



Dear Houston Metropolitan Member:

The Board of Directors at Houston Metropolitan Federal Credit Union has some very exciting news to announce! After several months of careful research and consideration, we are in unanimous support of strategically partnering with Plus4 Credit Union, also headquartered in Houston, through a merger as of July 1, 2021.

As we transition, we are confident that this merger will be a success for our members. Chartered in 1929 to serve the needs of postal workers, Plus4 Credit Union now serves nearly 20,000 members. The financial strength of both organizations and shared member focus will create an even stronger organization, ensuring we are able to make a greater impact on the lives of those we serve.

In the spirit of collaboration and progress, both credit unions have agreed to operate under a brand-new name which will be revealed in 2022.

While this may technically be considered a merger, it is truly a partnership where two credit unions share similar cultures and commitment to the membership. By combining forces, we will have more resources to positively impact the lives of our members and employees. In addition to our existing services, HMFCU members will assume Plus4 Credit Union membership PLUS:

- Have full use of a more extensive branch network with three additional branches located in the Northwest (Tomball), Northeast (Humble), and Southeast (45 South) Houston Area. Existing HMFCU branches will remain open with the same faces you have grown accustomed to over the years.
- Access to a broader line of products and services such as “Kasasa Checking” accounts that provide exceptional deposit rates and rewards with the option of ATM fee reimbursement
- Enhancements to technology products and services - new online money management, online PIN change, check deposit capture, and online stop payments
- A brand-new dedicated member service call center with extended hours of operation

As a member, you have a say, and our hope is that you will vote in favor of this proposed merger with Plus4 Credit Union.

What follows are pages related to a Notice of Special Meeting of the Members of Houston Metropolitan Federal Credit Union and a ballot to vote on the proposed merger. We ask that you return the ballot by mail in the enclosed pre-addressed envelope by midnight on June 25, 2021.

Please visit myhmfcu.org/proposedmerger to register for the Special Meeting of the Members of Houston Metropolitan Federal Credit Union, view a list of Frequently Asked Questions, and an online form to submit any additional questions you may have. Thank you for your membership!

Sincerely,

A handwritten signature in black ink that reads 'Malcolm René'.

Malcolm René, President/CEO

A handwritten signature in black ink that reads 'Eric Dargan'.

Eric Dargan, Board Chairman



NOTICE OF SPECIAL MEETING of the Members of Houston Metropolitan Federal Credit Union

The Board of Directors of Houston Metropolitan Federal Credit Union have called a special meeting which will be held virtually for the members of this credit union on June 28, 2021 at 6:00 p.m. To participate in the special meeting, members should register at myhmfcu.org/proposedmerger. Once membership has been verified, members will be provided with a link to attend the meeting. The purpose of the meeting is:

1. To consider and act upon a plan and proposal for merging Houston Metropolitan Federal Credit Union with and into Plus4 Credit Union, whereby all assets and liabilities of Houston Metropolitan Federal Credit Union will be merging with and into Plus4 Credit Union. All members of Houston Metropolitan Federal Credit Union will become members of Plus4 Credit Union, will be entitled to, and will receive shares in Plus4 Credit Union for the shares they own in Houston Metropolitan 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 Houston Metropolitan 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 Houston Metropolitan Federal Credit Union encourages you, whether you expect to attend the meeting virtually or not, to sign, date and promptly return the enclosed ballot to vote on the proposed merger. For your ballot on the proposed merger to be considered valid, it must be filled out completely and returned by midnight on June 25, 2021.

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), Office of Credit Union Resources and Expansion at <https://www.ncua.gov/support-services/credit-union-resources-expansion/resources/comments-proposed-credit-union-mergers>, via email to CUREMail@ncua.gov or mail to NCUA-Office of Credit Union Resources and Expansion, 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.

Net Worth:

The net worth of a merging credit union at the time of the merger transfers to the continuing credit union. Houston Metropolitan Federal Credit Union has a higher net worth ratio than Plus4 Credit Union.

Share adjustment or distribution:

Houston Metropolitan Federal Credit Union will not distribute a portion of its net worth to its members in the merger. The Board of Directors has determined a share adjustment or other distribution of Houston Metropolitan Federal Credit Union's net worth is unnecessary because ownership will be merged into and survive at Plus4 Credit Union.

(Continued)

Locations of merging and continuing credit union:

- 608 E. Tidwell Rd., Houston, TX 77022
- 611 Walker St., 1st Floor, Houston, TX 77002
- 6500 Rookin St., Ste. 109, Houston, TX 77074-5020
- 9998 Almeda Genoa Rd., Houston, TX 77075-2416 (corporate office)
- 19506 Hwy 59 N, Humble, TX 77338-4384
- 9166 FN 2920 Rd., Tomball, TX 77375-8970

Changes to services and member benefits:


Plus4 Credit Union offers the same services Houston Metropolitan Federal Credit Union offers. There will be an additional 4 ATM locations available.

Please note 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 the merger proposal. Please complete the ballot and return it to Doeren Mayhew, CPAs and Advisors, 12060 SW 129 Court STE 201, Miami FL 33186-9785.

To be counted, your ballot must be received by midnight on June 25, 2021.

BY THE ORDER OF THE BOARD OF DIRECTORS:

Chairman: 

Date: 5/10/2021



Frequently Asked Questions (FAQs) Regarding Houston Metropolitan Federal Credit Union and Plus 4 Credit Union Proposed Merger

Houston Metropolitan FCU is very strong financially. Why is a merger being proposed?

This partnership would be a proactive step by two financially sound institutions to capitalize on their strengths and position to move into the future.

