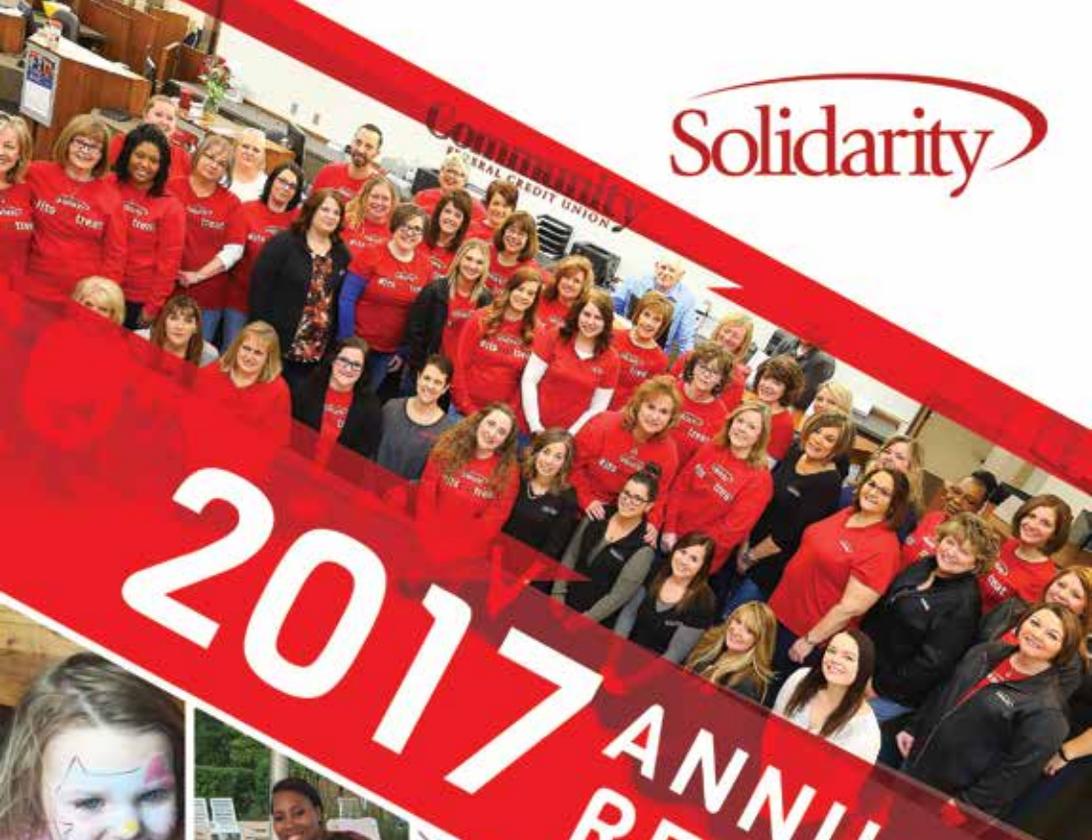
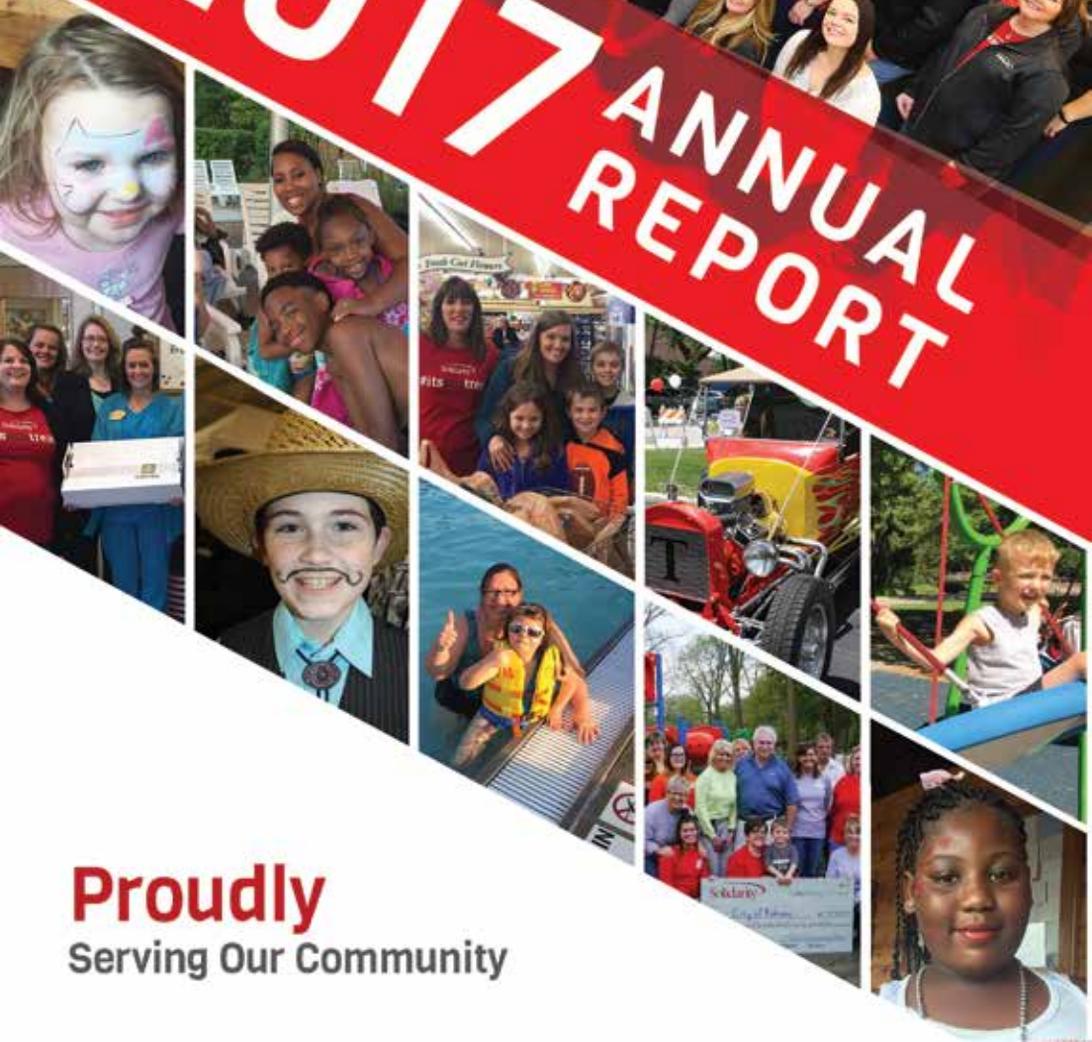


