



WHAT IS THE MERGER TIMELINE?

Our regulators, the National Credit Union Administration (NCUA) and California's Department of Financial Protection and Innovation (DFPI), have both approved our merger plans. With Solano First Federal Credit Union Member support of the merger through the voting process, our legal day as a combined organization with Valley Strong Credit Union would be July 1, 2021. We would then begin to work on fully integrating the operations and systems of our credit union with Valley Strong, with a target completion date of sometime in late 2021.

WHEN WILL THE MEMBER VOTE TAKE PLACE?

Now that we have obtained regulatory approval, a Special Meeting Notice and voting instructions will be sent/were recently sent to Solano First Members providing voting information. Voting will be accessible in a multi-channel manner (mail in, or in-person at the special meeting). Thus, voting by mail will commence immediately upon the delivery of the Special Meeting notice.

- All Members (individual and business) qualified to vote may cast one ballot (one vote) regardless of the number of accounts or amount of their account balances.
- Voting ballots will be distributed or made available to all qualified Members and Members can vote in one of 2 convenient voting methods: by mail or at the Special Meeting.
- The receipt, custody and counting of all ballots will be conducted by an independent third party.

WHO GETS TO VOTE?

All qualified Members of Solano First Federal Credit Union over the age of 16, are eligible to vote as of the designated cut-off date of February 25, 2021.

- Joint owners on accounts are not Members and thus have no Membership voting rights.
- Members with account balances below the minimum required balance of \$25.00 are not eligible to vote.
- All Members (individual and business) qualified to vote may cast one ballot (one vote) regardless of the number of accounts or amount of their account balances. No proxy voting is permitted.

WHEN DO I VOTE AND HOW?

Ballots will be distributed or made available to all qualified Members and Members will have the opportunity to vote in one of 2 voting methods: by mail or at the Special Meeting. The voting period opens upon Member's receipt of their special notice and ballot which were or will be sent out on April 22, 2021 and will remain open until the night of the Special Meeting, which is June 10, 2021.



I WANT TO VOTE BY MAIL, WHAT IF I LOST MY BALLOT OR DIDN'T RECEIVE ONE?

Eligible Members may request a new ballot by contacting the credit union and we will then have a new ballot sent to you via U.S. Mail.

WHAT IF I CHANGED MY MIND? CAN MY VOTE BE WITHDRAWN SO I CAN VOTE AGAIN?

A Member is eligible to vote one time only, and therefore cannot re-cast their vote.

HOW AND WHEN WILL MEMBERS BE NOTIFIED ABOUT VOTING OUTCOME?

We will know the results of the vote the day of the special meeting on June 10, 2021. We will notify Members of the outcome as soon as possible via an announcement on our website and social media channels. An official announcement will also be sent to Members as quickly as possible on/or around June 14, 2021.

WHO WILL OVERSEE THE VOTING PROCESS?

The receipt, custody and counting of all ballots will be conducted by an independent third party and not the management, Board or Supervisory Committee of the credit union.

WHAT DOES THIS ANNOUNCEMENT MEAN?

This exciting partnership means that Solano First Federal Credit Union is moving forward with a merger with Valley Strong Credit Union.

WHY IS SOLANO FIRST MERGING?

A merger with Valley Strong provides the opportunity to achieve more positive Member, team member, and community impact and value. As the result of this partnership, we have the ability to remain competitive and be more responsive to Members' financial needs in a rapidly evolving financial services industry.

DO BOTH CREDIT UNIONS SUPPORT THIS PARTNERSHIP?

Absolutely. Both credit unions are very excited about this merger and the benefits it brings to our Members, team members and our communities.

WHAT WILL THIS PARTNERSHIP DO FOR THE ORGANIZATIONS?

Overall, our combined assets will be more than \$2.4 billion, serving approximately 160,000 Members with 21 branches. With a competitive physical presence and Valley Strong's strengths in product, services, and technology offerings, we will be able to better serve our Members and our communities.

WHAT ARE THE ADVANTAGES TO BEING A LARGER CREDIT UNION?

Becoming a larger credit union with combined assets of more than \$2.4 billion will provide opportunities to leverage resources, position us for growth, and increase efficiencies which in turn will result in returning those savings back to Members in the form of more access, greater value, new technology and services, and higher community giving.



WHY WAS VALLEY STRONG CHOSEN AS OUR MERGER PARTNER?

We wanted to find a partner that is financially strong, focuses on the Member experience, and whose culture is human focused. Our organizations share a dedication to our team members, Members and communities and share a vision to help people and our communities grow and prosper.

