

March 25, 2024

Dear Valued Member-Owner:

After careful deliberation, the Board of Directors is pleased to announce its approval of a proposed merger between Encourage Financial Network Credit Union (EFNCU) and Great Lakes Credit Union (GLCU), a State Chartered and Federally Insured Credit Union through the NCUA and headquartered in Northern Illinois. GLCU's legacy dates back 86 years to the Great Lakes Naval Base in North Chicago.

The EFNCU Board of Directors is proposing a merger with GLCU to provide our members with even more access to resources and improved convenience. GLCU offers a much more extensive range of products and services, as well as the added convenience of improved greater account accessibility through options like a larger branch network with over 50,000 free nationwide network ATMs and robust digital banking technology.

In addition, the Board would also like to announce that you will continue to see the familiar faces of the current staff at your preferred branch, which will remain open. We believe this merger will allow us to strengthen and enhance our financial community impact throughout the greater Chicagoland area, in addition to the communities GLCU currently serves.

Established in 1938, GLCU now serves over 80,000 members, is over \$1.3 billion in assets, and is committed to empowering the communities we call home. Like your current credit union staff, GLCU views exceptional member service and financial empowerment a top priority. GLCU's longstanding commitment to local communities is evident with their ongoing financial assistance and counseling services, outstanding volunteering efforts by staff and Board members as well as their educational seminars and financial literacy programs like Mad City Money for the youth. In 2023 alone, GLCU's Housing and Urban Development (HUD) Certified Housing Counselors achieved an economic impact of over \$30 million through foreclosure intervention, a testament to their dedication to empowering the communities we call home through the GCU Foundation for Financial Empowerment.

Our members will immediately realize the economies of scale a larger financial institution can provide as GLCU offers a wide variety of financial products and services, some of which are not currently available to EFNCU members. Importantly, GLCU also offers an affordable small dollar loan product, has reduced, or eliminated many of its fees, and has an expansive offering of Mortgage offerings, including First Time Homebuyer Programs and more. GLCU also offers small business banking and commercial loans and deposit services.

If this merger is approved, EFNCU will proceed and transfer all its assets and liabilities to GLCU. As a member of EFNCU, you will automatically become a member of GLCU and be entitled to take advantage of all the products and services offered by GLCU.

Enclosed is the "Notice of Special Meeting of the Members of Encourage Financial Network Credit Union." The meeting will be held in Main Meeting Room, 8430 W. Bryn Mawr Avenue, Chicago, IL 60631 at 5:00 p.m. on Monday, May 13, 2024. Please plan to attend this meeting if you have any questions, issues you would like to discuss, and to vote if you do not return your ballot.

We are grateful for your support throughout the years and are excited for this next chapter.

Sincerely,



William G. Harlan, Jr.
Board Chairman
Encourage Financial Network Credit Union



Stephen M. Park
Board Chairman
Great Lakes Credit Union

Notice of Special Meeting of the Members of Encourage Financial Network Credit Union

The Board of Directors of your credit union approved a proposition to merge with **Great Lakes Credit Union** and have called a special meeting of the members of this credit union at **8430 W. Bryn Mawr Avenue, Chicago, Illinois, 60631 on May 13, 2024 at 5:00 p.m.**

Purpose of the Meeting:

1. To consider and act upon a proposal to merge our credit union with **Great Lakes Credit Union**, (hereinafter referred to as the “Continuing Credit Union”), whereby all assets and liabilities of **Encourage Financial Network Credit Union** will be merged with and into the Continuing Credit Union. All members of **Encourage Financial Network 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 **Encourage Financial Network 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 **Encourage Financial Network 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 **Encourage Financial Network 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.

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. If there is no proxy enclosed with this notice, you have a proxy on file with the credit union, and to vote NO, you must revoke that proxy by giving written notice to the board secretary, Michael J. Gebhardt, at *MichaelGebhardt@yahoo.com* or 8430 W. Bryn Mawr Avenue, Chicago, Illinois, 60631. 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/services/Pages/resources-expansion/comments-proposed-merger.aspx> 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 members 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.

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

Based on discussions, research, results of detailed analysis and financial modeling, due diligence and the overall projected positive impact and enhanced services and benefits to members, employees and the communities served by both credit unions, and the stated benefits to the combined entity to assist in gaining scale, the Boards of Directors and Executive Leadership of both credit unions believe a combined organization makes long term strategic sense.

