

WESTERN STATES REGIONAL FEDERAL CREDIT UNION

920 So. Alvarado Street • Los Angeles, CA 90006
(213) 385-0271 • Fax # (213) 385-2615

The Board of Directors of Western States Regional Federal Credit Union have called a Special Virtual Online Meeting of the Members of this credit union at: www.ranchofcu.org/specialmeeting on May 12, 2021.

The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging Western States Regional Federal Credit Union with and into Rancho Federal Credit Union (hereinafter referred to as the “Continuing Credit Union”), whereby all assets and liabilities of the Western States Regional Federal Credit Union will be merged with and into the Continuing Credit Union. All members of Western States Regional Federal 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 Western States Regional Federal 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 Western States Regional Federal Credit Union, subject to the approval of members, to do all things and to execute all agreements, documents, and other papers necessary to carry out the proposed merger.

The Board of Directors of Western States Regional Federal Credit Union encourages you to attend the meeting and vote on the proposed merger. Whether or not you expect to attend the meeting, we urge you to sign, date and promptly return the enclosed ballot to vote on the proposed merger.

If you wish to submit comments about the merger to share with other members, you may submit them to the National Credit Union Administration (NCUA) at <https://www.ncua.gov/support-services/credit-union-resources-expansion/credit-union-merger-resources/comments-proposed-credit-union-mergers>

or mail to: NCUA - Office of Credit Union Resources and Expansion
1775 Duke Street
Alexandria, VA 22314
RE: Member-to-Member Communication for Western States Regional Federal CU

The NCUA will post comments received from members on its website, along with the member's name, subject to the limitations and requirements of its regulations.

Other Information Related to the Proposed Merger:

The Board of Directors has carefully evaluated and analyzed the assets and liabilities of the credit unions and the value of shares in both credit unions. The financial statements of both credit unions, as well as the projected combined financial statement of the continuing credit union, follow as separate documents. In addition, the following information applies to the proposed merger.

Reasons for merger:

We, the Board of Directors of Western States Regional Federal Credit Union, conclude that we are unsustainable in our current operating mode. We have lost sponsor subsidies and we do not have the resources to provide our members with desirable financial services.

After careful consideration, we propose a merger with Rancho Federal Credit Union. The merger will allow us to provide a full range of products and services to our members. We also would be heartened to merge with a credit union with strong labor union affiliations, and whose staff itself is also unionized.

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Net worth:

The net worth of a merging credit union at the time of a merger transfers to the continuing credit union. Western States Regional Federal Credit Union has a higher net worth ratio than Rancho Federal Credit Union.

Share adjustment or distribution:

Western States Regional Federal Credit Union will not distribute a portion of its net worth to its members in the merger. The board of directors has determined a share adjustment, or other distribution of Western States Regional Federal Credit Union's net worth is unnecessary because the net worth is needed to finance new and improved future financial services for WSRFCU's members.

Locations of merging and continuing credit union:

Western States Regional Federal Credit Union's main office at 920 S Alvarado St, Los Angeles, CA, 90006 will close. Rancho Federal Credit Union has four full service branches where members can receive personal service.

Downey Main Office
562-803-6401 x 8000
12620 Erickson Ave, Suite H
Downey, CA, 90242

Montebello Branch
562-803-6401 x 8102
101 E Beverly Blvd, Suite 100
Montebello, CA, 90640

Buena Park Branch
562-803-6401 x 8103
8530 Stanton Ave
Buena Park, CA, 90622

Claremont Branch
562-803-6401 x 8104
705 W Arrow Hwy
Claremont, CA, 91711

Changes to services and member benefits:

The merger will allow members and potential members of Western States Regional Joint Board labor union to avail themselves of a widely expanded set of financial products and services. It will provide new locations and more service delivery channels. The merger will provide the managerial and technical resources needed to compete in the marketplace. Basic financial services such as checking accounts, debit cards, credit cards, retirement accounts, share certificates and a full array of loan products can be provided to members.

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. The following individuals have received or will receive such compensation. NONE

Please note that the proposed merger must have the approval of the majority of members who vote.

Enclosed with this notice of Special Virtual Online Meeting of the Members is a Ballot for Merger Proposal. If you cannot attend the Special Virtual Online Meeting of the Members, please complete the Ballot and return it to Rancho Federal CU, 12620 Erickson Ave, Suite H, Downey, CA, 90242. To be counted your Ballot must be received **by May 12, 2021 by 5pm.**

BY THE ORDER OF THE BOARD OF DIRECTORS;

DocuSigned by:



3/3/2021

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President Cristina Vazquez, WSRFCU

Date

NCUA 6305A (05/20)