

URBANA POSTAL CREDIT UNION

3100 E Tatman Ct / P O Box 17337

Urbana Il 61803-7337

Phone - 217-367-0653

Fax - 217-367-1405

E-mail - manager@urbanapostalcu.com

www.urbanapostalcu.com

February 25, 2019

Dear Urbana Postal Credit Union Member,

Since our founding in 1932, Urbana Postal Credit Union (UPCU) has existed to provide members with quality products and services, at attractive rates, with the personal service and care that comes with being a member-owned institution. Your volunteer board of directors is committed to seeing that your credit union membership continues to provide meaningful value to you and the rest of our members.

After several years of careful consideration, the board has concluded that our members would be best served by partnering with the University of Illinois Community Credit Union (UICCU) via a member-approved merger.

The recommended merger would meet the credit union's goals of:

- Providing continued value

- Expanding access to products and services

- Maintaining local service, ownership, and control

A membership vote is required for this to move forward, and we request your support at a special Membership Meeting for this purpose on Sunday, April 14, 2019, as outlined in the enclosed notice. The projected date for the merger to occur is April 30, 2019. Federal and state regulators have already given their approval for the merger.

UPCU has worked hard to provide real value to members, mainly through attractive rates on savings and personal loans. These benefits and more will be available through UICCU.

We know our members need and use additional products and services that we would struggle to provide going forward, due to the current size and earnings of our credit union.

The credit union has also found challenges to growth, which is critical for any financial institution's ongoing success. This includes challenges in lending, membership, growth, and earnings. With these issues in mind, the federal examiners that monitor our annual performance have encouraged and supported this merger plan.

Additional areas that continue to specifically challenge small financial institutions like ours are increasing compliance requirements as well as technology costs. Compliance burdens have grown markedly in the past decade, costing credit unions significantly in time and money. Technology has a two-fold effect, adding costs to credit union operations while also increasing consumer demands and members' needs. Online and mobile services that will be available through this merger would take years and years for our credit union to provide on our own.

Our board of directors took a long, hard look at a number of credit unions as potential merger partners. It was important that we found someone that shared our focus on service, that had a strong local presence, and that was a viable long-term partner. UICCU fulfills all of those requirements. They have strong service ratings from their current members, offer all primary consumer financial services, offer the most local branches and ATMs of any credit union, and have a strong record of growth, innovation, and financial performance.

We know change can be difficult, but we are excited about the opportunities that this merger gives to our members. UPCU and UICCU are committed to providing a smooth transition and to seeing that our members are taken care of throughout this process and far into the future.

In anticipation of questions, there is a set of Frequently Asked Questions (FAQs) available online at www.uoficreditunion.org/urbana-postal-cu-merger or in hard-copy at the UPCU office. Please refer to the enclosed Notice of Special Meeting for information on how to participate in the voting process.

My fellow directors and I appreciate the trust you put in us to serve, and hope that you will support this merger proposal as the best path forward.

Sincerely,



Dale Schweighart
Board Chairman

And your Urbana Postal Credit Union Board of Directors

Brian Beherns

Carol Miller

Charlie Dubson

Dennis Miller

Melvin Goodman

Phil O'Neill

Bob Jordan

Irvin Jack Picklesimer

Randy Matthews

Tim Sullivan

Enclosures – 3 pages

Notice of Special Meeting of the Membership

Financial Statements

Merger Proxy (if none currently on file with credit union)