

## **NOTICE OF MEETING OF THE MEMBERS OF MISSISSIPPI FEDERAL CREDIT UNION**

The Board of Directors of Mississippi Federal Credit Union (MSFCU) have called a special meeting of all Members of MSFCU at the Ridgeland Office located at **325 Commerce Center Drive, Ridgeland, MS 39157 on June 5, 2024 at 5:00 p.m.**

The purpose of the Special Meeting and Member Action is:

1. To consider and act upon a plan and proposal for merging MSFCU with and into Mutual Federal Credit Union (MFCU) whereby all assets and liabilities of MSFCU will be merged with and into MFCU. All members of MSFCU will become members of MFCU and will be entitled to and will receive shares in MFCU for the shares they own in MSFCU 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 MSFCU, 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 MSFCU 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 mail ballot to vote on the proposed Merger. You may also cast your vote electronically or in person at the meeting.

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, Credit Union Resources and Expansion  
1775 Duke Street  
Alexandria, VA 22314

RE: Member-to-Member Communication for merging Mississippi Federal Credit Union with and into Mutual Federal Credit Union

The NCUA will post comments received from members on its website, along with 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 statements of the continuing credit union, follow as separate documents. In addition, the following information applies to the proposed Merger.

### **Reasons for Merger**

MSFCU and MFCU are aligned in their objectives to broaden access to fair financial products and services that benefit all people, especially those of modest means. While both credit unions are well-capitalized, they are not immune to the market forces influencing financial institutions today. The current inflationary, rising-rate environment accentuates the need for the merger.

By combining the credit unions' operational strengths, agile workforces and regional know-how, the continuing credit union will result in a more competitive financial institution. Further, members will benefit from additional branch locations, enhanced technology and a wider array of products.

## **Net Worth**

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

## **Share Adjustment**

Based on a review of the credit unions' financials independently and combined, the Board of Directors of MFCU and of MSFCU have determined that no adjustment of shares be made.

## **Locations of Merging and Continuing Credit Union**

All MSFCU locations and ATMS will remain open post-merger. All MFCU locations and ATMs will remain open post-merger. The following branch locations will serve members following the merger:

### **Columbus, MS Branch**

59 Yorkville Park Square  
Columbus, MS 39702

### **Raymond, MS Branch**

460 E Main Street  
Raymond, MS 39154

### **Vicksburg–Cherry Street**

1604 Cherry Street  
Vicksburg, MS 39180

### **Vicksburg–Clay Street**

4210 Clay Street  
Vicksburg, MS 39180

### **Vicksburg–South Frontage Road**

2086 S Frontage Road  
Vicksburg, MS 39180

### **Yazoo City, MS Branch**

1505 Grand Avenue  
Yazoo City, MS 39194

### **Jackson Branch**

2500 North State Street  
Jackson, MS 39216

### **Ridgeland Office (Highland Colony)**

325 Commerce Center Drive  
Ridgeland, MS 39157

### **Clinton Branch**

SouthPointe Business Park  
500 Clinton Center Drive  
Clinton, MS 39056

### **Grenada Branch**

960 J K Advent Drive  
Grenada, MS 38901

### **South Oxford Center Branch**

2301 S Lamar Boulevard  
Oxford, MS 38655

### **Ole Miss Student Union Branch**

218 Student Union Drive  
University, MS 38677

### **Oxford Branch**

1101 Jackson Avenue W  
Oxford, MS 38655

## Changes to Services and Member Benefits

Members of MSFCU will have expanded access to banking and financial wellness services and will recognize gains through favorable rates, pricing and innovations that enhance their banking experience. These member benefits will be a product of operating efficiencies of a larger organization that reduces expenses and generates revenue.

## 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. There are no financial arrangements related to the merger and no material retention agreements or compensation agreements related to the merger.

## 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 the Ballot for Merger Proposal.

Please complete the Ballot and return it to:

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

**To be counted, your ballot must be received by 5:15 p.m. on June 5, 2024.** Mail and electronic Ballots received after this date and time will not be counted. You may also cast your vote by voting online at <https://msfcu.us> or in person at the special meeting.

BY THE ORDER OF THE BOARD OF DIRECTORS:

*Gary Armstrong*

Gary Armstrong, MSFCU Board Chairperson

*April 2, 2024*

Date

## **WE ARE GROWING**

Mississippi Federal Credit Union has been committed to helping members for the past 66 years to achieve their financial goals, both short and long-term. Today, the Board of Directors and leadership team are excited to announce plans to merge with Mutual Federal Credit Union, another credit union serving communities across central and north Mississippi.

The merger represents a strategic partnership between two financially healthy Mississippi credit unions that are dedicated to the well-being of members, employees, and the communities they serve. Additionally, this collaborative merger will allow the combined credit union to offer:

- 13 Branch locations and an expanded ATM/ITM network
- Best-in-class products and services
- Continued investment in digital technologies and branches
- Increased commitment to the communities we serve
- The unified credit union will have a team of 135 employees serving 45,000 members

We have received approval from the NCUA to proceed with the merger and the next step is to obtain a vote from our members. As the process continues, we will update you about important dates and next steps. If you have concerns that have not been addressed in the frequently asked questions, please scan the QR Code below or visit our website to complete the form. A MSFCU representative will respond to your inquiry.

## **FREQUENTLY ASKED QUESTIONS**

### **WHAT DOES THIS ANNOUNCEMENT MEAN?**

This exciting announcement means that Mississippi Federal Credit Union is moving forward with the proposed merger with Mutual Federal Credit Union. Nothing related to how you use your account with us will change right away. You will continue to use your account and our other services in the same manner you do now.

