Over 5,000 branches. Nearly 30,000 ATMs.

Now finding the nearest free* ATM and Shared Branch is easier than ever. Whether you’re across town, or traveling far from home for business or pleasure, you’re welcome at branches and ATMs wherever you see the CO-OP logos. Your credit union membership means you can:

- Use nearly 30,000 surcharge-free ATM locations — more than some of the biggest banks offer
- Take advantage of surcharge-free ATMs at convenient places like 7-Eleven®, Costco® and Walgreens
- Visit over 5,000 convenient branch locations and more than 2,000 self-service locations covering all 50 states
- Easily locate ATMs and branches through any of our locator tools — including phone, mobile app or internet by visiting www.allco-op.org

We also have an ATM in each of the Hitachi Data Systems, Texas Instruments, and San Jose Police Station cafeterias for employees.

STAY CONNECTED

Facebook • Twitter • Instagram • LinkedIn • YouTube • Email

Federally insured by NCUA
MISSION
Deliver a better financial life to members.

VISION
Build strong member relationships, which leads to growth.

BOARD OF DIRECTORS
Seamus Moran
Chairman
RICH TOLEDO
Vice Chair
Thomas E. Brewer
Secretary
Don Bartels
Director
Marcia Lills
Director
William B. Staples
Director
Mark Veeth
Director

SUPERVISORY COMMITTEE
Jay Castellano
Francis Winslow
Gay Gale
Tejinder Singh

SENIOR MANAGEMENT
Andrea Brewer
President/CEO
Brad Thomas
VP Finance/ CFO
Cathy McCarthy
VP Human Resources
Belinda Metzler
VP Lending
Dody Gemette
VP Business Operations
Paul Kramer
VP Sales & Service
Thru Cushing
VP IT
Janice Johnson
VP Marketing
Allison Coburn
VP Project Management
Nicole Camarillo
VP of Training

CHAIRMAN AND PRESIDENT REPORT
2016 was another great year for PremierOne Credit Union. The Board and Management are proud of the difference we make in our members financial lives and the impact we make in our community.

During the year we delivered tangible gains in income, loans and shares. We continued to grow our membership base and provide robust member benefits.

Our capital position remains strong ensuring financial strength. A summary of our 2016 year-end results are as follows:

- Total loans ended the year at $220.9 million, a 13% increase compared with 2015
- Total shares ended the year at $356.7 million, a 73% increase compared with 2015.

As always PremierOne Credit Union remained focused on expanding our products and services which translates into more convenience and accessibility for our members.

- We reduced Mortgage rates and expanded our product offering to include assistance for first time buyers.
- Increased our Spend Account rate to 1.50% APY
- Launched (free) Rewards Program for Visa Gold credit card members
- Released new features and capabilities to our Mobile App
- Opened a new branch and corporate headquarters in South San Jose with Saturday hours
- Launched Trends, an online Personal Finance Management tool to assist members in Financial Planning
- Launched Trends, an online Personal Finance Management tool to assist members in Financial Planning
- Launched Trends, an online Personal Finance Management tool to assist members in Financial Planning
- Launched Trends, an online Personal Finance Management tool to assist members in Financial Planning
- Launched Trends, an online Personal Finance Management tool to assist members in Financial Planning

We continued our commitment to our community by supporting local events, charities and nonprofit organizations. Our staff was on site at many local events including the San Jose Ballet, Scarlet Festival, Sunnyside & White Festival, Luna Park Chuk event and the Italian Family Fest. We held fundraising events for San Jose Pal and San Jose Burn Foundation and we collected over 200 toys for the Los Bomberson Holiday Toy Drive.

In 2016 the credit union sadly lost two long time volunteers. Robert E. DeBarre served over 40 years as a credit union volunteer as Chairman for the Board of Directors. Richard Busse served as a credit union volunteer for over 40 years, many of those as Chairman of our Supervisory Committee. We are pleased to announce the creation of two educational scholarships in their memory to make a difference in all stages of life. As a cooperative, the more leadership skills we continue to grow our membership family, we thank you for your continued support and will also be researching new loan product offerings to meet the changing needs of our members.

