



1035 N. Center Point Road
Hiawatha, IA 52233

☎ 319.743.7806

🌐 FirstFedCU.com

📌 @FirstFederalCreditUnion

Dear NSB Bank Customer,

We are excited to announce First Federal Credit Union, Cedar Rapids, Iowa ("First Federal") has entered into an agreement to acquire the loans and deposits of the **Urbana branch of Northeast Security Bank, Sumner, Iowa ("NSB")**. We expect the acquisition will become effective on April 7, 2022, pending receipt of final regulatory approvals. We are providing you this letter to notify you of the following:

- When the acquisition becomes effective, your deposits will be deposits of First Federal, and you will become a member of First Federal unless you opt out of membership as described below. You will qualify to become a member if you live, work, worship or attend school in the following Iowa counties: Benton, Linn, Clay, Dickinson, Buena Vista. If your mailing address on record with NSB is not in Benton, Linn, Clay, Dickinson, or Buena Vista County, a representative from First Federal will contact you individually to discuss membership eligibility.
- When you join First Federal, you are joining a not-for-profit cooperative owned by members where profits cycle back to members. Under the Federal Credit Union Act, once you become a member of First Federal, you will remain a member unless you choose to withdraw or are expelled.
- **The cost of membership is \$5, which First Federal will fund for you as part of the acquisition.**
- If you do not wish to become a member of First Federal, please complete the opt-out form that is enclosed and return it to First Federal Credit Union, 1035 North Center Pt. Rd., Hiawatha, IA 52233 on or before April 7, 2022. If you Opt-out, your loan or deposit relationship will not be serviced at the NSB branch location at 205 N. Union Avenue, Urbana, IA. Any customer who opts out of membership with First Federal will have the option to either remain a customer of NSB (serviced through another NSB branch), or to close their accounts prior to First Federal acquiring NSB's Urbana branch.
- First Federal is a federally insured Credit Union whose shares (deposits) are insured by the National Credit Union Share Insurance Fund, which the National Credit Union Administration (the "NCUA") administers. The NCUA is a U.S. Government agency backed by the full faith and credit of the U.S. Government. FDIC insurance of your deposits will be terminated following completion of the transaction. After the transaction closes, the NCUA, and not the FDIC, will insure your deposits. Therefore, all of your current deposits will continue to be federally insured, through the NCUA, up to \$250,000 for each account category. No insured savings has ever been lost by a member of a federally insured credit union. A chart comparing NCUA and FDIC insurance coverage is enclosed.
- The insured status of your deposits at NSB pursuant to the Federal Deposit Insurance Act will terminate upon closing the transaction with First Federal. Insured deposits, less all subsequent withdrawals, with NSB will continue to be insured by the FDIC, to the extent provided by law, until closing the transaction. After closing the transaction, the Federal Deposit Insurance Corporation will not insure any new deposits made at the Urbana branch, or additions to existing deposits at the Urbana branch made by you after the termination date. This Notice is being provided pursuant to 12 C.F.R. 307.3. Please contact NSB's office at 231 1st Street E., Independence, IA or call 319-334-7035, if additional information is needed regarding this, or if you have any questions regarding this notice or the insured status of your accounts prior to the transaction.
- The privacy and security of your information is of the highest priority to First Federal. To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. A copy of our Privacy Notice is included with this letter.

Although this letter serves to officially notify you that your accounts with the NSB will become First Federal accounts unless you opt out as described in this letter, **no action is necessary if you agree to become a member of First Federal**. We have included a special insert to help you navigate questions you might have about this transition, First Federal, and becoming a First Federal member.

It is with great excitement that we welcome you as a new member of First Federal following completion of the transaction. Please watch for additional information from us as we look to provide you a seamless transition. First Federal and NSB thank you for your business and look forward to continuing to serve you.

Sincerely,

C. Thomas Chalstrom
President & CEO
First Federal Credit Union

Benjamin G. Pagel
President & CEO
Northeast Security Bank