Money Market Accounts
- Business Credit Cards
- Business Lending & Insurance Programs
- Merchant Services
- Employer 401K Programs

Continuation of Federal Deposit Insurance: Your accounts will continue to be federally insured by the National Credit Union Share Insurance Fund (NCUSIF), operated and managed by the National Credit Union Administration and backed by the full faith and credit of the United States Government.

Employee Representation: Our President/CEO, Darlene White, will remain with the combined credit union after the merger. All employees of CrossPoint Federal Credit Union will have the opportunity to continue employment with the combined credit union after the merger. The same dedicated staff that serves you in the branches today will continue to serve you.

Community Involvement: Nutmeg State Financial Credit Union shares CrossPoint Federal Credit Union's commitment to community involvement and will continue to support programs and invest in our local community.

Lower Operating Costs: The combined credit union, and consequently the members, will benefit from the economies of scale and improved regulatory net worth position (including a combined entity of approximately \$860 million in assets, over 63,000 members and 12% regulatory net worth); translating into lower operating costs by allowing such costs to be spread over a wider membership base. This provides for:

- An ongoing focus and commitment to member service
- Ongoing development of new and enhanced products and services
- The opportunity to explore and consider investing in current and new technologies to make banking easier
- Continued community support and engagement
- Improved data security
- Enhanced liquidity to help fund more loans and provide additional loan options for members

Beyond these immediate member benefits, this merger is a partnership between two established and federally insured credit unions that will create a combined credit union with a strong competitive position. The two credit unions share decades of Connecticut roots as well as having similar values and a commitment to personalized service and putting our members' needs first. With combined resources and a shared commitment to financial inclusion and equity, the new organization will combine the purpose-driven vision, people, branches, and capabilities of the two credit unions for the benefit of our members, communities, and employees for the long term.

Net worth:

The net worth of a merging credit union at the time of a merger transfers to the continuing credit union. CrossPoint Federal Credit Union has a lower net worth ratio (10.50%) than Nutmeg State Financial Credit Union's net worth ratio (12.43%).

Share adjustment or distribution:

CrossPoint Federal Credit Union will not distribute a portion of its net worth to its members in the merger. The Board of Directors has determined that a share adjustment or other distribution of CrossPoint Federal Credit Union's net worth is unnecessary. Once all the one-time merger-related costs (including early contract termination fees, integration costs for core banking and other data systems and write downs of fixed and other assets to be retired) are accounted for, the continuing credit union's extensive infrastructure, beneficial services, and product offerings will create long-term value for all CrossPoint members post-merger.

Locations of merging and continuing credit union:

CrossPoint Federal Credit Union's full-service main office located at 105 Sanford Street, Hamden, CT, its full-service branch located at 249 West Main Street, Branford, CT, its full service branch located at 200 Orange Street, New Haven, CT, and it's full service branch at the Adanti Student Center, 501 Crescent Street, New Haven, CT will remain open.

Nutmeg State Financial Credit Union currently has the following eight full-service branch locations:

New Britain

995 West Main Street
New Britain, CT 06053
Monday – Wednesday: 9:00 a.m. – 4:00 p.m.
Thursday: 9:00 a.m. – 6:00 p.m.
Friday: 9:00 a.m. – 5:00 p.m.
Saturday: 9:00 a.m. – 12:00 noon

Rocky Hill

520 Cromwell Avenue
Rocky Hill, CT 06067-0066
Monday – Wednesday: 9:00 a.m. – 4:00 p.m.
Thursday: 9:00 a.m. – 6:00 p.m.
Friday: 9:00 a.m. – 6:00 p.m.
Saturday: 9:00 a.m. – 12:00 noon

Glastonbury

81 House Street
Glastonbury, CT 06033
Monday – Friday: 9:00 a.m. – 5:00 p.m.
Saturday: 9:00 a.m. – 1:00 p.m.

Bristol

902 Stafford Avenue
Bristol, CT 06010
Monday – Wednesday: 9:00 a.m. – 4:00 p.m.
Thursday – 9:00 a.m. – 6:00 p.m.
Friday – 9:00 a.m. – 5:00 p.m.
Saturday: 9:00 a.m. – 12:00 p.m.