Belinda Metzler
VP Lending

SUPERVISORY COMMITTEE REPORT
The Supervisory Committee is elected by the members to safeguard the assets and interests of the membership by ensuring all financial and operational activities are performed accurately and in compliance with state and federal regulations. The members of the Supervisory Committee, in carrying out their charge, and in keeping with their responsibilities, reviewed the Audit Reports from the accounting firm of Turner, Warren, Hwang & Conrad. Based on the audit results, the Committee is happy to report that adequate internal controls exist to protect member accounts. In addition, the financial statements accurately reflect the positive performance and condition of the Credit Union.

During 2016, the Supervisory Committee performed the following actions, as directed by its Charter:
1. Provided an independent outside audit
2. Reviewed new Credit Union Policies and Procedures
3. Reviewed Credit Union Corporate VISA statements
4. Ensured reporting and confirmed compliance with all applicable regulations, including those of the following:
   a. Office of Foreign Assets Control
   b. CA Department of Business Oversight
   c. National Credit Union Administration
   d. Bank Secrecy Act
   e. Truth-in-Lending Act
   f. Anti-Money Laundering Act

The Supervisory Committee appreciates members’ continued confidence in our oversight role. The support and cooperation of the Board of Directors, management, and employees has assisted us in the performance of our duties and is greatly appreciated.

Jay Castellano
Supervisory Committee Chairman

CREDIT MANAGER REPORT
During 2016 our team funded more than $85 million dollars in new loans. This is $15 million more than we generated in 2015. We continued to help our members improve their financial situation by saving them money with lower loan rates and helping them with the purchase of larger items such as cars and homes. We ended 2016 with a total loan portfolio just over $221 million which represents $26 million in loan growth for the year! The largest growth was in the area of first mortgages, followed by direct auto loans and unsecured loans. At the end of 2016, our delinquency was 0.18%, which is slightly higher than the end of 2015 which was 0.20%. This percentage remains well below our peer group level and was fairly flat during 2016.

As we look forward in 2017, we will continue to find ways to meet the financial needs of our members. We will continue to look for ways to make the loan process easier and more efficient for our members. We will also be researching new loan product offerings to meet the changing needs of our members.

Belinda Metzler
VP Lending

FINANCIAL CONDITION & INCOME

STATEMENT OF FINANCIAL CONDITION & INCOME*

ASSETS
2016 2015 % Change
Loans 221,618,679 195,515,423 13.4%
Allowance for loan losses 1,011,468 1,835,192 -44.0%
Cash 2,629,105 2,128,022 23.6%
Investments 154,934,572 154,630,595 0.2%
Fixed assets 12,171,635 12,123,099 0.4%
Other assets 5,717,410 5,195,707 10.0%
TOTAL ASSETS 396,060,024 376,757,654 7.7%

LIABILITIES, SHARES & EQUITY
2016 2015 % Change
Other liabilities 1,922,773 1,403,098 37.0%
Shares 356,750,616 330,640,802 7.9%
Net worth & reserves 37,386,635 35,713,754 4.7%
TOTAL LIABILITIES & EQUITY 396,060,024 376,757,654 7.7%

INCOME STATEMENT
2016 2015 % Change
Loan interest 8,911,138 7,898,012 13.7%
Investment interest 2,050,577 2,053,450 0.3%
TOTAL INTEREST INCOME 11,061,715 9,951,462 11.0%
Dividends 812,359 550,593 47.5%
Interest expense 1,769,000 1,769,000 -0.0%
TOTAL INTEREST EXPENSE 812,360 558,562 45.4%

Net interest income 10,229,355 9,392,900 8.9%
Provision for loan losses (264,888) (197,548) 34.1%
Fee Income 2,856,144 2,623,348 8.9%
Compensation & benefits 5,682,565 5,341,083 6.6%
Office operations 2,736,203 2,464,005 11.0%
Marketing 246,804 220,712 11.8%
Professional services 1,217,221 1,196,890 1.7%
Royalty income 111,264 923,525 -86.2%
NCUSIF assessment 0.0%
Other 12,791 14,566 -17.5%
TOTAL NON-INTEREST EXPENSE 11,100,102 10,301,181 7.8%

NET INCOME 2,248,387 1,912,615 17.6%

* As of 12/31/2016

5,717,410 5,195,707 10.0%