Member banking is better banking
Core Purpose
To help members reach their financial well-being

Core Values
Integrity
To earn members’ trust, we will hold ourselves accountable to the highest level of integrity

Service
To achieve member satisfaction, we will perform extraordinary member service

Soundness
To continue the benefits of membership for future generations, we will ensure the credit union is financially sound

Vision Goal
To be the first place our members turn for all their financial needs
Serving members for 79 years
Since 1939, TruMark Financial® Credit Union has been providing savings, transaction, and credit services solely for its members. TruMark Financial has more than 119,000 members and $2.2 billion in assets as of Dec. 31, 2018, ranking it among the largest credit unions based in the Commonwealth of Pennsylvania.

We don’t profit, you do
As a credit union, TruMark Financial is not-for-profit. It exists solely for the benefit of its members, who are literally “owners” of the institution. After allowing for reserves and operational expenses, all earnings from TruMark Financial return to its members in the form of higher interest rates on deposits and lower interest rates on loans. TruMark Financial also reinvests its earnings in developing additional products and services. All savings accounts at TruMark Financial are insured to at least $250,000 by the National Credit Union Administration, a U.S. government agency.

Easy access to services
TruMark Financial currently has 23 convenient branch locations throughout Southeastern Pa. Due to TruMark Financial’s commitment to increasing the convenience of its services, members may never need to visit a branch. TruMark Financial members can access their accounts through the credit union’s secure online and mobile banking, Account Management by Phone, toll-free Member Service Center, the mail, Visa® credit and debit cards, surcharge-free ATMs, and an enhanced mobile banking app.

Dedicated to members and the community
TruMark Financial’s philanthropic efforts and social responsibility allow the credit union’s employees and members to interact with one another to give back to the community. In 2018:

Throughout 2018, TruMark Financial employees volunteered and provided support in rural communities:

- Employees volunteered over 1,000 hours of their free time to 48 charities and various organizations
- The credit union delivered 126 school financial literacy courses, reaching 3,061 students
- Four Financial Reality Fairs introduced approximately 1,100 students to personal financial concepts
- $66,000 TruMark Financial raised an outstanding $66,000 to benefit 12 local schools for personal financial resources
- $11,975 Employee dress down days raised $11,975 for 14 charities
- $11,600 $11,600 in scholarship funds were provided through the credit union’s Financial Jeopardy event
- 1,000 Employees volunteered over 1,000 hours of their free time to 48 charities and various organizations
- 3,061 The credit union delivered 126 school financial literacy courses, reaching 3,061 students
- 1,100 Four Financial Reality Fairs introduced approximately 1,100 students to personal financial concepts
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- Career clothing was gathered for three different charity organizations
- Dog food was amassed for five animal shelters
- Children’s books were accumulated for dispersion across the five-county Philadelphia area
- Employees participated in Giving Tuesday as well as Random Acts of Kindness Day
- Children’s winter outerwear was collected
- Food was collected for Hunger Awareness Month
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President’s Message

2018 was a year of continued success and growth for TruMark Financial. The credit union continues to be a leading financial institution in Southeastern Pa. and remains committed to members and the community. Member experience and satisfaction continue to be paramount to the success of TruMark Financial and the results of our member satisfaction survey showed that, as they were the highest they have been in six years!

2018 was our best year of earnings as net income reached $16.4 million compared to $14.4 million at the end of 2017. This was the highest net income ever achieved for TruMark Financial. Asset quality is excellent. Combined loan growth reached $157 million, or 11.5 percent for the year. Consumer loan increases were led by home equity and auto lending and the introduction of TruMark Financial’s new HELoC Select product was well received by members. Auto lending remained consistent and business loans continued to prosper. Residential lending grew primarily in the correspondent and retail ARM origination sector. The credit union is financially sound and has prepared for 2019 economic forecasts, to ensure it remains solid and an industry leader.

Two mergers were completed in 2018. TruMark Financial welcomed members of former Ward Federal Credit Union and Philadelphia Mint Federal Credit Union. A new TruMark Financial branch was opened in Phoenixville, making it the fourth branch in Chester County. The credit union will continue expanding its footprint in Chester County in 2019, by opening its twenty-fourth branch in Malvern, Pennsylvania.