Manchester

270 Broad Street
Manchester, CT 06040
Monday – Wednesday: 9:00 a.m. – 4:00 p.m.
Thursday: 9:00 a.m. – 6:00 p.m.
Friday: 9:00 a.m. – 5:00 p.m.
Saturday: 9:00 a.m. – 12:00 noon

Orange*

259 Bull Hill Lane
Orange, CT 06477
Monday – Friday: 10:00 a.m. – 6:00 p.m.
Saturday: 9:00 a.m. – 2:00 p.m.

Bristol

25 North Street
Bristol, CT 06010
Monday – Wednesday 9:00 a.m. – 4:00 p.m.
Thursday 9:00 a.m. - 6:00 p.m.
Friday 9:00 a.m. – 5:00 p.m.
Saturday 9:00 a.m. – 12:00 p.m.

Stratford*

250 Barnum Avenue Cutoff
Stratford, CT 06615
Monday – Friday: 10:00 a.m. – 6:00 p.m.
Saturday: 9:00 a.m. – 2:00 p.m.

Member Call Center available:

Monday – Friday: 8am – 6pm
Saturday: 9am – 1pm

**Branches with DMV Express Office for members*

In addition, Nutmeg State Financial Credit Union belongs to both the SUM and CO-OP Networks, which provides member access to 30,000+ surcharge free ATMs.

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.

CrossPoint Federal Credit Union does not compensate credit union Board officials.

The Board of Directors of CrossPoint Federal Credit Union and Nutmeg State Financial Credit Union believe strongly it will be beneficial to the members of the combined credit union to retain the services of CrossPoint's senior executive team. These executives each bring valuable experience, institutional knowledge, and skills to our combined credit union, and will play important leadership roles after the merger. In addition, both Boards view these executives as vital to ensuring a seamless integration of the two credit unions and to representing the interests of CrossPoint members during and after the merger. Accordingly, upon completion of the merger, the senior managers are eligible to receive the following arrangements.

Darlene White, President and CEO:

An accomplished industry leader, Ms. White has served in senior leadership roles, including chief operating officer and chief executive officer, with CrossPoint Federal Credit Union for the past six years. She has been an integral part of the credit union and its ability to serve members' financial needs, including successfully guiding the credit union through challenging economic environments and significantly enhancing the products, services, and value offered to members. She brings over five decades of senior leadership experience in the financial services industry to the credit union and has been an essential element of its success. Ms. White will play an important strategic advisory leadership role with the combined credit union after the merger and will be employed under the terms of a three-year contract at her current rate of pay. She will be eligible to receive a severance opportunity if she is terminated without "Cause" during the term of the agreement equal to the remaining term of the contract. Because we view Ms. White as essential to planning and completing a successful merger process that protects the interests and financial needs of CrossPoint members and to incent her to remain with the Continuing Credit Union through the merger and beyond, she will be paid a retention bonus of \$400,000 at the legal merger date and a retention bonus of \$400,000 if she remains with the Continuing Credit Union for one year following the legal merger date. This retention compensation considers her decades of industry experience, her critical role in a successful merger completion and integration to serve the best interests of CrossPoint members, and the scope of her responsibilities in a \$860 million organization serving 63,000 members.

Ken Innocenzi, Vice President of Operations & IT Manager

Mr. Innocenzi joined CrossPoint Federal Credit Union in 2021 and oversees the strategic and day-to-day management of both operational processes and technology systems to ensure efficient, secure and member-focused service delivery. He has played a significant role in driving innovation and process improvements across the organization while ensuring compliance with regulatory requirements. With 45 years of experience in the financial services industry, Mr. Innocenzi will play an important role in integrating the operational and information technology functions of the combined credit union. Accordingly, he will be employed under a three-year agreement at his current rate of pay. He will be eligible to receive a severance opportunity if he is terminated without "Cause" during the term of the agreement equal to six months of his then current salary.