How would the merger benefit Houston Metropolitan members?

Here are just a few of the benefits that this partnership would bring:

- Have full use of a more extensive branch network with three additional branches located in the Northwest (Tomball), Northeast (Humble), and Southeast (45 South) Houston Area
- Access to a broader line of products and services such as “Kasasa Checking” accounts that provide exceptional deposit rates and rewards with the option of ATM fee reimbursement
- Enhances to technology products and services - new online money management, online PIN change, check deposit capture, and online stop payments
- A brand-new dedicated member service call center with extended hours of operation

While this may technically be considered a merger, it is truly a partnership where two credit unions share similar cultures and commitment to the membership. By combining forces, we will have more resources to positively impact the lives of our members and employees.

Who is Plus4 Credit Union?

Plus4 is a successful credit union that is looking to strategically expand while providing more member value. Founded in 1929 to serve employees of the U.S. Postal Service, the Credit Union has expanded its charter to serve other individuals in the Houston and surrounding areas. Plus4 is a financially strong, well-capitalized credit union with assets of over \$135 million and nearly 20,000 members. Plus4 is federally insured with 3 branches serving members in the Houston community and shares our values and commitment to serving members.

When is the Merger Official?

The merger will be official on July 1, 2021.

How large will the combined credit union be?

The combined credit union will have over \$210 million in assets and nearly 35,000 members.

Who will be the President/CEO?

The President/CEO of the combined credit union will be Malcolm René, current President/CEO of Houston Metropolitan Federal Credit Union. Vladimir Stark, current President/CEO of Plus4 Credit Union will retire subsequent to the merger.

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What will happen to the employees of Houston Metropolitan Federal Credit Union?

All employees of Houston Metropolitan Federal Credit Union will become employees of Plus4 Credit Union and will remain to meet member needs. The same friendly faces will continue to serve you.

What will the combined credit union be called?

In the short term, the names will remain the same however in the spirit of collaboration and progress, the credit union will operate under a brand-new name which will be revealed in 2022.

Will my account balances continue to be insured?

Your accounts will continue to be federally insured through the National Credit Union Share Insurance Fund (NCUSIF), and backed by the NCUA, an Agency of the U.S. Government.

What important dates should I note?

On October 1, 2021, your accounts and account balances will be transferred from the HMFCU data system to the Plus4 data system. Between now and then, we will work diligently to ensure that the transition is as smooth as possible. More information will be forthcoming.

Will my account number change?

Account numbers will not change in the short term; however, Plus4 Credit Union has a different routing and transit number. More information regarding account numbers will be forthcoming closer to the core conversion date slated for October 1, 2021.

How will I access E-Banking Services until the data conversion is complete?

Until the conversion is complete, you will continue to use the electronic services provided by HMFCU. More information will be forthcoming closer to the core conversion date slated for October 1, 2021.

Statement of Financial Condition

As of March 31, 2021	Plus4	Houston Metropolitan	Combined
ASSETS:			
Cash & Equivalents	12,217,154	10,986,667	23,203,821
Investments	3,226,633	15,657,957	18,884,590
Loans to Members (net of allowance)	100,179,220	44,328,632	144,507,852
Fixed Assets	5,653,604	1,544,398	7,198,002
NCUSIF Deposit	1,197,596	597,111	1,794,707
Other Assets	11,724,643	3,439,232	15,163,875
TOTAL ASSETS	134,198,850	76,553,997	210,752,847
LIABILITIES & EQUITY:			
Accounts Payable and Other Liabilities	749,189	2,047,508	2,796,697
Member Shares and Deposits	123,974,041	67,635,049	191,609,090
Equity	9,475,620	6,871,440	16,347,060
TOTAL LIABILITIES & EQUITY	134,198,850	76,553,997	210,752,847

Income Statement

Year-to-Date for March 31, 2021	Plus4	Houston Metropolitan	Combined
INCOME & EXPENSE:			
Loan Income	1,517,985	800,249	2,318,234
Investment Income	1,109	12,911	14,020
Other Income	923,015	508,802	1,431,817
Total Income	2,442,109	1,321,962	3,764,071
Total Employee Compensation & Benefits	916,420	691,326	1,607,746
Total Other Operating Expenses	1,209,252	647,286	1,856,538
Provision for Loan/Lease Losses	110,000	160,588	270,588
Interest & Dividends	125,416	32,304	157,720
Total Expenses	2,361,088	1,531,504	3,892,592
Non-interest Income & (Expense)	-	266,246	266,246
Net Income	81,021	56,704	137,725

**BALLOT FOR THE SPECIAL MEETING
of the Members of Houston Metropolitan Federal Credit Union**

NAME: FirstName LastName

CONTROL NUMBER: #####

We have hired an independent accounting firm, Doeren Mayhew, CPAs and Advisors, to collect and tabulate the ballots. To be counted, your ballot must reach Doeren Mayhew, CPAs and Advisors, by midnight on June 25, 2021. Please RETURN this form in the enclosed pre-paid envelope to:

**Doeren Mayhew, CPAs and Advisors
12060 SW 129 Court Ste. 201
Miami, FL 33186-9785**

I have read the NOTICE OF SPECIAL MEETING for the members of Houston Metropolitan Federal Credit Union. The meeting will be held on June 28, 2021 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 the necessary action to accomplish the merger.

DO NOT APPROVE the proposed merger.

MEMBER SIGNATURE: _____

DATE: _____

**PLEASE USE THE ENCLOSED PRE-PAID ENVELOPE TO
RETURN YOUR BALLOT BY JUNE 25, 2021**