TruMark Financial continues to support both individuals and communities in our field of membership. In 2018, employees volunteered over 1,000 hours of their free time to 48 charities and various organizations. The credit union’s annual golf outing and Kiss-A-Pig event in support of Building Financial Futures had another successful year. The credit union raised an outstanding $66,000 in 2018 to benefit local schools – providing them with the tools needed to teach the value of saving, investing, and borrowing wisely. TruMark Financial recognizes investing in the future is essential to the success of the next generation of credit union members.

2018 started with a new branding initiative promoting the credit union’s member-focused philosophy and was aimed at strengthening TruMark Financial’s viability in Southeastern Pa. The credit union’s new tagline was introduced and television and radio commercials, billboards, and digital advertising were launched. The branding campaign resulted in almost 3,000 new members joining the credit union in three months. New members quickly learned why “Member banking is better banking”.

TruMark Financial ended the year with a new partnership, becoming the official credit union of the Philadelphia 76ers and now offers the only 76ers credit card.

In 2019, simplified banking and personal attention will continue to be priority. A new consumer loan and membership application will launch making the online application easier for users, additional mortgage options will be made available to meet members’ needs, and member feedback and data insights will be more important than ever as the credit union will be reacting to findings in order to continue meeting the demands of the marketplace.

After 50 years at 7306 Castor Avenue, the Castor branch has re-located. First to a temporary location, then eventually to a brand new, state of the art building not far from its original location.

Susan G. Komen® is a new partnership in 2019. TruMark Financial looks forward to supporting their mission and joining together, along with members, on Mother’s Day for the MORE THAN PINK Walk™ in Center City.

As we commence our 80th year, the credit union’s commitment to members, the community, and financial soundness will persist. TruMark Financial will continue to provide exceptional service and continue making prudent decisions in the best interest of its members. Thank you for your continued patronage.

Respectfully submitted,

Hugh T. Bray
President, Board of Directors
Light vehicle sales were estimated to surpass 17 million units in 2018. Another key consumer purchase, new homes, realized increases in 2018. Housing starts surpassed 1.2 million units in 2018. The stimulus behind the growth in 2018 was continued strong employment and consumer spending. New monthly job growth in 2018 averaged 223,000, which was higher than the average of 179,000 in 2017. Furthermore, the unemployment rate, which started 2018 at 4.3 percent, declined to a low of 3.7 percent during the year and ultimately closed 2018 at 3.9 percent. Personal consumption stimulated the economic expansion as consumers increased their spending. Personal consumption for 2018 expanded by 2.7 percent and ultimately closed 2018 at 4.1 percent, declined to a low of 3.7 percent during the year and ultimately closed 2018 at 3.9 percent. The U.S. economy continued its economic expansion in 2018. The Real gross domestic product (GDP) for the U.S. in 2018 is estimated to growth 2.9 percent, which compares to actual growth of 2.2 percent in 2017. GDP growth in 2018 was highlighted by the second quarter's 4.2 percent growth, which was greater than any previous quarter dating back to the third quarter of 2014. GDP growth slowed to 3.4 percent in the third quarter of 2018 and it is estimated to have declined to 2.3 percent growth for the final quarter of 2018. The stimulus behind the growth in 2018 was continued strong employment and consumer spending. New monthly job growth in 2018 averaged 223,000, which was higher than the average of 179,000 in 2017. Furthermore, the unemployment rate, which started 2018 at 4.3 percent, declined to a low of 3.7 percent during the year and ultimately closed 2018 at 3.9 percent. Personal consumption stimulated the economic expansion as consumers increased their spending. Personal consumption for 2018 expanded by 2.7 percent and ultimately closed 2018 at 4.1 percent, declined to a low of 3.7 percent during the year and ultimately closed 2018 at 3.9 percent.

As we look forward to another year, the Board of Directors, management, and staff of TruMark Financial are eager to provide the members, shareholders, and the communities served by TruMark Financial with excellent service and financial soundness.

