

A note from Mike Mehlberg, CONE CU President/CEO

Thank you all so much for traveling with us on the journey toward merger. We're approaching the deadline for our merger vote, so we're including your official ballot in this mailing along with a lot of information so you can get to know our new Simplicity Family.

As I've told you all along, we're confident this partnership will help us be a credit union that will be here to support you, our members, for many years to come. The expanded services and access to your accounts in more places across the country will definitely make your life easier. And the CONE Crew will be welcomed into a team of credit union experts that will give them more opportunities for advancement and employee benefits designed to recruit and retain top talent.

You've heard a lot from me over the past several months, and now I'm excited to be able to make a "formal" introduction to our new Simplicity CU Family. Please explore the following pages to learn more about Simplicity CU and give them this chance to introduce themselves.

What you'll learn:

Page 1: Intro/Welcome

Page 2: Who is Simplicity?

Page 3: Benefits to CONE

Page 4: Financials & Closing

Timeline:

Return your ballot by June 17th

Member Meeting June 21st

Anticipated Merger Date July 1st

Hi There! We're Simplicity CU 😊



Our team has been working with the CONE Crew for a while now to make absolutely sure that the proposed merger brings the best-of-the-best in new account offerings, digital access, and expertise to CONE members and staff. This handy little hand-out will give you just a taste of all of the good stuff Simplicity offers, so (once you're done reading) hop on over to our website at simplicity.coop for even more.

Before you go, though, we should tell you a little more about what we think makes Simplicity CU so unique.

That's easy. It's our people.

You see, more than anything, we pride ourselves on being a family of credit union fanatics who wake up every single day thinking about how we can make life better for the amazing humans around us.

Our thirteen original members took responsibility for creating the kind of financial equity credit unions are known for worldwide. We got our start in the basement of Saint John's Catholic Church in Marshfield, Wisconsin, more than 70 years ago when members of the congregation saw that their friends and neighbors needed help. They weren't looking for charity, just someone to lend them money they could use to finally get ahead and then pay back at a fair rate.

Since then, we've grown. We've invited new members and other credit unions to be a part of the family, we've experienced historic economic highs and lows, we've laughed, and we've cried together. Still, we've never forgotten why we're here. To be of service to people who need us.

We're excited to welcome CONE members into the Simplicity Family, and we're sure you'll find a lot of love about us. Keep reading to learn more, and **don't forget to vote!**



Who is Simplicity?

At Simplicity CU we are WAY MORE than the products and services we offer. We believe we should demonstrate our **Core Values** in everything we do. SO it only makes sense (at least to us) to tell you all about our values and give you some examples of how we live them.

Consumer Lending

Creativity – We strive to bring creativity into everything we do by looking at it with fresh eyes and thinking about it differently.

Our lending team looks at every loan as their chance to offer something as unique as the members they serve.

- Vehicle
- UTV
- Mortgage
- Boat/Camper
- Personal
- School



Homes for Heros

Leadership - It's the thing inside of us that draws us to the untraveled path. We go because we know it's the right thing to do.

We're proud to offer a program that honors the service of the people who keep our homes, health, communities, and country safe.



Retirement & Investment Services

Integrity - It's important to treat people with decency and respect no matter what because, friend, integrity is a CORE VALUE of being a good person.

Our advisor, Jason, customizes his recommendations to meet the individual needs of our members to help them reach their goals.



Financial Advisor
Jason Buchinger

Donations

Cooperation - We make it a priority to form partnerships that make the world a more awesome place with other Co-ops, businesses in our communities, and here on our Credit Union Team.

We're proud of the things we do to help local organizations and our communities that help make our world a better place.



Business Lending

Dependability - The people we serve and the teams we serve with deserve for all of us to take 100% responsibility and give them Zero excuses.

Since the events of 2020 lead to massive impact on our local businesses, our commercial lending team has funded \$4.28mil in Paycheck Protection Program loans.



Benefits to **CONE** Members

You've gotten a taste of what Simplicity CU has to offer CONE members, but there's so much more. **WAY MORE** than we can tell you here! But we're happy to give you the bullet points of the best news we can think of.