The Board of Directors of our credit union believes that the merger should include/not include an adjustment in shares for the following reasons:

Encourage Financial Network Credit Union's (EFNCU) net worth position is inadequate to make a member distribution. EFNCU merging into Great Lakes Credit Union will provide members significant enhancements with regards to product suite, product features, access to capital and member experience. EFNCU's net worth will be retained in full to preserve these benefits and not further dilute the net worth of the combined entity.

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

2111 Waukegan Road, P.O. Box 1289, Bannockburn, IL 60015

The branch office(s) of the continuing credit union will be as follows:

Antioch Branch, 351 E. Rt 173, Antioch, IL 60002

Bolingbrook Branch, 267 S. Weber Rd., Bolingbrook, IL 60490

C & NW Proviso Branch, 5401 St. Charles Road, Berkeley, IL 60163

Chicago Austin Branch, Leaders Network Financial, 5600 W. Madison Ave., Chicago, IL 60644
(temporary location with limited services; the permanent location at this address will open in early 2024)

Chicago Community Branch, 2942 W. Peterson Ave., Chicago, IL 60659

Chicago Uptown Branch, 1011 W. Lawrence Avenue, Chicago, IL 60640

Country Club Hills Branch, 18130 Pulaski Rd., Country Club Hills, IL 60478

Crystal Lake Branch, 345 Congress Pkwy., Crystal Lake, IL 60014

Gurnee Branch, 7275 Grand Ave., Gurnee, IL 60031

Libertyville Branch, 1509 North Milwaukee Ave., Libertyville, IL 60048

Naperville Branch, 1727 Freedom Dr., Naperville, IL 60563

North Chicago Branch, 2525 Green Bay Rd., North Chicago, IL 60064

Round Lake Beach Branch, 2135 N IL-83, Round Lake Beach, IL 60073

S & C Electric Branch, 6601 N. Ridge Ave., Building 1, Chicago, IL 60626 (open only to S & C employees)

Skokie Community Branch, 5550 W. Touhy Ave., Ste. 102, Skokie, IL 60077

Waukegan Branch, 3290 N. Lewis Ave., Waukegan, IL 60087

Win-Hood Co-Op Branch, 6149 N. Wolcott, Chicago, IL 60640 (open only to Win-Hood Co-Op employees)

Woodstock Branch, 180 S. Eastwood Dr., Woodstock, IL 60098

Zion Branch, 2145 Sheridan Rd., Zion, IL 60099

ATM Information: (if desired, add this information)

The ATM network for the continuing Credit Union will be:

Antioch Branch, 351 E. Rte. 173, Antioch, IL 60002 – Drive-Up Full-Service ATM

Bolingbrook Branch, 267 S. Weber Rd., Bolingbrook, IL 60490 – Drive-Up Full-Service ATM

C & NW Proviso Branch, 5401 St. Charles Road, Berkeley, IL 60163 – Lobby ATM

Cancer Treatment Center of America, 2520 Elisha Ave., Zion, IL 60099 – Lobby Cash Dispenser ATM

Leaders Network Financial, 5600 W. Madison Ave., Chicago, IL 60644 – Lobby Full-Service ATM Chicago

Community Branch, 2942 W. Peterson Ave., Chicago, IL 60659 – Drive-Up ATM

Chicago Uptown Branch, 1011 W. Lawrence Avenue, Chicago, IL 60640 - Lobby Full-Service ATM

Country Club Hills Branch, 18130 Pulaski Rd., Country Club Hills, IL 60478 – Drive-Up Full-Service ATM

Crystal Lake Branch, 345 Congress Pkwy, Crystal Lake, IL 60014 – Drive-Up Full-Service ATM

Gurnee Branch, 7275 Grand Ave., Gurnee, IL 60031 – Drive-Up Full-Service ATM

IBEW Local 134, 2722 S. Martin Luther King Dr, Chicago, IL 60616 (open only to IBEW Union Members) – Lobby Full-Service ATM

IBEW Apprentice Training Center, 6201 W. 115th St, Alsip, IL 60803 (open only to IBEW Union Members) – Lobby Full-Service ATM

Libertyville Branch, 1509 North Milwaukee Ave., Libertyville, IL 60048 – Both Drive-Up and Lobby Full-Service ATMs

Naperville Branch, 1727 Freedom Dr., Naperville, IL 60563 – Walk-Up Full-Service ATM

North Chicago Branch, 2525 Green Bay Rd., North Chicago, IL 60064 – Drive-Up Full-Service ATM

