



Notice of Meeting of the Members of ATL Federal Credit Union

The Board of Directors of ATL Federal Credit Union have called a special meeting of the members of this credit union at 841 36th St. SW in Wyoming, Michigan on Tuesday, August 3rd, at 5:00pm.

The purpose of this meeting is:

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

- Reasons for merger: The Board of Directors has concluded that the proposed merger is desirable and in the best interests of members because if approved, the merger will significantly expand financial products and services available to members and provide greater access to those products with a strong and financially secure financial institution.
- Net worth: The net worth of a merging credit union at the time of a merger transfers to the Continuing Credit Union. ATL Federal Credit Union does not have a higher net worth ratio than the Continuing Credit Union.

Share Adjustment or Distribution:

ATL Federal Credit Union will distribute a portion of its net worth to its members in the merger. The board of directors has determined to distribute a portion of ATL Federal Credit Union's net worth as:

Tenure	Dividend
0 – 4.99 Yrs	\$50.00
5 – 14.99 Yrs	\$100.00
15 – 29.99 Yrs	\$150.00
30+ Yrs	\$200.00

Said dividend shall be paid by ATL FCU to such members in good standing as of the Effective Date of the Merger.

Locations of merging and Continuing Credit Union: ATL Federal Credit Union's main office at 841 36th Street SW, Wyoming, Michigan 49509 will remain open pursuant to the merger agreement.

Continuing Credit Union has the following locations that are near ATL Federal Credit Union.

Battle Creek Beckley Member Center
6030 B Drive North
Battle Creek, MI 49014

Buchanan Member Center
117 North Red Bud Trail
Buchanan, MI 49107

Battle Creek Helmer Member Center
240 North Helmer Road
Battle Creek, MI 49037

Coloma Branch Member Center
133 Badt Drive
Coloma, MI 49038

Battle Creek Urbandale Member Center
1671 West Michigan Avenue
Battle Creek, MI 49037

Coldwater Member Center
621 East Chicago Road
Coldwater, MI 49036

Allegan Member Center
1253 Lincoln Road
Allegan, MI 49010

Decatur Member Center
201 North Phelps Street
Decatur, MI 49045

Kalamazoo Connect Center
148 E Michigan Avenue
Kalamazoo, MI 49007

Kalamazoo Stadium Drive
4400 Stadium Drive
Kalamazoo, MI 49008

Paw Paw Member Center
422 South Kalamazoo Street
Paw Paw, MI 49079

Plainwell Member Center
1283 M-89
Plainwell, MI 49080

Portage Member Center
2340 East Centre Avenue
Portage, MI 49002

Benton Harbor Member Center
1873 East Napier Avenue
Benton Harbor, MI 49022

Berrien Springs Member Center
8952 Old U.S. 31
Berrien Springs, MI 49103

Dowagiac Member Center
56337 South M-51
Dowagiac, MI 49047

Niles Member Center
1010 Moore Drive
Niles, MI 49120

South Haven Member Center
72133 County Road 388
South Haven, MI 49090

St. Joseph Member Center
2712 Niles Avenue
Saint Joseph, MI 49085

Stevensville Member Center
5960 Cleveland Avenue
Stevensville, MI 49127

Gwinn Member Center
145 East State Highway M35
Gwinn, MI 49841

Marquette Member Center
2424 West US 41
Marquette, MI 49855

Negaunee Member Center
490 US 41
Negaunee, MI 49866

Operations Center
8385 Edgewood Road
Berrien Springs, MI 49103

Wyoming Member Center
841 36th St. SW
Wyoming, MI 49509

Changes to Services and Member Benefits:

ATL FCU members will now have additional options in regards to their deposit accounts, which include: checking, shares and money markets. ATL FCU members will also have additional solutions for business owners- to include deposit accounts, merchant services, accounting software and commercial lending. ATL FCU members will also have additional solutions for consumer lending and real estate. Credit card products will be minimal changes since both credit unions have similar options for members to utilize. Lastly, ATL FCU members will have a wide variety of ancillary services such as card control, digital wallet, ability to switch direct deposit automatically and financial budgeting software, which are all free to members.

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. The following individuals have received or will receive such compensation:

- ***N/A: There are no merger related financial arrangements to disclose.***

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 to 841 36th Street SW, Wyoming, Michigan 49509.