Armand Muniz, Vice President of Business Development, Marketing & Branch Banking

Mr. Muniz joined CrossPoint Federal Credit Union in 2020 and leads the strategic direction and daily management of branch network performance and business development/marketing initiatives to drive member engagement, satisfaction, and growth. He oversees the operational efficiency, service quality, and compliance of all branches, while also guiding the development and execution of integrated business development and marketing campaigns that promote the credit union's products, services, and brand. With over 26 years in the financial services industry, Mr. Muniz will play an important role in integrating the business development, marketing, and branch operations of the combined credit union. Accordingly, he will be employed under a three-year agreement at his current rate of pay. He will be eligible to receive a severance opportunity if he is terminated without "Cause" during the term of the agreement equal to six months of his then current salary.

Cheryl Rich, Vice President of Administration

Ms. Rich has been employed by CrossPoint Federal Credit Union for 30 years and has over 35 years of experience in the financial services industry. She currently holds the position of Vice President, Administration and has been instrumental in organization's culture, human resources, and level of service provided to members. Given her tenure with the organization and deep industry experience, she has extensive knowledge of the operations and culture of CrossPoint and will play a crucial role integrating the human resources and administrative functions of the combined credit union. Ms. Rich will be employed under a three-year agreement at her current rate of pay. She will be eligible to receive a severance opportunity if she is terminated without "Cause" during the term of the agreement equal to six months of her then current salary.

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 via postage paid return envelope to CrossPoint Federal Credit Union, C/O CU Ballot or you can vote online at <https://crosspointfcu.org/merger-voting/>. To be counted, your Ballot must be received by November 19, 2025, at 5:00 pm EST. BY THE ORDER OF THE BOARD OF DIRECTORS:

Board Presiding Officer: Warren Petroskey

Date : 9/11/2025

Merger of Crosspoint Federal Credit Union and Nutmeg State Financial Credit Union Combined Income Statement
As of June 30, 2025

	CrossPoint Federal CU	Nutmeg State Financial CU	Combined
Interest on Loans & Leases	\$ 1,921,312	\$ 16,500,525	\$ 18,421,837
Income from Investments	\$ 988,253	\$ 1,735,103	\$ 2,723,356
TOTAL INTEREST INCOME	\$ 2,909,565	\$ 18,235,628	\$ 21,145,193
Dividends on Shares & Interest on Deposits	\$ 701,045	\$ 4,447,482	\$ 5,148,527
Interest on Borrowed Money	\$ -	\$ 254,536	\$ 254,536
TOTAL INTEREST EXPENSE	\$ 701,045	\$ 4,702,018	\$ 5,403,063
Provision for Loan & Lease Losses (PLL) / Credit Loss Expense	\$ 74,000	\$ (897,320)	\$ (823,320)
NET INTEREST INCOME AFTER PLL	\$ 2,282,520	\$ 12,636,290	\$ 14,918,810
Fee Income	\$ 318,848	\$ 1,893,882	\$ 2,212,730
Other Operating Income	\$ 672,914	\$ 485,783	\$ 1,158,697
Non-Operating Income	\$ -	\$ 20,523	\$ 20,523
Gain on Sale of Assets	\$ -	\$ -	\$ -
Gain from Bargain Purchase	\$ -	\$ -	\$ -
TOTAL NON-INTEREST INCOME	\$ 991,762	\$ 2,400,188	\$ 3,391,950
Total Employee Compensation & Benefits	\$ 1,475,128	\$ 6,203,221	\$ 7,678,349
Travel & Conference Expense	\$ 19,250	\$ 267,061	\$ 286,311
Office Occupancy Expense	\$ 195,421	\$ 737,539	\$ 932,960
Office Operations Expense	\$ 667,934	\$ 721,328	\$ 1,389,262
Educational & Promotional Expense	\$ 156,408	\$ 358,839	\$ 515,247
Loan Servicing Expense	\$ 181,705	\$ 1,352,313	\$ 1,534,018
Professional Services Expense	\$ 82,825	\$ 508,361	\$ 591,186
Member Insurance Expense	\$ -	\$ -	\$ -
Operating Fees	\$ 15,600	\$ 18,000	\$ 33,600
Miscellaneous Operating Expense	\$ 58,514	\$ 2,756,021	\$ 2,814,535
TOTAL NON-INTEREST EXPENSE	\$ 2,852,785	\$ 12,922,683	\$ 15,775,468
NET INCOME	\$ 421,497	\$ 2,113,795	\$ 2,535,292

Note: The above financial data excludes any necessary pre-merger accounting adjustments and any purchase accounting adjustments.