Round Lake Beach Branch, 2135 N. IL-83, Round Lake Beach, IL 60073 – Drive-Up Full-Service ATM

S & C Electric Branch, 6601 N. Ridge Ave., Building 1, Chicago, IL 60626 (open only to S & C employees)
– 2 Walk-Up ATMs

Skokie Community Branch, 5550 W. Touhy Ave., Ste 102, Skokie, IL 60077 – Lobby ATM

Waukegan Branch, 3290 N. Lewis Ave., Waukegan, IL 60087 – Drive-Up Full-Service ATM

Woodstock Branch, 180 S. Eastwood Dr., Woodstock, IL 60098 – Lobby Full-Service ATM

Zion Branch, 2145 Sheridan Rd., Zion, IL 60099 – Drive-Up Full-Service ATM

In addition, members will have access to over 30,000 Co-op Shared ATMS.

Net Worth: (Identify the net worth of the merging credit union at the time the merger transfers to the continuing credit union, as well as changes to services and member benefits).

Based on the valuation completed by McQueen Financial Advisory with data as of November 30, 2023, an estimated \$11,677,268 of net worth will transfer to GLCU at closing. This includes the current subordinated debt of Encourage Financial Credit Union since GLCU is a low income designated credit union.

Effective date of merger: The proposed effective date of this merger shall be July 1, 2024, 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: (include any information regarding employees from the merging CU – whether they will be offered employment)

All employees currently employed with Encourage Financial Network Credit Union have a position identified with similar roles and responsibilities. Encourage does have one (1) intern position, and GLCU does plan to end the internship after the merger.

Merger-related financial arrangements: NCUA Regulations require merging credit unions to disclose certain increases in compensation that any of the merging credit union's officials or the five most highly compensated employees have received or will receive in connection with the merger. *(insert any financial information related to this – relevant to this merger)*

Michael Abraham – President & CEO – Change in base salary of \$20,300

Susan Beckwith – Chief Operating Officer – Change in base salary of \$15,000

If Michael Abraham's (President & CEO) or William Lump's (EVP & CFO) employment is either (a) involuntary terminated for reasons other than Cause or (b) terminated for Good Reason within 12 months after the change of control, their individual Encourage split dollar program will become 100% vested as a result of the merger. The balances of the split dollar plans as of 09/30/23 are as follows: Michael Abraham - \$783,530 and William Lump - \$1,561,593.

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 DIRECTORS

William G. Harlan, Jr.

Board Chairman

03/07/2024

Date

Michael T Abraham

President

03/07/2024

Date

NCUA 6305A



January 17, 2024
IDFPR - Credit Union Section
320 W. Washington, 2nd Floor
Springfield, IL 62786

To Whom It May Concern:

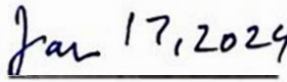
The Encourage Financial Network Credit Union Board of Directors have decided that a merger is in the best interest of our members. As a credit union operating in the Chicago area, we continue to find that we don't have the resources to provide the service, technology, and product suite that our membership continues to desire. While we have attempted to meet these needs and grow into a larger organization, we feel that merging with a credit union that is larger will help to bring the needed services, improved automated technology and enhanced products our members want and need in today's environment.

We have chosen Great Lakes Credit Union because we have a similar common bond, policy guidelines and overall philosophy. We feel that the combined service area will bring an enhanced network of branches to both credit unions. Great Lakes Credit Union also has the capability and resources to provide our members with better digital services and a more diverse product offering alongside a larger number of staff to handle the needs of each member.

We are confident that this merger will be a great benefit to our members and the combined organization will be positioned better for future success.



William G. Harlan Jr., Chairman



Date

encourage financial network credit union
8430 W Bryn Mawr Ave Ste 500
Chicago, IL 60631
Federally Insured by NCUA

BALLOT FOR MERGER PROPOSAL

Member Name

Member Number

(Please print or type)

Your credit union must receive this ballot by May 13, 2024 in the main lobby auditorium, at the encourage financial network CU headquarters, 8430 W. Bryn Mawr Ave, Chicago, IL 60631 by 5:00 p.m.

Please mail or bring it to:

encourage financial network CU
8430 W. Bryn Mawr Ave,
Chicago, Illinois 60631

I have read the Notice of Special Meeting of the members of encourage financial network CU.

The meeting will be held on the above date 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 necessary action to accomplish the Merger.

[] **Do not approve** the proposed Merger.

Signed

Date