

Annual Meeting of the Membership

April 28, 2022

Ricky Otey welcomed the Membership in person and via satellite across the country and introduced himself as the new President/CEO of Partners FCU. Ricky shared his excitement to join Members and cast on the PFCU journey.

Mark Gustovich, Chairman of Board of Directors, welcomed Members to the 53rd Annual Meeting of the Membership. The meeting was held in Anaheim, California and virtually across the country. The meeting was called to order by the Chairman at 5:38 pm PDT.

Ascertainment of a quorum was verified. A motion was made by Jaye Thompson to adopt the 2021 Annual Meeting Minutes as presented; the motion was seconded by André Hale and adopted.

Chairman's Comments - Mark Gustovich thanked the Membership for their participation and stated the last several years have been unlike anything we could have imagined. He noted that we started 2021 hopeful that the worst of the pandemic was behind us, and we were on the way to economic rebound; however, this was not the case, and we experienced continued economic instabilities with many of our Members needing support and guidance in navigating these challenges.

Mark stated that the Credit Union delivered strong financial results despite the unpredictability that 2021 presented, which was achieved through the diligence, proactive planning, and responsiveness of the executive management team in partnership with the Board. Mark advised that we ended 2021 with \$2.5 Billion in assets; a new record high for Partners, a net worth ratio of 9.9%, which kept the credit union well capitalized, and 167,000 Members.

Mark stated that Board selected a new CEO through a rigorous and thorough process. The goal was to find a candidate whose experience and leadership philosophy aligned with the Credit Union culture and values. Mark thanked Ricky for his trust, leadership, and transparency and stated that he is excited to achieve great things together in the future.

Supervisory Committee Report - Gerald Dunning, Chairman of Supervisory Committee thanked the Membership for their participation at the meeting. Gerry advised the Membership that the Supervisory Committee is an independent group of volunteers committed to protecting and safeguarding the members' assets along with overseeing Partners' operations. The audit firm Crowe, LLP performed the 2021 audit and found Partners in compliance with policies and procedures with the NCUA Examiners regulators.

Ricky Otey, President/CEO Update - Ricky thanked Karen Spires, Chief Financial Officer, for her leadership during a very trying year. Ricky noted that although 2021 was a tough year, he was proud to share the Partners team never wavered in their dedication to serving the Membership. Ricky invited Karen up to the podium to share 2021 successes.

Financial Update from Karen Spires, Chief Financial Officer – Karen advised that the Credit Union experienced another strong year of growth, with deposits growing 10% over the past year. She stated that after two very strong growth years, the Credit Union was well positioned to put those deposits to use and deliver on \$900M in new loan originations for Members in 2021, helping thousands of Members realize their dream of home ownership, refinance mortgages at historic loan rates or purchase a new car. Karen advised that 2021 was a record year for loan originations for Partners.

Karen advised that membership exceeded our expectations with gross membership growth of 7%, exceeding the target of 4%. Karen stated that the Credit Union added value in the following areas:

- Self Service loan payment channels
- Activating new member text channels offering support and reminder for payments
- Easy access to schedule appointments
- Launch relation assistance program
- Continued MAP support
- Continued the focus on the health and safety of our team and members.

Karen also shared information on growth and success of our Member education program. She noted that in 2021 the Credit Union hosted over 200 financial education sessions to over 3,500 participants.

Ricky Otey, President/CEO shared new and improved Vision Statement, Mission Statement, Brand Promise and the five Strategic Pillars for 2022 – 2024. He shared that Diversity, Equity, Inclusion, and Belonging have been added to every pillar. Ricky stated that he was excited to focus on bringing the Membership new products and programs.

Ricky then asked the Membership if there were any questions they would like addressed.

Q. Will there be a merger with ABE Credit Union? – Ricky advised that at this there is no merger, but we continue to have conversations with our partners.

Q. When will the Tinker Bell debit card be offered? – Ricky stated that there is no exact date, but we are looking at bringing this back to the Membership.

Q. Is there a plan to increase Member service availability? – We are looking at improving digital options for self-service to the Membership soon.

Prize Drawing – There were three in-person drawings and three virtual winners.

There being no further business, a motion was made to adjourn the meeting and the motion was seconded. The Annual Meeting adjourned at 6:09 pm PDT.

Mark Gustovich, Chairman

Jaye Thompson, Secretary/Recording Officer