



Hunter United
Customer Owned Banking

Proposed Merger between Hunter United and IMB Bank

Message from the Chair

Your Hunter United Board is proposing a merger of Hunter United with another NSW customer-owned financial institution, IMB Bank. Eligible members will be able to vote at or before a Special General Meeting on 5 March 2020.

After undertaking extensive due diligence, the Board recommends a vote in favour of this merger.

By merging with IMB Bank, Hunter United will be better placed to continue to provide members with high quality, personal service; an expanded range of products and services to meet changing member needs; and to protect our customer-owned way of banking.

As part of the due diligence, the Board has made sure that Hunter United members will receive a much wider range of products and services and we have negotiated a range of benefits including a lower interest rate for some loans; a higher interest rate on some deposits; and the removal of monthly account keeping fees and transaction fees on many accounts. Specific details are on page 6 of the accompanying *Information Document for Members*.

As you know, the Board has been exploring possible mergers for several years. Many other credit unions have already merged. We are now one of the smallest credit unions in Australia. The increasing costs of updating technology and complying with more regulation, coupled with low interest rates for loans, is eating into our surplus. This means it will be increasingly difficult for Hunter United to offer the products and services we know members will need and expect, at attractive rates.

IMB Bank is a larger, financially sound, customer owned financial institution. Together we will be able to meet these cost challenges and offer members new products and services sooner.

IMB Bank is a very good fit, sharing a similar history and values as Hunter United. It is actively involved in providing support to its members' local communities. This includes the IMB Bank Community Foundation and other support for local clubs, groups and charitable organisations.

It has the same approach to valuing and looking after staff. IMB has offered to retain all Hunter United staff who will have improved career opportunities.

This is a big step for the organisation but a necessary one. The Board believes this merger offers the best possible opportunity for Hunter United to continue to serve your needs and to thrive into the future.

More details are included in the accompanying information. The documentation is a little complex in parts, in order to comply with various regulatory requirements. We are holding an Information Session for Members at 5.30pm on 20 February 2020 at 130 Lambton Road, Broadmeadow to answer any questions you may have.

Remember, you may vote before the Special General Meeting. A Proxy form has been included in this pack and these are also being made available in all branches.

Your Board recommends a vote in favour of the merger.

Ms Jann Gardner
Chair

Hunter United Employees' Credit Union Ltd.