

Denali Federal Credit Union has agreed to merge with NuVision Federal Credit Union

Deal Value: Undisclosed

Sandler O'Neill served as financial advisor to Denali Federal Credit Union in this transaction.

This represents Sandler O'Neill's 206th financial services transaction since January 1, 2015, more than any other investment bank during that time.¹

Anchorage, AK – The Denali Federal Credit Union Board of Directors announced it has signed an agreement to pursue a strategic merger partnership with NuVision Credit Union, a \$1.6 billion credit union based in Huntington Beach, California.

This proposed partnership will merge two independently successful, strong and well-capitalized credit unions to create a significantly larger organization with increased operating efficiencies and an expanded market scope.

Bob Teachworth, Denali President/CEO said, "We take great pride in our legacy of serving Alaskans for more than 65 years. Our proposed merger partnership with NuVision is an important strategic step to continue this legacy and support our service goals. This partnership offers an exciting opportunity to collaborate and leverage our service, support and technology infrastructures to improve our members' experience and strengthen our credit union."

"Each credit union is healthy and well positioned in its respective markets, with shared values and an absolute commitment to serving members. Joining forces will enable us to expand our branch network into new states and diversify our economic base, realize significant economy of scale and efficiency benefits as a larger credit union, and ensure we become much more competitive for the long term," declared Teachworth.

Under the Merger Agreement, NuVision CEO Roger Ballard will become CEO of the combined \$2.2 billion organization; Denali President/CEO Bob Teachworth will head up all Denali branch operations in the Pacific Northwest. The federally insured credit union will operate under the NuVision charter and name; however, current Denali branch locations will retain the Denali name, operating as a division of NuVision. Combined, the credit union will serve 160,000 members with approximately 30 branches in Alaska, Arizona, California, Washington and Wyoming.

An important part of the merger discussions include a continued local voice for Denali's membership, according to Teachworth. "The NuVision Board of Directors will include volunteers from both organizations, including three from Denali's Board. We have great respect for the NuVision Board, leadership and team, and look forward to working with them in this opportunity to increase the value we bring to our members and local communities."

Financial Highlights

<i>(Dollars in thousands)</i>	NuVision	Denali
Total Assets	\$1,561,584	\$657,196
Total Loans & Leases	\$1,206,029	\$574,530
Total Shares & Deposits	\$1,325,994	\$567,446
Net Worth	\$201,026	\$49,596
Capital / Assets	13.32%	9.04%

(1) Excludes minority transactions, terminated transactions and self-advisory roles

Note: Financial data as of December 31, 2017

Source: S&P Global Market Intelligence

NUVISION
CREDIT UNION



DENALI
FEDERAL CREDIT UNION

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