The Same Location and Awesome Staff

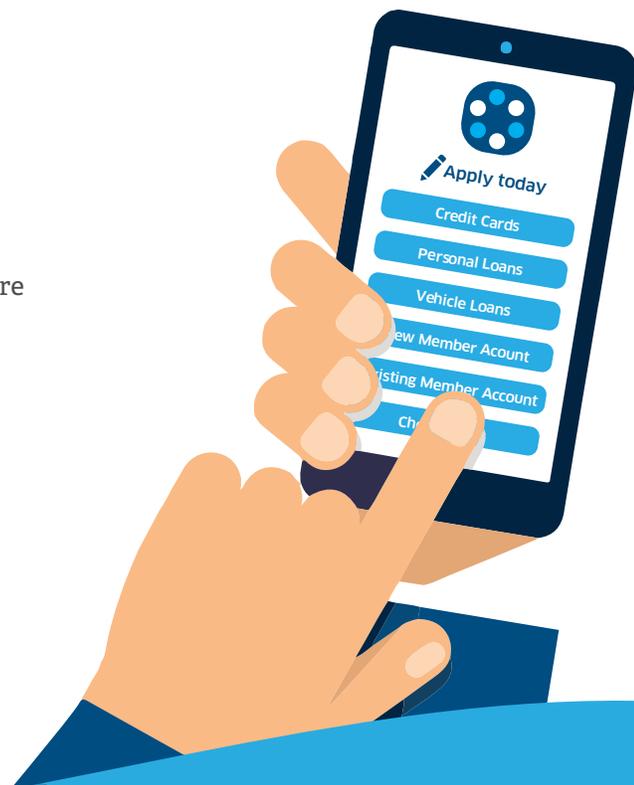
- Your branch will remain open. In fact, we hope to open a second branch in the area in the future and expand into other communities when we can.
- Plus, all of the CONE staff that you have gotten to know will still be here! For them, joining the Simplicity team can mean more opportunities for growth within the organization and in our communities.

A Broader Suite of Products & Services

- A wide range of loans: from small and flexible lines of credit, credit cards, car, truck, SUV, and RV loans, mortgage, home construction, and land loans, all the way to commercial loans for your business.
- More options to save with Share Certificates and terms to fit your financial plans.
- Saver's Sweepstakes accounts to help you save smarter and give you chances to win all year long.
- Meet with a Financial Advisor that really cares about your personal financial goals.
- Access to your accounts at thousands of Co-Op shared branches nationwide.
- Educational tools that can help kids and adults live healthier financial lives.
- A secure and user-friendly Online Banking and Mobile Banking App (see below).

Simplicity. Anywhere. Mobile App.

-  **24/7 Access to Services**
-  **Face & Touch Login**
-  **Check Balances** instantly, anytime
-  **Deposit Checks** (RDC) from wherever you are
-  **Pay Bills** in a few clicks with SimpliPay
-  **Pay Friends & Family** with SimpliP2P
-  **Transfer Funds** safely in seconds
-  **Apply Online** for loans
-  **Protect Your Info** with powerful security
-  **eStatements** & important info



Financials

Financial Statements
Simplicity Credit Union & Subsidiary and CONE Credit Union
March 31, 2021

	Simplicity CU & Subsidiary	CONE CU	Consolidated
Loans to Members	\$221,439,794	\$19,191,501	\$240,631,295
Allowance for Loan Losses	<u>\$(1,026,000)</u>	<u>\$(48,267)</u>	<u>\$(1,074,267)</u>
Net Loans to Members	\$220,413,794	\$19,143,234	\$239,557,028
Cash and Cash Equivalents	\$3,468,079	\$262,590	\$3,730,669
Investments	\$124,342,647	\$10,071,412	\$134,414,059
Fixed Assets	\$7,819,718	\$235,790	\$8,055,508
All Other Assets	<u>\$5,086,114</u>	<u>\$370,975</u>	<u>\$5,457,089</u>
Total Assets	\$361,130,352	\$30,084,001	\$391,214,353
Total Liabilities	\$3,046,986	\$35,011	\$3,081,997
Notes Payable	\$4,000,000	-	\$4,000,000
Member Savings	<u>\$319,799,334</u>	<u>\$26,783,588</u>	<u>\$346,582,922</u>
Total Liabilities	\$326,846,320	\$26,818,599	\$353,664,919
Equity	\$33,595,444	\$3,259,779	\$36,855,223
Net Income	<u>\$688,588</u>	<u>\$5,623</u>	<u>\$694,211</u>
Total Liabilities & Equity	\$361,130,352	\$30,084,001	\$391,214,353

A closing from Nick Faber, Simplicity CU President/CEO

Greetings CONE Credit Union members! Now that you've had the chance to learn more about Simplicity CU, how we serve our members, and the benefits of the proposed merger to you and the people you care about, allow me just a few more moments of your time.

I'd be remiss if I didn't tell you how fortunate the Simplicity Team is that CONE Leadership and your Board of Directors has chosen us to be your merger partner. I hope we've made it clear in these few pages that we're committed to acting in the best interests of our members and communities. Over the past several months, we've had the opportunity to witness, firsthand, the CONE Credit Union staff and board demonstrate that same commitment as they've carefully considered decisions that will impact CONE's future. They are true financial advocates, and I'm confident that this partnership will build success for our members and communities in the years to come.

Please remember to complete and submit your merger vote no later than June 17th. We look forward to welcoming you into our Simplicity Family!