

*\*Note: This form is provided as a general guide, and must be customized by the credit union, depending upon the type(s) of voting authorized by the Board of Directors. The credit union should make sure the final notice complies with the requirements of Iowa Administrative Code 189 –12.6(533) Vote on Merger.*

## **Form 3 - Notice of Balloting – Vote of Eligible Members**

\_\_\_\_\_ **Credit Union**

**NOTICE IS HEREBY GIVEN** that the board of directors has voted to conduct a vote to spin-off a portion of \_\_\_\_\_ **Credit Union (transferring credit union)** to \_\_\_\_\_ (acquiring credit union).

As a member directly affected by the proposed spin-off, you have the opportunity to vote on the proposal.

As proposed, our credit union will transfer the following items to the acquiring credit union.

The acquiring credit union will also assume a portion of our field of membership. The changes to both credit unions' field of membership are listed below.

The directors of the participating credit unions have reached the conclusion that the proposed spin-off is desirable for the following reasons:

The spin-off will financially impact both credit unions in the following ways:

The acquiring credit union will be located at:

Those members whose shares will be transferred can continue to receive credit union services through the acquiring credit union by:

The proposed effective date of the spin-off is \_\_\_\_\_. You will be notified if there is any change to the effective date of this proposal.

You also have an opportunity to opt-out of this transaction and remain a member of the transferring credit union. All members that wish to opt-out must do so in writing before the membership vote and will not vote on the proposal. The shares of members who opt-out will not be transferred in the event the spin-off vote is successful. An opt-out form containing submission instructions is enclosed and must be returned to the credit union to be valid. You may not opt-out after the vote has been taken. ***If the vote is confirmed, all members who have not opted-out of the transfer will become members of the acquiring credit union and have their accounts transferred.***

**In order to accomplish the spin-off, it is necessary to obtain approval of a majority of those members voting on the proposal.** Rules and procedures for voting are outlined within this notice.

*If an in-person meeting is held, include the following:* A special meeting of the members of this credit union has been called and will be held at \_\_\_\_\_ on \_\_\_\_\_.

*If accepting absentee ballots, include the following:* Absentee ballots may be requested in writing or electronically. Ballots may be requested electronically from \_\_\_\_\_ or in writing at \_\_\_\_\_. Ballots must be returned by \_\_\_\_\_.

*If accepting mailed ballots, include the following:* Mailed ballots must be postmarked by \_\_\_\_\_, or hand-delivered to the credit union by the close of business on \_\_\_\_\_.

*If accepting electronic ballots, include the following:* Electronic ballots must be submitted no later than midnight, \_\_\_\_\_.

*If the credit union chooses to use more than one voting method, include the following:*  
**Members have the right to vote on the proposed merger through any method of voting as designated by the board, but each member account shall only be allowed to vote once.**

**BY ORDER OF THE BOARD OF DIRECTORS:**

\_\_\_\_\_  
Secretary of the Board

\_\_\_\_\_  
Date