Solidarity



2017 ANNUAL REPORT



Proudly
Serving Our Community

AGENDA

- Welcome
- Invocation
- Determination of Quorum
- Business Meeting
- Financial Statement ... page 2
- Message from the CEO ... page 3
- Chairman's Report ... page 4
- Treasurer's Report ... page 5
- Secretary's Report ... page 6
- Supervisory Committee's Report ... page 7
- Unfinished Business
- New Business
- Benediction
- Adjournment of Business Meeting
- Door Prizes

MISSION STATEMENT

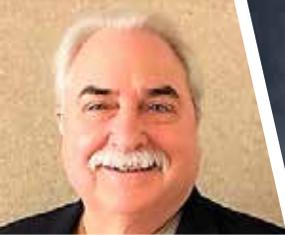
Solidarity Community Federal Credit Union is a member-owned financial institution that exists to provide the financial services desired by its members in accordance with the following guidelines:

- Provide excellent member service in a professional, convenient and friendly manner.
- Concentrate on offering top quality loan and savings products.
- Maintain a healthy financial structure.
- Build upon the relationship with the communities.
- Educate members by utilizing financial resources.

OUR VISION

With a strong foundation as our basis, we will continue to offer convenient products and services to benefit current and future members with a cooperative approach. Growth will be a result of dedication to our members and our ability to embrace opportunities.

BOARD OF DIRECTORS



MICHAEL K. WHITEMAN
Chairman



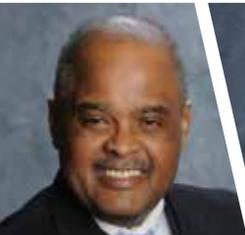
GLENN RODGERS
Vice Chairman



JANET BARNETT
Secretary



BILLY CANTU
Treasurer



RICHARD FLOYD, SR.



