

NCUA FORM 6305A

Notice of Special Meeting of the Membership on Proposal Merge

Coastland Federal Credit Union (Merging)

On April 27, 2017 the Board of Directors of your credit union approved a proposition to merge with Jefferson Financial Credit Union. You are encouraged to attend a special meeting of your credit union at 1301 Clearview Parkway, Metairie, Louisiana 70001 on October 19, 2017 at 7:00p.m.

The meeting has two purposes:

1. To consider and act upon the proposal to merge our credit union with Jefferson Financial Federal Credit Union, 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 if the merger, you will receive shares in the continuing credit union for the shares you own now in our credit union.

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:

1. With the increasing cost of providing the best products and services, increasing regulatory cost and IT security cost, the directors feel that the cost advantages the merger creates will benefit both credit union memberships by reducing costs and increasing benefits.
2. An increase in branch networks giving members more outlets to obtain service.
3. This merger will allow for continuing growth in an ever changing and competitive market.
4. The combination of credit unions will also provide a wider range of products and services for members while providing financial stability for the overall credit union.
5. Finally, the merger will continue to focus on the philosophy and personal service in the credit union today.

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

The value of the shares will remain the same after the merger with Jefferson Financial Federal Credit Union.

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

7701 Airline Drive
Metairie, LA 70003

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


5036 Lapalco Boulevard, Marrero, LA 70072
1520 Westbank Expressway, Harvey, LA 70058
4041 Williams Boulevard, Space A-10, Kenner, LA 70065
3235 N. Causeway Boulevard, Metairie, LA 70002
111 Wall Boulevard, Gretna, LA 70056
5249 Veterans Boulevard, Metairie, LA 70006
1620 South Range Avenue, Denham Springs, LA 70726
1201 Capitol Access Road, Baton Rouge, LA 70802
29631 South Frost Road, Livingston, LA 70754
3600 Nelson Road, Lake Charles, LA 70605
1301 Clearview Parkway, Metairie, LA 70001
200 Henry Clay Avenue, New Orleans, LA 70118
149 Hall Street, Luling, LA 70070

The merger must have the approval of a majority of the 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 in the enclosed, postage paid envelope or drop it off at 1301 Clearview Parkway, Metairie, LA 70001. To be counted, your ballot must reach us by the date announced for the meeting.

BY ORDER OF THE BOARD OF DIRECTORS:



Board Presiding Officer



Date

Combined Balance Sheet: Jefferson Financial FCU, Coastland FCU
AS OF 6/30/2017

	Jefferson Financial FCU	Coastland FCU	Combined
ASSETS			
Loans to Members	\$248,590,276	\$50,108,880	\$298,699,156
Visa	\$12,833,508	\$1,781,388	\$14,614,896
MBLs & Participation Loans	\$112,827,725	\$0	\$112,827,725
TOTAL LOANS	\$374,251,509	\$51,890,268	\$426,141,777
Loans Loss Allowance	(\$2,807,552)	(\$120,040)	(\$2,927,592)
NET LOANS	\$371,443,957	\$51,770,227	\$423,214,184
Cash	\$44,215,352	\$27,238,233	\$71,453,585
Accounts Receivable	\$3,663,184	\$136,622	\$3,799,806
Investments	\$57,152,364	\$16,239,422	\$73,391,786
Fixed Assets (Net)	\$20,923,637	\$2,997,134	\$23,920,771
NCUA Share Insurance Fund	\$3,359,688	\$827,132	\$4,186,820
Other Assets	\$19,091,706	\$4,423,599	\$23,515,305
TOTAL ASSETS	\$519,849,888	\$103,632,369	\$623,482,257
LIABILITIES/ EQUITY			
TOTAL LIABILITIES	\$7,521,313	\$226,244	\$7,747,557
Regular Shares	\$175,999,567	\$59,500,298	\$235,499,865 *
Share Drafts	\$57,013,080	\$13,524,650	\$70,537,730 *
Share Certificates	\$167,928,805	\$8,934,523	\$176,863,328 *
IRA's Shares & Certificates	\$29,386,614	\$7,044,289	\$36,430,903 *
Club Accounts & Other Shares	\$1,605,962	\$1,070,285	\$2,676,247 *
Non-Member Deposits	\$30,260,960	\$0	\$30,260,960 *
TOTAL DEPOSITS	\$462,194,988	\$90,074,045	\$552,269,033
Unrealized Gain/Loss on Securities	(\$106,393)	\$340	(\$106,053)
Regular Reserves	\$7,982,989	\$2,226,569	\$10,209,558
Undivided Earnings	\$37,059,949	\$11,017,398	\$48,077,347
Undivided Earnings from Merger Activities	\$3,583,960	\$0	\$3,583,960
Net Income	\$1,613,083	\$87,774	\$1,700,857
TOTAL CAPITAL	\$50,239,980	\$13,331,740	\$63,571,720
TOTAL LIABILITIES AND EQUITY	\$519,849,888	\$103,632,369	\$623,482,257
Net Worth	9.66%	12.86%	10.20%

* It is the opinion of the Board of Directors of the Merging Credit Union that the merger should be completed without any adjustment in shares due to the fact that after all one-time merger costs (including early contract termination fees, one-time contract costs, one-time benefit accruals, prepaid expenses, and depreciation) are accounted for as well as accounting for the Surviving Credit Union's extensive infrastructure, product offerings and online and mobile technology, the difference between the Credit Union's probable asset share ratios will not be material, or otherwise will not result in the Surviving Credit Union having a larger (higher) ratio. Therefore, the value of all shares will remain at par.

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Ballot for Merger Proposal

Name of Member _____ Account Number: _____

Your credit union must receive this ballot by October 19, 2017. Please mail in the enclosed postage paid return envelope, or drop it off at 1301 Clearview Parkway, Metairie, LA 70001.

I have read the Notice of the Special Meeting for the members of Coastland Federal Credit Union. 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: _____
Member's Signature

Date: _____