

Notice of Special Meeting of the Members on Proposal to Merge

Medina Electric Company (MECO) Federal Credit Union (Merging)

On June 28, 2018, the Board of Directors of your credit union approved a proposition to merge with Select Federal Credit Union. You are encouraged to attend a special meeting of your credit union at the Hondo Public Library, Senior Activity Center 2003 Avenue K, Hondo, Texas 78861 on October 30, 2018, at 9:00 am.

Purpose of the Meeting

The meeting has two purposes:

1. To consider and act upon a proposal to merge our credit union with Select Federal Credit Union (SFCU), the continuing credit union
2. To approve the action of the Board of Directors of our credit union in authorizing the officers of the credit union, subject to member approval, to carry out the proposed merger.

If this merger is approved, our credit union will transfer all its assets and liabilities to the continuing credit union. As a member of our credit union, you will become a member of the continuing credit union. On the effective date of the merger, you will receive shares in the continuing credit union for the shares you own now in our credit union.

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:

Select FCU can provide extended products and services not currently offered by MECO FCU including mortgage type loans, credit card products, more competitive loan and dividend rates, extended service hours due to shared branching accessibility and the Main Office being open on Saturdays.

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

There is no proposed adjustment in shares as the credit unions have very similar share values and thus, an adjustment is not necessary.

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

1914 N. Interstate 35, San Antonio, Texas 78208

The branch offices of the continuing credit union will be as follows:

1423 N. Flores, San Antonio, Texas 78212

The MECO FCU office will remain open at 2308 18th St, Hondo, Texas 78861 and serve as a branch of Select FCU. Additionally, the MECO FCU membership will have access to the Shared Branch network for expanded service hours and convenience.

The merger must have the approval of a majority of members of the credit union who vote on the proposal.

Enclosed with this Notice of Special Meeting is a Ballot for Merger Proposal. If you cannot attend the meeting, please complete the ballot and return it to the credit union office at 2308 18th St., Hondo, Texas 78861 by no later than October 30, 2018. To be counted, your ballot must reach us by the date and time announced for the meeting.

BY ORDER OF THE BOARD OF DIRECTORS:

Board Presiding Officer

Date