



Thrivent Credit Union

Thrivent Federal Credit Union
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Dear Member,

The Thrivent Federal Credit Union (“TFCU”) Board of Directors has received a merger proposal from our credit union’s current sponsor, Thrivent Financial for Lutherans (“Thrivent”), a not-for-profit membership organization and financial services company. Thrivent has applied to the Utah Department of Financial Institutions and the Federal Deposit Insurance Corporation (the “FDIC”) for approval to form Thrivent Bank, a Utah-based, FDIC-insured industrial bank. The Merger proposal contemplates TFCU merging with and into Thrivent Bank (the “Merger”).

The purpose of this letter is to provide you with an overview of the Merger, a description of how you will be paid for your ownership interests as a result of the Merger, and information relating to your opportunity to vote on the Merger.

Our mission

Since its inception, TFCU has existed to serve its members, with a mission to help people bring balance to spending, purpose to saving, and intention to managing debt. Like our sponsoring organization, Thrivent, we believe that everyone deserves to have financial clarity so they can live full and purposeful lives. And like Thrivent, we believe banking products, services, and guidance are an important part of achieving financial clarity.

As we look to the future, we’ve recognized the need and opportunity to grow and further our mission to serve more people with our differentiated approach to banking.

Merger opportunity with Thrivent Bank

Through the Merger with TFCU, Thrivent Bank will build on the foundation of TFCU and serve both current TFCU members and new clients with competitive products and exceptional service. Thrivent Bank will be indirectly wholly owned by Thrivent, a Fortune 500 company with

over \$114,000,000,000 of total assets as of the end of 2023, and will thus have access to capital not available to TFCU. TFCU has a fraction of the capital that Thrivent Bank will enjoy. Thrivent Bank's capital together with the existing assets of TFCU will permit Thrivent Bank to make investments in improved technology, products, and services. Thrivent Bank will offer a simple and transparent full-service banking product suite, delivered through easy-to-access digital experiences and direct access to human support, with competitive rates and fees. Ultimately, Thrivent Bank will help people achieve financial clarity, enabling lives full of meaning and gratitude.

Loss of ownership and distribution payment

As a result of the Merger, TFCU's assets and liabilities will merge into and become part of Thrivent Bank. While accounts at TFCU will be converted and will continue to be serviced by Thrivent Bank, members' ownership interests in TFCU will be lost as part of the Merger, and, in return, members will receive a distribution payment of the value of the shares.

Collectively, TFCU members will be paid a distribution in the amount of \$76,000,000. Each member who was a member of TFCU on June 28, 2024, will receive a portion of this distribution based on the ratio of such member's share account deposits to the total of all member share account deposits as of the close of business on June 28, 2024 (a single distribution will be made to joint share accounts owned by more than one member, in the amount on deposit for such account on June 28, 2024). Please note that any member whose (i) membership was terminated, or (ii) account(s) closed since June 28, 2024, will not be eligible for a merger distribution payment.

Deposits in all share accounts (i.e., membership share, savings, special purpose savings, checking, money market, health savings, and IRA accounts and share certificates) are included for this purpose. The amount of the distribution will be calculated using a rate of \$0.122 for each whole dollar which a member had in their share account(s) at the close of business on June 28, 2024 (effectively an 12.2% return). For example, if an eligible member had an aggregate balance of \$20,000 in all of his or her share accounts on June 28, 2024, the distribution amount would be \$2,440, regardless of the number of owners on the account. Distribution payments will be made to eligible members after the Merger is completed.

Membership vote

The TFCU Board of Directors has evaluated the Merger as well as alternative options available to TFCU and, from its substantial due diligence, has reached the conclusion that the Merger is in the best interest of TFCU's membership. As such, we are moving forward with a membership vote on the Merger.

We want you to feel confident and well-informed during the voting process. Enclosed you will find materials regarding the Merger, as well as a "Notice of Special Meeting" on February 6, 2025, which provides information on your vote to approve or disapprove the Merger. In the coming months, we will be providing more information to assist with your decision. Thirty days prior to the Special Meeting, you will receive a second notice that will be accompanied with instructions for the voting process and a voting ballot. There is no action needed at this time.

If you have any questions, please contact us at 800-984-9428.

We are grateful for your membership and look forward to the future.

Thrivent Federal Credit Union Board of Directors

IMPORTANT REGULATORY DISCLOSURE ABOUT YOUR VOTE

The NCUA, the Federal government agency that supervises credit unions, requires Thrivent Federal Credit Union to provide the following disclosures:

1. **LOSS OF CREDIT UNION MEMBERSHIP.** A vote “FOR” the proposed Merger means you want your credit union to merge with and become a bank. A vote “AGAINST” the proposed Merger means you want your credit union to remain a credit union.

2. **LOSS OF OWNERSHIP INTERESTS.** If your credit union merges into the bank, you will lose all the ownership interests you currently have in the credit union and you will become a customer of the bank. The bank's stockholders own the bank, and the directors of the bank have a fiduciary responsibility to run the bank in the best interests of the stockholders, not the customers.

3. **RATES ON LOANS AND SAVINGS.** If your credit union merges into the bank, you may experience changes in your loan and savings rates. Available historic data indicates that, for most loan products, credit unions on average charge lower rates than banks. For most savings products, credit unions on average pay higher rates than banks.