

**Addendum to Private Placement Memorandum for  
Perpetual Contributed Capital Units I of  
Catalyst Corporate Federal Credit Union**

**Dated as of March 6, 2023**

This addendum to the private placement memorandum for Perpetual Contributed Capital Units I of Catalyst Corporate Federal Credit Union is being provided to all holders of Catalyst Corporate Federal Credit Union's Perpetual Contributed Capital Units I (the "PCC").

The terms of the PCC, including how dividends will be calculated and the frequency of payment, are set forth in the private placement memorandum. Currently, dividends are calculated using a variable interest rate based on the one month London Interbank Offered Rate ("LIBOR"). However, the Financial Conduct Authority will not calculate a one-month LIBOR past June 30, 2023. Therefore, a replacement index must be used in the future for the calculation of dividends.

Catalyst Corporate's board of directors (the "Board") has selected the compound average secured overnight financing rate ("SOFR") as the index to replace LIBOR. Section 253.4 of the Federal Reserve Board's Adjustable Interest Rate (LIBOR) Act sets forth a prescribed static spread adjustment to be added to the SOFR based on the tenor of the LIBOR referenced in a particular contract. For rates referencing one month LIBOR, the prescribed spread is 11.448 basis points, or 0.11448 percent.

The Board has approved calculating the dividends on PCC based on the 30-day compound average SOFR as published by the Federal Reserve Bank of New York plus a spread of 62 basis points, which represents the current 50 basis point spread plus the statutory spread rounded up to 12. Any dividends will be calculated on the average PCC balance during the month, and the rate will be reset each month using the rate as quoted on the 15th day of the month, or if that day is not a business day, the next following business day. Accrued dividends will be paid quarterly in the month following each calendar quarter end.

All other terms related to the dividends on the PCC remain unchanged.

This change in the dividend calculation is expected to be effective July 1, 2023. However, there is a risk that as we approach June 30, 2023, LIBOR will not be aligned with other market interest rates. The Board will continue to monitor LIBOR relative to other rates. If, in the Board's sole discretion, LIBOR is no longer reflective of general market interest rates, the Board may implement the use of SOFR as the reference index for dividend calculation prior to July 1, 2023. Reasonable notice of any early implementation will be provided.