LEWIS HALL



VINCE HOLT

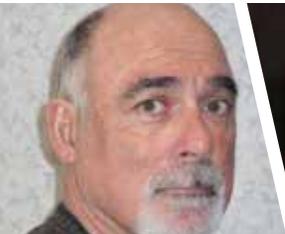


GARY SHAW



**TONYA
STEPHENSON**

SUPERVISORY COMMITTEE



KENNY ELSON
Chairman



MIDGE COLLETTE
Recording Secretary



KEN FISHER



FRED GROSS

NOTES

MANAGEMENT

NAME	TITLE
Melissa Domingues	President & CEO
Amy Benner	Executive Vice President
Kamala Ahnert	Vice President of Lending
Dale Fontenot	Vice President of Information Systems
Diana TenBrook	Vice President of Marketing
Stuart Burke	Manager of Information Systems
Kim Galloway	Administrative Assistant
Kim Graves	Branch Manager/Member Dev/Marketing Admin
Demian Harvey	Operational Reporting Coordinator
Janette Martin	Information Systems
Kelly Paden	Compliance
Ken Perry	Information Systems
Whitney Steltenkamp	Mortgage Manager
Caili Thomas	Accounting
Elizabeth Vautaw	Accounting Manager

STAFF

NAME	DEPARTMENT
Margo Arnett	Mortgage Department
Arielle Baker	Share Department
Kelly Barrett	Mortgage Department
Teresa Beatty	Share Department
Michelle Beam	Share Department
Dana Benic	Share Department
Vicki Boyd	Mortgage Department
Anita Brooks	Loan Department
Julie Brubaker	Loan Department
Melissa Call	Loan Department
Sandra Chaffee	Share Department
Judy Childs	Share Department
Michelle Cottingham	Share Department
Vicky Damon	Loan Department
Nitalya Duran	Share Department
Jean Ebert	Loan Department
Michele Garro	Loan Department
Angel Golding	Loan Department
Jane Heflin	Share Department
Stacy Hogwood	Share Department

NAME	DEPARTMENT
Pam Hulce	Share Department
Melanie Humphries	Share Department
Caroline Jewell	Mortgage Department
Michelle Johnson	Mortgage Department
Kathleen Keppner	Share Department
Sheryl Lanning	Share Department
Lesia Lawrence	Loan Department
Megan Massey	Loan Department
Connie Mobley	Share Department
Alexia Moore	Share Department
Jill Pickering	Share Department
Carrie Rhoades	Share Department
Kris Rhodes	Loan Department
Darlene Scarborough	Share Department
Katie Schumacher	Share Department
Mindy Shepard	Loan Department
Rita Wallace	Loan Department
Monicia Weatherspoon	Share Department
Margie White	Mortgage Department
Megan Wolford	Share Department

GO COUGARS!



PROUD SUPPORTER OF

FINANCIAL STATEMENTS

BALANCE SHEET

	2017	2016
ASSETS		
Loans to Members	194,463,732	162,800,495
Less: Allowance for Loan Losses	(1,043,277)	(905,985)
Net Loans to Members	193,420,455	161,894,510
Cash	10,259,638	4,929,839
Investments	21,014,822	37,729,847
Other Assets	12,189,720	11,744,392
TOTAL ASSETS	\$236,884,636	\$216,298,587
LIABILITIES & EQUITY		
Member Deposits	191,185,002	186,649,069
All Other Liabilities	24,737,206	10,007,074
Total Liabilities	\$215,922,208	\$196,656,143
Regular Reserves	2,051,610	2,051,610
Undivided Earnings	20,699,949	20,033,204
Other Equity	(1,789,131)	(2,442,370)
Total Equity	20,962,428	19,642,444
TOTAL LIABILITIES & EQUITY	\$236,884,636	\$216,298,587

INCOME STATEMENT

OPERATING INCOME

Interest from Loans	6,430,545	5,862,891
Interest from Investments	527,023	576,047
Other Operating Income	4,502,038	4,699,972
Total Gross Income	\$11,459,606	\$11,138,910
Operating Expenses	10,127,984	9,765,706
Non-Operating Expenses	49,162	387
Total Interest Expense	615,716	547,575
Total Expenses	10,792,862	10,313,668
NET INCOME	\$666,744	\$825,242

MESSAGE FROM THE CEO



We are very proud of what we've done in the last year, and this is all because of our employees, members, and the community! This last year brought the introduction of new products and services along with a continued increase in community involvement.

