



*A Stable Financial Institution in your Community Since 1955*

## **Notice of Special Meeting of the Members of Leyden Credit Union Before the Annual Meeting of the Members**

The Board of Directors of your credit union approved a proposition to merge with Partnership Financial Credit Union and have called a special meeting of the members of this credit union at 2701 25<sup>th</sup> Ave, Franklin Park, Illinois on Monday, April 5th, 2021 at 5:00 PM.

### **Purpose of the Meeting:**

1. To consider and act upon a proposal to merge our credit union with Partnership Financial Credit Union, (hereinafter referred to as the "Continuing Credit Union"), whereby all assets and liabilities of Leyden Credit Union will be merged with and into the Continuing Credit Union. All members of Leyden 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 Leyden 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 Leyden Credit Union, subject to approval of members, to carry out and execute all agreements, documents, and other information necessary to carry out the proposed merger.

The merger must have the approval of a majority of members of the credit union who vote on the proposal.

The Board of Directors of Leyden 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. For your convenience, a Proxy has been included with this letter.

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. To vote NO, you must revoke your proxy by giving written notice to the board secretary Carol Konetzki in care of David Lukas at david.lukas@leydencu.org or at 2701 25<sup>th</sup> Ave, Franklin Park, Illinois 60131. Then assign a new proxy to an attending member.

If you wish to submit comments about the merger to share with other members, you 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 directors of the participating credit unions carefully analyzed the assets and liabilities of the participating credit unions and appraised each credit union's share values. The appraisal of the share values appears on the attached individual and consolidated financial statements of the participating credit unions.

2701 North 25th Avenue ♦ PO Box 236 ♦ Franklin Park, Illinois 60131  
847.455.8440 ♦ Fax 847.455.1245 ♦ [www.leydencu.org](http://www.leydencu.org)

The directors of the participating credit unions have concluded that the proposed merger is desirable for the following reasons:

- Strong future leadership of Leyden Credit Union is ensured,
- Will provide greater resources to compete with larger financial institutions,
- New Digital Access, Share and Loan products will be offered
- Operational efficiencies will improve profitability allowing for enhanced member-related benefits,
- Six local branch locations will become available for member access, some with drive-thru capability.

The Board of Directors of our credit union believes that the merger should not include an adjustment because Partnership Financial Credit Union's Equity Ratio is higher than Leyden Credit Union's.

The main office of the continuing credit union will be as follows:

5940 Lincoln Ave, Morton Grove, Illinois 60053

The branch offices of the Continuing credit union will be as follows:

2701 25<sup>th</sup> Ave, Franklin Park, Illinois 60131  
1631 Waukegan Rd, Glenview, Illinois 60025  
58 E. Northwest Hwy, Des Plaines, Illinois 60016  
2522 Green Bay Rd, Evanston, Illinois 60201  
455 W. Northwest Hwy, Barrington, Illinois 60010

**Net Worth:** The Equity Ratio as of 12/31/2020 for Leyden Credit Union is 8.70% and for Partnership Financial Credit Union it is 9.70%. The combined ratio would be 9.39%.

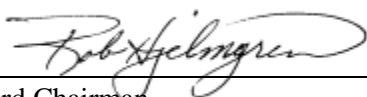
**Effective date:** The proposed effective date of this merger shall be June 1<sup>st</sup>, 2021, or such earlier or subsequent date as approved by the Parties, Directors, Division of Financial Institution, State of Illinois, or the National Credit Union Administration or any successor agency thereto.

**Employee Representation:** All current Leyden Credit Union employees will continue to be provided employment at the current branch location. Their salaries and benefits will remain the same or be enhanced to match those of comparable Partnership Financial Credit Union employees. Two of Leyden Credit Union's current directors will serve on the Partnership Financial Credit Union board.


**Merger-related financial arrangements:** No merger-related financial arrangements are being provided to the board or credit union management of the Leyden Credit Union or Partnership Financial Credit Union.

Please note that the proposed merger must be approved by the majority of the members who vote. If you cannot attend the meeting, please follow the directions for proxy voting on the first page of this notice.

**BY ORDER OF THE BOARD OF DIRECTOR**

  
\_\_\_\_\_  
Board Chairman

February 3, 2021  
Date

  
\_\_\_\_\_  
President

February 3, 2021  
Date