

Notice of Special Meeting of the Members of Urbana Postal Credit Union

The Board of Directors of Urbana Postal Credit Union have called a special meeting of the members of this credit union at Phillips Recreation Center, 505 Stoughton St., Urbana, IL on Sunday, April 14, 2019 at 3:00 pm. The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging Urbana Postal Credit Union with and into the University of Illinois Community Credit Union (hereinafter referred to as the "Continuing Credit Union"), whereby all assets and liabilities of the Urbana Postal Credit Union will be merged with and into the Continuing Credit Union. All members of Urbana Postal 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 Urbana Postal 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 Urbana Postal 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 Urbana Postal Credit Union encourages you to attend the meeting concerning the proposed merger. Illinois permits voting on merger proposals only at the meeting or by proxy. If you DO have a proxy on file at the credit union, to vote in FAVOR of the merger, you may attend and vote in person at the meeting or, do nothing and the Board of Directors will vote in favor of the merger in your stead. If you DO NOT have a proxy on file, you may attend the meeting to vote in person or find enclosed a proxy form which should be completed and returned as instructed, which designates the Board of Directors to vote your proxy. (Please note that a proxy form will only be enclosed if you DO NOT already have a proxy on file at the credit union).

To vote AGAINST the merger, you must either attend in person and vote at the meeting or designate another member who is attending the meeting as your proxy. If there is no proxy enclosed with this notice, you have a proxy on file with the credit union, and to vote NO, you must revoke that proxy by giving written notice to the board secretary Carol Miller at manager@urbanapostalcu.com or 3100 Tatman Ct., Urbana, IL 61801. Then assign a new proxy to an attending member.

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: Office of Credit Union Resources and Expansion (CURE), NCUA, 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 is desirable and in the best interests of members because of challenges to growth, earnings, scalability, member service limitations, and management continuity. Without asset growth, which needs to be fueled by net income, it becomes more and more difficult to main compliance, provide expanded or enhanced products and services, and create economies of scale. Membership growth has also been very challenging for a number of years, and hiring and training of a new manager as our long-term manager moves into retirement will be very difficult.

Net worth: The net worth of a merging credit union at the time of a merger transfers to the continuing credit union. Urbana Postal Credit Union has a higher net worth ratio than University of Illinois Community Credit Union.

Share adjustment or distribution: The board of directors has determined a share adjustment, or other distribution of Urbana Postal Credit Union's net worth is unnecessary because the credit unions have similar net worth ratios - 9.80% for Urbana Postal Credit Union and 8.86% for University of Illinois Community Credit Union. The dollar amount of the difference between the 9.8% and 8.86% net worth ratios for Urbana Postal Credit Union's asset size is approximately \$8,429, and most of this amount will be needed to fund merger expenses.

Locations of merging and continuing credit union: Urbana Postal Credit Union's main office at 3100 Tatman Ct., Urbana will close. University of Illinois Community Credit Union has the following locations that are near Urbana Postal Credit Union:

206 E. University Ave., Urbana – Full-service branch
1401 W. Green St., Urbana – Non-drive up branch
2201 S. First St., Champaign – Full-service branch.

Changes to services and member benefits: Certain fees may be applicable after the merger, such as Inactivity Fees on Savings accounts. Open-end unsecured loans will be converted to closed-end installment loans. Urbana Postal Credit Union and University of Illinois Community Credit Union will ensure that members with affected loans will receive any notice that might be required by the Truth-in-Lending Act, as implemented by Regulation Z.

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 Proxy Designation.

If you cannot attend the meeting, please follow the directions for proxy voting on the first page of this notice.

BY THE ORDER OF THE BOARD OF DIRECTORS:



President

Date February 8, 2019