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The National Credit Union Administration and the Pennsylvania Department of Banking, both of which are responsible for monitoring TruMark Financial Credit Union's financial performance and compliance performance, awarded the credit union with high ratings in recent examinations.

TruMark Financial remains one of the largest and fiscally sound credit unions in Pennsylvania and in the United States.

By Wayne J. Goodwin, Treasurer, Board of Directors
### Statement of Financial Condition at Dec. 31, 2018, and 2017

<table>
<thead>
<tr>
<th>Assets</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans to members, net</td>
<td>1,508,723,111</td>
<td>1,351,256,290</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>14,059,587</td>
<td>14,025,542</td>
</tr>
<tr>
<td>Interest-bearing accounts</td>
<td>107,485,884</td>
<td>151,605,323</td>
</tr>
<tr>
<td>Securities held to maturity</td>
<td>59,127,040</td>
<td>83,808,935</td>
</tr>
<tr>
<td>Securities available for sale</td>
<td>370,755,243</td>
<td>344,798,964</td>
</tr>
<tr>
<td>Other investment securities</td>
<td>5,817,457</td>
<td>5,734,657</td>
</tr>
<tr>
<td>Accrued interest receivable</td>
<td>6,134,580</td>
<td>5,658,275</td>
</tr>
<tr>
<td>Property, equipment, and leasehold improvements, net</td>
<td>39,309,679</td>
<td>41,208,700</td>
</tr>
<tr>
<td>NCUSIF deposit</td>
<td>17,249,982</td>
<td>16,219,666</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>52,517,152</td>
<td>47,114,746</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>2,181,179,715</strong></td>
<td><strong>2,061,430,498</strong></td>
</tr>
</tbody>
</table>

### Liabilities and members’ equity

<table>
<thead>
<tr>
<th>Liabilities:</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members’ shares and savings accounts</td>
<td>1,827,751,367</td>
<td>1,722,196,441</td>
</tr>
<tr>
<td>Borrowed money</td>
<td>99,738,386</td>
<td>100,607,201</td>
</tr>
<tr>
<td>Mortgage escrow accounts</td>
<td>11,211,187</td>
<td>10,625,456</td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>20,969,896</td>
<td>20,797,125</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>1,959,670,836</strong></td>
<td><strong>1,853,508,323</strong></td>
</tr>
</tbody>
</table>

| Commitments and contingencies | 0 | 0 |
| Members’ equity and undivided earnings | 221,508,879 | 207,922,175 |
| **Total liabilities and members’ equity** | **2,181,179,715** | **2,061,430,498** |

### Statement of Income for the years ended Dec. 31, 2018, and 2017

<table>
<thead>
<tr>
<th>Interest income:</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest on loans</strong></td>
<td><strong>65,743,929</strong></td>
<td><strong>58,232,270</strong></td>
</tr>
<tr>
<td><strong>Interest on investment securities</strong></td>
<td><strong>10,389,586</strong></td>
<td><strong>8,617,629</strong></td>
</tr>
<tr>
<td><strong>Interest on interest-bearing accounts</strong></td>
<td><strong>1,765,627</strong></td>
<td><strong>1,282,805</strong></td>
</tr>
<tr>
<td><strong>Total interest income</strong></td>
<td><strong>77,999,142</strong></td>
<td><strong>78,132,804</strong></td>
</tr>
</tbody>
</table>

| Dividends on members’ shares and borrowings | 17,656,840 | 13,117,452 |
| **Net interest income** | **60,242,302** | **65,015,352** |

| Provision for possible loan losses | 6,005,000 | 9,000,000 |
| **Net interest income after provision for possible loan losses** | **54,237,302** | **56,015,352** |

