Total Benefits Pre-Funding

Offset rising employee benefit costs with the potential to increase investment income.

Expanded Investment Options as Approved by the NCUA

Federal credit unions (and state charters with approval) have the potential to increase investment income by investing in higher-yielding investments, which are permissible with a Total Benefits Pre-Funding Account (TBPF). This can potentially offset employee benefits expenses and increase your Net Income and Return on Assets. Investments offering the potential for higher rates of return may also involve a higher degree of risk.

THE FACTS:

— Total Credit Union Employee Compensation and Benefit expenses increased by 7% year-over-year[1]

— Employee Compensation & Benefits account for 52% of operating expenses[2]

— Health Insurance premiums costs have increased 26% over the last five years and 59% over the last ten years[3]

Take Action

Help offset rising benefit expenses by investing in potentially higher-yielding investments.

Madison Investments will construct a customized Total Benefits Pre-Funding portfolio, given your risk tolerance and investment policy, with an objective of generating higher returns than your traditional NCUA 703-permissible investments. Investments include:

— Investment-Grade Corporate Bonds

— High Yield Bonds

— U.S. Equities

— International Equities

— Alternative Investments

NCUA Regulations

NCUA §701.19 Benefits for Employees of Federal Credit Union

(c) Investment authority. A federal credit union investing to fund an employee benefit plan obligation is not subject to the investment limitations of the Act and part 703 or, as applicable, part 704 of this chapter and may purchase an investment that would otherwise be impermissible if the investment is directly related to the federal credit union's obligation or potential obligation under the employee benefit plan and the federal credit union holds the investment only for as long as it has an actual or potential obligation under the employee benefit plan.

1, 2. 5300 Call Report Aggregate Financial Performance Reports - National Credit Union Administration. As of 9/30/2025
3. Kaiser Family Foundation, Employer Health Benefits Survey 2025

550 SCIENCE DRIVE, MADISON, WI 53711 | 888.971.7135 | MADISONINVESTMENTS.COM

Why Madison Investments

Madison Investments is an independent, employee-owned firm. Because our employees are owners, we are only successful if our clients' investing experience is excellent. Our Credit Union Solutions Team is dedicated to serving the investment needs of credit unions.

With over $29 billion* in client assets under management, our firm has been managing portfolios for more than 50 years.

Madison acts as a subadvisor on Total Benefits Pre-Funding accounts through various Executive Benefit Solutions providers serving credit unions.

For more information about Madison's Credit Union Investment Management Services, please contact:

Patrick Ryan, CFA
Chief Investment Strategist, Head of Multi-Asset Solutions, Portfolio Manager
PatrickR@madisonadv.com
608.216.9195

*Calculated as of 12/31/2025. The AUM includes all accounts to which Madison provides discretionary and non-discretionary advisory services, including accounts of a third party adviser where Madison provides non-discretionary model portfolio services.

"Madison" and/or "Madison Investments" is the unifying tradename of Madison Investment Holdings, Inc., Madison Asset Management, LLC ("MAM"), and Madison Investment Advisors, LLC ("MIA"). MAM and MIA are registered as investment advisers with the U.S. Securities and Exchange Commission. Madison Funds are distributed by MFD Distributor, LLC. MFD Distributor, LLC is registered with the U.S. Securities and Exchange Commission as a broker-dealer and is a member firm of the Financial Industry Regulatory Authority. The home office for each firm listed above is 550 Science Drive, Madison, WI 53711. Madison's toll-free number is 800-767-0300.

Equity risk is the risk that securities held by the fund will fluctuate in value due to general market or economic conditions, perceptions regarding the industries in which the issuers of securities held by the fund participate, and the particular circumstances and performance of particular companies whose securities the fund holds. In addition, while broad market measures of common stocks have historically generated higher average returns than fixed income securities, common stocks have also experienced significantly more volatility in those returns.

In addition to the ongoing market risk applicable to portfolio securities, bonds are subject to interest rate risk, credit risk and inflation risk. When interest rates rise, bond prices fall; generally, the longer a bond's maturity, the more sensitive it is to this risk. Credit risk is the possibility that the issuer of a security will be unable to make interest payments and repay the principal on its debt. Bonds may also be subject to call risk, which allows the issuer to retain the right to redeem the debt, fully or partially, before the scheduled maturity date. Proceeds from sales prior to maturity may be more or less than originally invested due to changes in market conditions or changes in the credit quality of the issuer.

Commodity values can be very volatile. They can be impacted by world or local events, government regulations and economic conditions. Investments in commodities can lose value.

Any performance data shown represents past performance. Past performance is no guarantee of future results.

Non-deposit investment products are not federally insured, involve investment risk, may lose value and are not obligations of, or guaranteed by, any financial institution. Investment returns and principal value will fluctuate.

This report is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security and is not investment advice.

Madison and its affiliates do not provide tax or legal advice. Please consult with a qualified professional for questions in these areas.

Madison-498883-2024-02-13