In 2017, we installed six new full-service ATMs that accept imaged envelope-free deposits to replace aging ones with persistent issues. This included new drive-up machines in the parking lot of our main office, one at Boulevard Crossing in front of Kohl's, and one at the Dan Young Service Center in Tipton. I will say it was a "rocky start" with getting these machines configured and effectively working, and I apologize to those who had issues with them. We have the bugs worked out, and they've been consistently working

with significantly less issues. Thank you to those of you who stuck with us through the implementation of these machines, and we hope you enjoy them.

Speaking of ATMs, we proudly joined two nationwide ATM networks to offer you 35,000+ free ATMs across the country. These are Alliance One and Co-Op; both of which have apps you can download to find the closest ATM at any point, real-time to your current location.

We are so pleased to now offer instant issue debit cards at both locations. This means if you lose your card or your card has fraud on it and needs to be replaced, either location can issue you a new card right on the spot!!!

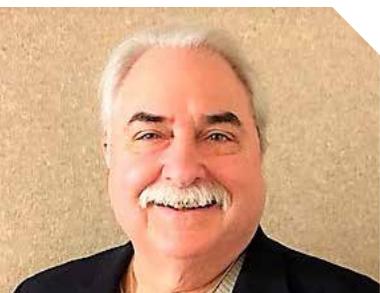
We have continued to improve our products. One of the new products we began offering in 2017 is a checking account geared towards our members who are 55-years-old and older, which is a no-fee account with no restrictions. We enhanced our e-checking, which is a no-fee account open to any member who qualifies for a traditional checking account. On the loan side of things, we combined our first and second mortgages into one department, so whether you need to purchase a home, build a home, refinance a mortgage, or get a home equity loan, we have one awesome Mortgage Department to handle all your home financing needs!

On the community aspect of what we do (and love), there have been so many exciting things in the past year. One of the most notable was the start of our Solidarity Surprise Squad that we started in April where teams of employees go around to various businesses and randomly pay for purchases. We've been to so many types of businesses such as grocery stores, restaurants, pet stores, dollar stores, bakeries, doctor's offices, police departments, firehouses, non-profits, gas stations, and the IUK cafeteria. From April through December 2017, we paid for 631 purchases, and we are very proud to be able to do that.

We will continue to improve services, products, and technology while remaining financially sound along with being involved in this community that we absolutely love. On behalf of our staff, Board of Directors, and Supervisory Committee, I thank you for being a member and for the confidence you have placed in us. We exist because of you, and we appreciate your business.

With sincerest thanks,
MELISSA DOMINGUES
President/CEO

CHAIRMAN'S REPORT



It is a privilege and an honor to report on the progress we have made at the credit union in 2017. I want to thank you—the members for helping us grow and recognize our achievements. I want to take this opportunity to express my sincere gratitude to my fellow Board Members, Supervisory Committee members, to our CEO, and the Executive team, and to our staff for their diligent and dedicated service in maintaining a healthy and prosperous organization. Their efforts in supporting the mission of the credit union, championing the Solidarity brand, and serving you the member, are the keys to our continued success. 2017 brought with it some exciting new ventures for Solidarity. The largest of which came in the form of fundraising to rebuild the ADA Accessible Playground in Highland Park after the tornadoes destroyed the equipment in August of 2016. Solidarity's staff raised money by paying to dress casual to work by wearing jeans

with or without tennis shoes and a special t-shirt for the playground fundraiser. Dressing "Casual for Kids" also included Dining to Donate at local restaurants and inviting the community to join us! With a donation from the credit union and our fundraising efforts, we presented a check in the amount of \$31,954.00 to the City of Kokomo's Parks & Recreational Division to purchase the ADA Accessible Playground equipment. We are proud to announce the playground has been up and running since late April of 2017 and we have heard great compliments from the community on the new equipment. Solidarity's Surprise Squad was out and about in our community about three times per month performing acts of kindness by paying for meals at a local restaurant or items at Goodwill. We love seeing all the smiling faces of gratitude and the feeling of giving back to our community makes our day.

We recognized that our members enjoy the convenience of using our local ATMs for cash and deposits so we made an investment in purchasing five new state of the art, full-service, drive-up ATMs. The new ATMs accept cash and envelope-less deposits! We also installed new ATMs in Tipton and Peru, and placed an ATM in the Kokomo High School sport's stadium. As your credit union, we do our best work when we are serving you. To that end, in 2017, we experienced one of the largest lending years that the credit union has ever had. What that means to us is that we provided competitive Home, Auto, and Consumer Loan rates that were a good deal to you and that saved you money. That is what being a member of a credit union is all about.