WHO IS VALLEY STRONG?

Named one of America's Best Credit Unions and "Second in California" by Forbes Magazine in their 3rd annual "Best-In-State Banks and Credit Unions," Valley Strong was formed in 1938 by a small group of dedicated and concerned teachers who met for the purpose of forming a financial cooperative for school employees and their families. From these humble beginnings, Valley Strong has grown and currently serves 150,000+ Members that represent more than \$2.2 billion in assets.

Valley Strong's mission is to turn people's financial possibilities into financial realities. They work every day to create a better tomorrow. From extensive loan programs, including home and auto, to the latest in digital technology, retirement and wealth management services, and business banking, Valley Strong strives to be their Members' lifelong financial partner.

WHAT DOES THIS MERGER MEAN FOR MEMBERS?

Merging with Valley Strong Credit Union will allow us to have more positive Member and community impact, and value in the form of:

More products and services:

More robust home loan products suite with in-house service; small business accounts and loans; and investment management like retirement planning.

More branch locations:

We will go from 3 branches to 21 branches, with plans to continue to expand the branch network.

Same knowledgeable, friendly employees:

The staff at our branches will continue to be available to serve you.

More responsive to evolving financial needs:

This partnership will allow the credit union to better meet the financial needs of our Membership now and into the future.

WILL MY ACCOUNTS BE AFFECTED?

There is no immediate effect on your accounts. Currently, there is nothing you need to do. Eventually we will convert to Valley Strong Credit Union's operating system to enhance our capabilities and deliver a more robust product and service line to Members. Rest assured as that time approaches, the credit union will work to ensure a seamless integration.



WILL MY RATES CHANGE?

The rates on fixed-rate loans and certificates will remain the same until the end of their existing terms. Other products will adjust as normal due to market conditions. With that said, one of the many benefits a merger with Valley Strong will provide is better, more competitive rates.

WILL MY ACCOUNTS CONTINUE TO BE INSURED?

Yes. Credit Union deposits will continue to be federally insured by the NCUA, meaning you have up to \$250,000 in protection for an individual account. The NCUA provides separate insurance coverage for deposits held in different ownership categories such as individual accounts, joint tenancy accounts, Individual Retirement Accounts (IRAs) and trust accounts.

WILL YOU CLOSE BRANCHES?

At this time, there are no plans for any branch closures. In fact, this merger will provide the opportunity to expand our branch locations and enhance our digital Member experience.

WILL I CONTINUE TO GET THE SAME SERVICE AND ATTENTION?

Yes. Both organizations are committed to providing high levels of service for Members and this will continue to be a focus for the combined organization.

WHAT IS THE MERGER TIMELINE?

First approval from regulators must be received. Subsequent to that approval, more information related to important dates and next steps will be sent to Members. It is anticipated the merger will be finalized in mid-2021, with systems fully integrated in the 4th quarter of 2021.

WHAT WILL OUR NAME BE?

Immediately following a successful merger process we will become Valley Strong Credit Union.

WHAT HAPPENS AFTER ALL APPROVALS ARE COMPLETE?

It is anticipated that all approvals will be complete by July 1, 2021. By this date we will become one from a legal standpoint. However, this is not the date in which all the operational processes change. The process of completing a core conversion will extend into the 4th quarter of 2021.

WHO WILL LEAD THE ORGANIZATION?

Nick Ambrosini will be the President/CEO. The Valley Strong Board will retain all 11 Board of Directors' positions of the combined Board.

Mike Warrell will become a Market President at Valley Strong and will continue to be actively involved with the Credit Union's day-to-day operations.



WHO IS NICK AMBROSINI?

Nick Ambrosini is the Executive Vice President/Chief Financial Officer at Valley Strong, the largest financial institution headquartered in Kern County. He has been named President/CEO, of Valley Strong, effective July 1, 2021.

With more than a decade of financial services experience serving in internal audit, risk management, treasury, and executive management, he currently oversees Accounting, Finance, Risk Management, Facilities and IT at Valley Strong. A visionary leader who drives organizational growth and change, Nick is passionate about creating value through a consistent decision-making framework utilizing a data-driven approach.

WILL ANY EMPLOYEES LOSE THEIR JOBS?

Both organizations recognize that Solano First has talented and dedicated team members and that a successful merger is dependent on retaining that talent. Their desire is to retain the existing staff; and there will be a concerted commitment and effort to do just that.