	ASSETS		
	CrossPoint Federal CU	Nutmeg State Financial CU	Combined
Cash & Equivalents	\$ 17,575,992	\$ 23,647,903	\$ 41,223,895
Investments	\$ 66,555,859	\$ 51,878,038	\$ 118,433,897
Total Cash, Cash Equivalents, & Investments	\$ 84,131,851	\$ 75,525,941	\$ 159,657,792
Total Loans & Leases	\$ 70,177,213	\$ 580,638,170	\$ 650,815,383
Allowance for (Credit Losses) Loan & Lease Losses (ALLL) / (ACL)	\$ (809,116)	\$ (3,077,364)	\$ (3,886,480)
Net Loans	\$ 69,368,097	\$ 577,560,806	\$ 646,928,903
Other Assets	\$ 6,970,500	\$ 40,475,304	\$ 47,445,804
NCUSIF Deposit	\$ 1,318,556	\$ 5,335,239	\$ 6,653,795
Total Assets	\$ 161,789,004	\$ 698,897,290	\$ 860,686,294
	LIABILITIES AND EQUITY		
Notes Payable	\$	\$ 7,000,000	\$ 7,000,000
Accounts Payable & Other Liabilities	\$ 1,753,124	\$ 11,306,196	\$ 13,059,320
Total Liabilities	\$ 1,753,124	\$ 18,306,196	\$ 20,059,320
Checking Accounts	\$ 20,938,677	\$ 113,123,420	\$ 134,062,097
Regular Shares	\$ 58,171,359	\$ 168,054,332	\$ 226,225,691
Money Market Accounts	\$ 33,797,040	\$ 80,365,495	\$ 114,162,535
Certificates	\$ 24,955,866	\$ 27,790,912	\$ 52,746,778
IRAKEOGH Accounts	\$ 4,695,526	\$ 202,886,054	\$ 207,581,580
All Other Shares ⁽¹⁾	\$ 289,491	\$ 4,506,347	\$ 4,795,838
Total Member's Shares	\$ 142,847,959	\$ 596,726,560	\$ 739,574,519
Regular Reserves	\$	\$	\$
Equity Acquired in Merger	\$ 965,148	\$ 14,957,392	\$ 15,922,540
Accumulated Other Comprehensive Income	\$	\$	\$
Undivided Earnings	\$ 16,222,773	\$ 68,907,142	\$ 85,129,915
Total Equity	\$ 17,187,921	\$ 83,864,534	\$ 101,052,455
TOTAL LIABILITIES, SHARES, & EQUITY	\$ 161,789,004	\$ 698,897,290	\$ 860,686,294
Probable Asset/Share (PAS) Ratio ⁽²⁾	\$ 1.12	\$ 1.14	\$ 1.14

Note: The above financial data excludes any necessary pre-merger accounting adjustments and any purchase accounting adjustments.

⁽¹⁾ Includes Nonmember Deposits if applicable

⁽²⁾ The PAS ratio is the relative worth of each \$1 in shares.



CrossPoint Federal Credit Union

Ballot for Merger Proposal

Name of Member: _____

Account Number: _____

Your credit union must **receive** this ballot by 5:00 pm EST on 11/19/2025.

You can bring this ballot with you to the Special Meeting at Devonshire Hall 109 Sanford Street Hamden, CT 06514, on November 19 at 4:30 pm EST. If you cannot attend the Special Meeting, you can vote online at <https://crosspointfcu.org/merger-voting/> by clicking the Vote Now button or mail it to:

CrossPoint Federal Credit Union
c/o CU Ballot – Election Processing
E Space Communications, Inc.
P.O. Box 3156
Dublin, OH 43016-9842

I have read the Notice of Special Meeting for the members of CrossPoint Federal 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 complete the merger.

Do not approve the proposed merger.

Member Signature

Date

Member Name (printed)