



September 14, 2023

Dear Flagler Bank Customer,

We are pleased to announce the acquisition of Flagler Bank (“Flagler”) by Dort Financial Credit Union (“Dort Financial”). The acquisition is expected to be completed on or about October 14, 2023, pending regulatory approval. Upon completion of the acquisition, when Dort Financial acquires all of Flagler’s loans and deposits, all customers of Flagler will become customers and members of Dort Financial.

This letter serves as official notice to you of Dort Financial’s acquisition of Flagler as well as a change in deposit insurance coverage from the Federal Deposit Insurance Corporation (the “FDIC”) to the National Credit Union Administration (the “NCUA”). For your convenience, we have included a chart comparing FDIC and NCUA insurance coverage in the special insert enclosed with this letter. We have also included with this letter a copy of Dort Financial’s privacy policy.

This letter, and the enclosed insert with answers to frequently asked questions (the “FAQ”), also provides information to help you navigate questions you might have about the conversion of your account to the Dort Financial system. The conversion of your account will be part of the integration of the Flagler and Dort Financial systems. This will occur following the completion of the date of acquisition and has been tentatively scheduled for Spring of 2024. Dort Financial will provide you additional information and information regarding the conversion of your account as the date of the conversion approaches.

Locations, Products and Services

You may notice that the signage associated with Flagler will transition to “Flagler Credit Union, a Division of Dort Financial.” While you eventually will be able to conduct banking at all fifteen (15) of the combined institution’s offices, including all soon to be eleven (11) of Dort Financial’s branches in Michigan, you will need to conduct in-person banking at the four (4) current Flagler branch locations in Florida until the conversion of your account to the Dort Financial systems, which is expected to occur in Spring of 2024. Information regarding the location and hours of Dort Financial’s branches is provided in the FAQ.

On the closing date, when Dort Financial purchases and assumes all of Flagler’s loans and deposits, all customers of Flagler will automatically become members of Dort Financial Credit Union. All new Dort Financial members are required to have a share account with a balance of at least \$5.00.

The share account is a savings account. For any Flagler customer that does not have a current savings account, Dort Financial will open and fund a non-transaction share account with a balance of \$5.00.¹ For any Flagler customer who has a savings account with a positive balance of less than \$5.00, Dort Financial will increase the balance of such account to \$5.00 on the closing date. For any customer with a negative account balance on the closing date, Dort Financial may, in its sole discretion, notify the customer in an attempt to rectify the situation. If such account cannot be brought back into good standing, Dort Financial may notify the customer that it intends to cancel such account unless the balance is increased to \$5.00 within sixty (60) days in accordance with Dort Financial's policy on negative accounts.

You will retain access to all of your deposit accounts and other banking products and services (such as debit cards, credit cards, lines of credit, and other services). There will be no additional changes in your loans, loan servicing, banking products or services, or account number / structure until the conversion of your account as part of the systems integration. You will be provided a minimum of thirty (30) days prior notice of any scheduled account changes. In addition, until the conversion of your account to the Dort Financial systems, all direct deposits (social security, payroll, etc.), automatic withdrawals or transfers, and any transactions (debit card transactions or checks) will continue to process and post to your account without further action by you. You may continue to use your current Flagler checks following the closing of the acquisition. Dort Financial will provide you new checks with the Dort Financial name prior to or following account conversion. As noted above, the conversion is tentatively scheduled to occur in Spring of 2024. For information regarding changes to your account after the conversion, see the enclosed FAQ. Dort Financial will provide you additional detailed information about any changes to your account or actions you will need to take as the date of the conversion approaches.

Dort Financial also has surcharge-free ATM machines at all of its branches as well as access to surcharge-free ATM machines located throughout the country, including Florida. Information regarding the availability and location of Dort Financial's ATM machines is provided in the FAQ.

Deposit Insurance (FDIC and NCUA)

After the closing date, your deposits will be insured by the National Credit Union Share Insurance Fund ("NCUSIF") and not by the FDIC. All your current deposits will continue to be federally insured up to \$250,000 for each account category through the NCUA, who administers the NCUSIF. At no time during the transition from FDIC to NCUA will your deposits be uninsured. Included with this letter is a chart comparing FDIC and NCUA insurance coverage.

Flagler is required by FDIC regulation 12 CFR 307.3 to inform you that the insured status of deposits at Flagler, under the provisions of the Federal Deposit Insurance Act, will terminate after the sale to Dort Financial is finalized. Insured deposits in Flagler will continue to be insured by the FDIC, to the extent provided by law, until their insured status is terminated, and they are insured by NCUSIF. It is expected that Flagler will hold no deposits and will immediately begin the process of terminating its deposit insurance after the closing of the acquisition.

¹ Customers for whom such accounts are opened may withdraw the \$5.00 and/or close such account without any fee, penalty or requirement that the \$5.00 be repaid to Dort Financial Credit Union.

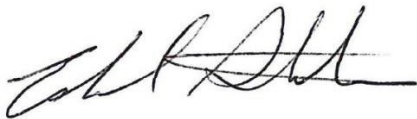
No Interruption in Service

None of the existing branches of Dort Financial or Flagler will be closed in connection with the acquisition. All Dort Financial and Flagler locations will remain open to continue serving you during normal business hours. In addition, the Flagler ATMs will remain available, and you will continue to have access to property in your safe deposit box. Employees you know from Flagler will continue to serve you as employees of Dort Financial Credit Union. Dort Financial will offer similar or enhanced products and services as Flagler after the completion of the acquisition. In the meantime, learn more about Dort Financial and its products and services at dortonline.org.

If you would like to discuss the acquisition, products, and services available after the closing of the acquisition, or the conversion of your account to the Dort Financial systems, please contact us at 800.521.3796.

Dort Financial Credit Union is thrilled to be joining with Flagler, and we look forward to the chance to meet and get to know all of you soon.

Sincerely,



Edward C. Sterling, III
Flagler Bank
President & CEO



Brian M. Waldron
Dort Financial Credit Union
President & CEO

NCUA and FDIC Insurance Compared

Insurer	Single Account – one owner	Joint Account – more than one owner	Retirement Accounts – includes IRAs	Revocable Trust Accounts	Corporation, Partnership, and Unincorporated Association Accounts	Government Accounts
NCUA	\$250,000 per owner	\$250,000 per co-owner	\$250,000 aggregate for Roth and Traditional; \$250,000 for Keogh. All IRA coverage is separate and in addition to coverage for other credit union accounts.	\$250,000 per owner per beneficiary up to 5 beneficiaries (Coverdell Education Savings Accounts insured in this category.)	\$250,000 per corporation, partnership or unincorporated association	\$250,000 per official custodian
FDIC	\$250,000 per owner	\$250,000 per co-owner	\$250,000 per owner	\$250,000 per owner per beneficiary up to 5 beneficiaries	\$250,000 per corporation, partnership or unincorporated association	\$250,000 per official custodian

See NCUA's website at www.ncua.gov and FDIC's website at www.fdic.gov for more detailed information about deposit insurance.