### **DO BOTH CREDIT UNION BOARDS SUPPORT THIS MERGER?**

Absolutely. The Boards of both credit unions approved the proposed merger unanimously and are very excited about this merger with the growth and benefits it brings to our membership, employees, and communities.

### **WHAT ARE THE ADVANTAGES OF BEING A LARGER CREDIT UNION?**

Becoming a larger credit union would provide opportunities to leverage resources and position us for continued growth. The result is being able to provide more benefits to members in the form of more product and service access, and new and robust technologies and services while continuing Mississippi Federal Credit Union's ongoing community presence.

### **WHY WAS MUTUAL CHOSEN AS OUR MERGER PARTNER?**

Both credit unions share a dedication to members, employees, and their respective communities and share a common vision for the future of the combined credit union.

### **WHO IS MUTUAL FEDERAL CREDIT UNION?**

Chartered on April 10<sup>th</sup>, 1931, Mutual FCU is Mississippi's oldest credit union. Beginning as a credit union for federal employees in Vicksburg, Mutual expanded its charter in 2006 to serve several counties across Mississippi. Then in 2023, as Mutual transitioned to a federal charter, it expanded again serving 73 counties (and parishes) across Mississippi, Alabama, Louisiana, and Arkansas. Mutual FCU currently has branches in Vicksburg, Yazoo City, Raymond, and Columbus serving 23,000 members spread among 48 states.

### **DO MEMBERS HAVE A SAY?**

Yes. The proposed merger requires the approval of a majority of the members of Mississippi Federal Credit Union who vote on the proposal.

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## **WHAT DOES THIS MERGER MEAN FOR MEMBERS?**

The strategic merger between Mississippi FCU and Mutual FCU would provide the opportunity to achieve more positive member impact and value such as:

- [Expanded Member Access](#)  
A larger branch footprint would provide members with more locations to conduct business with us, which in turn provides more member impact. But bigger than that, through this partnership our field of membership would expand, and we would be able to serve more people and communities throughout Mississippi.
- [Products/Services](#)  
As a larger organization, we would achieve greater economies of scale which would allow us to offer an even more robust product and service line, reduce costs, and return more value to members in the form of products, services, and community involvement.
- [Increased Responsiveness to Evolving Member Needs](#)  
Combining our strengths would allow us to continue to enhance our products, services, and digital banking offerings.
- [Enhanced Electronic Banking](#)  
This partnership would allow us to constantly assess and improve our technology solutions and make sure we are providing “the best in class” digital banking solutions now and in the future.
- [Knowledgeable/Friendly Employees](#)  
The same friendly staff at our branches would continue to be available to serve members.

## **HOW DOES THIS AFFECT MY MEMBERSHIP?**

The combined credit union’s field of membership would include the existing fields of membership of Mississippi FCU and Mutual FCU, allowing us to serve even more members. All Mississippi FCU members would automatically become members of the combined credit union. In some cases, members may have a relationship at both credit unions and in this case, we will work with the members individually to combine their accounts in a manner that will ease the transition and be beneficial.

## **WOULD MY RATES AND ACCOUNTS BE AFFECTED?**

The rates on fixed-rate loans and certificates would remain the same until the end of their existing terms. Other products would adjust as normal due to market conditions.

## **WOULD MY ACCOUNTS CONTINUE TO BE FEDERALLY INSURED?**

Yes. Rest assured that your savings with the combined credit union will continue to be federally insured by the National Credit Union Share Insurance Fund (NCUSIF). Information regarding NCUA insurance, and a calculator to help determine your coverage is available at [www.mycreditunion.gov/estimator](http://www.mycreditunion.gov/estimator).

## **WOULD YOU CLOSE BRANCHES?**

There are no plans for any branch closures at this time. This merger would provide the opportunity to expand our branch locations and enhance our digital member experience. Mutual FCU branches would not be available to Mississippi FCU members immediately. As the merger progresses, we will announce when these locations will be available. Members can take advantage of the shared branching network as they have in the past until the final merger date is announced.

## **WHO WOULD LEAD THE ORGANIZATION?**

Michael Mathews, President/CEO of Mutual Federal Credit Union would be the President/CEO of the combined organization. Brian Long, President/CEO of Mississippi Federal Credit Union would be the Executive Vice President in the combined organization.

## **WHEN WOULD THE MERGER BE COMPLETE?**

Both credit union Boards currently believe the merger approval will be complete sometime around October 1, 2024. The process of fully integrating our systems would extend into late 2025. Mississippi Federal Credit Union will retain its name through these processes.



**MISSISSIPPI FEDERAL**  
CREDIT UNION

**BALLOT for MERGER PROPOSAL**

Name of Member: \_\_\_\_\_

MSFCU Account Number: \_\_\_\_\_

Your credit union must receive this ballot by June 5, 2024 at 5:15 pm.

If you cannot attend the meeting, please complete this ballot, and return it by mail to:

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

A postage paid envelope addressed to E Space Communications, Inc. is enclosed for use in returning the ballot to them. Member may also cast their ballots by voting online at <https://msfcu.us>, at a credit union branch or at the special meeting.

I have read the Notice of Special Meeting for the Members of Members 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 accomplish the merger.
- { } Do not approve the proposed merger.

\_\_\_\_\_  
Member Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Member Name (Please Print)