<table>
<thead>
<tr>
<th>Non-interest income:</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service fees</td>
<td>11,384,032</td>
<td>11,755,482</td>
</tr>
<tr>
<td>Other non-interest income</td>
<td>11,608,249</td>
<td>12,703,744</td>
</tr>
<tr>
<td><strong>Total non-interest income</strong></td>
<td><strong>22,992,281</strong></td>
<td><strong>24,459,226</strong></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Non-interest expenses:</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries, benefits, and payroll taxes</td>
<td>30,748,880</td>
<td>28,508,575</td>
</tr>
<tr>
<td>Occupancy and office expenses</td>
<td>18,203,851</td>
<td>17,399,948</td>
</tr>
<tr>
<td><strong>Loan servicing expense</strong></td>
<td><strong>3,938,386</strong></td>
<td><strong>3,659,748</strong></td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td><strong>7,939,007</strong></td>
<td><strong>6,536,609</strong></td>
</tr>
<tr>
<td><strong>Total operating expense</strong></td>
<td><strong>60,830,124</strong></td>
<td><strong>56,104,880</strong></td>
</tr>
</tbody>
</table>

| **Net income** | **16,399,459** | **14,369,698** |
Supervisory Committee Report

The Supervisory Committee oversees the quality and integrity of the credit union’s financial statements and evaluates the performance of the Internal Audit function. The Committee reviews the internal control framework of the credit union to ensure its adequacy, including the security and controls surrounding assets and computerized information systems. The Committee interacts regularly with senior management to address member issues, oversight of regulatory compliance, ethics, and whistleblower hotlines. The Committee also reviews the written appeals of disapproved loans; however, we do not approve or decline any loans. Through the Internal Audit department, the Supervisory Committee directs responses for various letters, emails, phone calls, and other inquiries from members to the appropriate departments in the credit union.

TruMark Financial’s Supervisory Committee is elected by the membership. The Committee functions independently from the credit union’s Board of Directors and management. On an annual basis, we are required to conduct an examination of the credit union through an external audit firm. We engaged the services of Doeren Mayhew, Certified Public Accountants (CPAs), to perform the examination of the credit union’s financial information, Sheshunoff Consulting Solutions, to review Member Business Loans, and Security Compliance Associates, to examine the integrity of our information systems. In addition, the National Credit Union Administration (NCUA) and the Pennsylvania Department of Banking examine the credit union annually. These examinations are designed to detect errors or deviations from credit union policies, procedures, regulations, Generally Accepted Accounting Principles (GAAP), and to assess the safety and soundness of the credit union.

Based on the results of these examinations, ongoing involvement with the audit function, and regular attendance at monthly Board meetings, we are confident your credit union is operating in accordance with laws and regulations in a sound manner and protecting members’ assets while keeping the best interest of membership in mind.

Finally, we want to thank the membership for their confidence in, and support of, TruMark Financial Credit Union. We look forward to serving you, our members, in 2019.

Respectfully submitted,

Donna M. Carvin, Chairperson
James P. DeBow, Vice Chairperson
Kathleen Walls, Secretary
Suzette E. Adams, Alternate
William Donehower, Alternate

The Supervisory Committee may be contacted any time at P.O Box 1447, Fort Washington, PA 19034 or via email at supvcomm@trumark.org
Online at trumarkonline.org
Along with an abundance of valuable educational and financial information, members can manage their accounts through the secure online banking site and pay bills with free online Bill Payer. Online banking and online Bill Payer are available 24/7.

Account Management by Phone at 1-877-TRUMARK
Members can manage their accounts 24/7 through any touch tone phone with Account Management by Phone.

Member Service Center at 1-877-TRUMARK
TruMark Financial members may speak with a member service representative seven days a week.

Mobile banking and mobile app
TruMark Financial offers free mobile banking services allowing access to your accounts anytime, anywhere. Using secure technology, view transactions, make transfers, pay bills, and more from the convenience of your web-enabled cell phone or mobile device, using text messages, a web browser, or TruMark Financial’s mobile app.

24/7 loan applications at trumarkonline.org
Members can apply for loans online at any time and may even have a decision in as fast as 30 seconds.

Branch offices
Offering the personal service many members prefer for account openings, loan settlements, transactions, and special requests, TruMark Financial now has 23 strategically located branches to serve its membership.
Board of Directors

Hugh T. Bray, President
Leonard V. Doughty III, Vice President
Wayne J. Goodwin, Treasurer
R. Terence Brunt, Secretary
Joseph J. Bily, Director
Joseph J. Ciaranca, Director
Daniel L. Dillard, Director
David A. Rufibach, Director
William A. Tollok, Director

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