To be counted, your ballot must be received by Tuesday, August 3rd, at 5:00pm.

BY THE ORDER OF THE BOARD OF DIRECTORS:



Board of Directors - Chairperson

June 4, 2021

Date

Print Name: Johanna Barrett

Balance Sheet 4/30/2021



Combined

Cash & Equivalents	\$ 1,703,801.93	\$ 162,361,439.00	\$ 164,065,240.93
<u>Investments</u>			
AFS	\$ 3,497,735	\$ 253,557,357	\$ 257,055,092
Deposits	\$ 350,000		\$ 350,000
Alloya Capital	\$ 78,500	\$ 1,859,700	\$ 1,938,200
Other Investments	\$ 423,363	\$ 2,684,800	\$ 3,108,163
Total Investments	\$ 4,349,598	\$ 258,101,857	\$ 262,451,455
<u>Loans</u>			
Real Estate		\$ 244,935,362	\$ 244,935,362
Business		\$ 136,775,354	\$ 136,775,354
SBA PPP		\$ 27,927,278	\$ 27,927,278
Unsecured CC/LOC	\$ 321,566	\$ 46,954,725	\$ 47,276,291
Vehicles	\$ 6,532,728	\$ 239,910,373	\$ 246,443,101
Other RE Loans	\$ 969,221	\$ 82,185,067	\$ 83,154,288
Other Loans	\$ 518,097	\$ 74,849,658	\$ 75,367,755
Participations	\$ 1,040,321	\$ 5,686,105	\$ 6,726,426
Loan Premium		\$ -	\$ -
Gross Loans	\$ 9,381,933	\$ 859,223,922	\$ 868,605,855
Loan Loss Reserves	\$ (244,047)	\$ (10,837,511)	\$ (11,081,558)
Net Loans	\$ 9,137,885	\$ 848,386,411	\$ 857,524,296
<u>Other Assets</u>			
Oreo	\$ -	\$ 293,340	\$ 293,340
Other Fixed Assets	\$ 367,689	\$ 45,683,383	\$ 46,051,072
NCUSIF	\$ 127,161	\$ 9,679,722	\$ 9,806,883
Other Assets	\$ 101,249	\$ 19,143,343	\$ 19,244,592
Total Other Assets	\$ 596,099	\$ 74,799,788	\$ 75,395,887
Total Assets	\$ 15,787,384	\$ 1,343,649,495	\$ 1,359,436,879
<u>Shares</u>			
Share Drafts	\$ 3,061,617	\$ 339,288,708	\$ 262,041,135
Regular Shares	\$ 6,485,162	\$ 258,979,518	\$ 345,773,870
Other Shares & Deps	\$ 4,611,599	\$ 584,265,982	\$ 588,877,581
Total Shares	\$ 14,158,379	\$ 1,182,534,208	\$ 1,196,692,587
<u>Liabilities</u>			
Borrowings	\$ -	\$ 13,000,000	\$ 13,000,000
Accounts Pay & Other	\$ 288,639	\$ 8,286,156	\$ 8,574,795
Total Liabilities	\$ 288,639	\$ 21,286,156	\$ 21,574,795
<u>Equity</u>			
Regular Reserve	\$ 556,000	\$ 5,175,526	\$ 5,731,526
Unrealized G&L AFS inv	\$ 64,886	\$ 1,046,248	\$ 1,111,134
Undiv Earnings	\$ 691,772	\$ 114,941,288	\$ 115,633,060
Net Inc (loss)	\$ 27,707	\$ 1,539,188	\$ 1,566,895
Equity Acquired		\$ 17,126,881	\$ 17,126,881
Total Equity	\$ 1,340,366	\$ 139,829,131	\$ 141,169,497
Total Shares, Liab, Equity	\$ 15,787,384	\$ 1,343,649,495	\$ 1,359,436,879



Ballot for Merger Proposal

Name of Member: _____

Account Number: _____

Your credit union must receive this ballot by: **Tuesday, August 3rd, at 5:00pm.**

Please mail or bring it to:

ATL Federal Credit Union
841 36th Street SW
Wyoming, MI 49509

I have read the Notice of Special Meeting for the members of ATL 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 only 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)

