



NEW HORIZON CREDIT UNION

1019 E. Fairchild Street Danville, Illinois 61821

Phone 217-431-4204 Fax 217-431-0123

Dear New Horizon Credit Union Member,

Our credit union was founded in 1946 as Hyster Danville Employees Credit Union, and then in August of 2003 we changed our name to the New Horizon Credit Union (NHCU). We have 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 long and 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 to members

- Expanding access to products and services

- Maintaining viability through management and board retirements

A membership vote is required for this to move forward, and we request your support at a special Membership Meeting for this purpose on Saturday, February 5, 2022, as outlined in the enclosed notice. Federal and state regulators have already given their approval for the merger.

NHCU 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 state examiners that monitor our annual performance have identified these issues and support 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 regional 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, have successfully executed other recent mergers, and have a strong record of growth, innovation, and financial performance.

We know change can be difficult, but our board and staff are excited about the opportunities that this merger gives to our members. NHCU 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/new-horizon-merger/ or in hard-copy at the NHCU office. Please refer to the enclosed Notice of Special Meeting for information on how to participate in the voting process. A Proxy Form is enclosed if we don't already have a proxy on file from you.

Your board of directors appreciate the trust you put in us to serve, and hope that you will support this merger proposal as the best path forward for current and future members.

Sincerely,

Your New Horizon Credit Union Board of Directors

Sherri Phillips
Chairman

Tom Hubbard
Vice Chairman

John Randall
Supervisory Chairman

John Miller
Secretary/Treasurer

Tim Carter
Credit Committee

Alisha Hernandez
Membership Chairman

AJ Munoz
Supervisory Committee

Leesa Hubbard
Manager

Enclosures

Notice of Special Meeting of the Membership
UICCU Financial Statements
NHCU Financial Statements
Combined Financial Statements
Proxy (only if not already on file at the credit union)