Solidarity continues to carve out time, talent, donations/sponsorships and an annual scholarship to our local community campus of Indiana University. We also present financial education to students at the local schools, and to our community adult organizations. We are proud to be involved in the Advanced Placement courses award's program for students with Kokomo High School. Solidarity is also involved in mentoring students, and internships with IU Kokomo. Your credit union Kid's Crew changed its mascot to a robot named SOLBOT and it has been a hit with the youth! We had four free events for our Kid's Crew and Teen members in 2017 including a Bowling Party, Fun-Lunch and Learn at Texas Roadhouse, the member's only Beach Party and our community Halloween Party. Our 7th Annual Car Show expanded into a Car, Truck & Bike Show with the largest number of participants and visitors on June 25th, 2017 in our Main Office parking lot. All proceeds went towards financial education of our youth. We also sponsored a New Home Buyer's Open House, and a community Shred Event in 2017. We also have quarterly Refer a Friend campaigns for our members.

As we move into 2018 and beyond, we recognize that change and uncertainty will be part of our future. While we are concerned about possible political and economic risks, we are optimistic about our opportunities. We are aware of the need for efficiencies in how we operate as an organization, and the necessity to provide the products and services that meet your needs when and where you need them. In addition, we recognize the need to help you, our members, in all aspects of your financial life.

Solidarity is a great place to belong, and I am proud to be a member and your Chairman. Solidarity's Board, Management, and Staff take immense pride in serving our membership and the communities we are a part of. Solidarity continues to be a strong and a successful financial institution with a sound financial base because of the loyalty of each one of its members. We look forward to new and continuing successes in 2018 and beyond.

Respectfully submitted,
MICHAEL K. WHITEMAN
Chairman, Solidarity Board of Directors

TREASURER'S REPORT



It is hard to believe that a year has come and gone since our last meeting. Our management and staff are doing a very good job and have a great vision for the future of Solidarity Community Federal Credit Union and its members. In fact, we were chosen Kokomo's number one credit union. Congratulations to all our staff for a job well done.

Our membership continues to grow thanks to referrals from fellow members and the fine work of our staff. Our participation in the CO-OP shared branch network has made it convenient for our members when they are traveling. Our members can visit any of the 7,000 plus locations where you see the CO-OP logo and conduct transactions as if you were at your home branch. You can

get personal assistance with your accounts even when you are away from home.

Solidarity loves to give you more reasons to love us. Solidarity is now part of the Alliance One Network that will offer you an additional 5,081 surcharge free ATM's in 41 states! That number is growing every day. You may download the free app to find an ATM anywhere you are, now with more resources for cash, from anywhere, at any time surcharge free.

Growth continues to be the result of the dedication from our staff and our members ability to embrace new opportunities. Solidarity Community Federal Credit Union wants to be your first choice for all of your financial needs. Please continue to refer your friends, family, and co-workers to become members at Solidarity Community Federal Credit Union.

Thanks again to our management, staff and members for making 2017 an outstanding year.

Respectfully,
BILLY CANTU

Treasurer, Solidarity Board of Directors

Solidarity INTRODUCING INSTANT ISSUE DEBIT & ATM CARDS

Available For:

- ✓ Debit Card
- ✓ Zipline Card
- ✓ Health Savings Card
- ✓ Business Account Card
- ✓ IUK Cougar Card
- ✓ Home Equity Card

Missing A Card?

Don't wait for a new one in the mail. Stop by either of our office locations and get your new card created!

201 Southway Blvd. E.

OR

118 N. Dixon Rd.

SECRETARY'S REPORT



SOLIDARITY COMMUNITY FEDERAL CREDIT UNION ANNUAL MEETING APRIL 23, 2017 KOKOMO EVENT CENTER

- Called to order 2:07 pm by Chairman Michael Whiteman.
- Welcome to membership by Michael Whiteman.
- Chairman Whiteman thanked the people for coming. He asked Lewis Hall to give the invocation.
- Invocation by board Vice-Chairman Lewis Hall.
- Michael Whiteman introduced Board of Directors, Supervisory Committee and Official Family and CEO Melissa Domingues. He acknowledged that there were quite a few Solidarity hourly employees at the meeting.

- CEO Melissa Domingues introduced Management Staff. Melissa also recognized and introduced the hourly employees that were present, and thanked them for being there.

Chairman Whiteman announced that we had a quorum and proceeded with the meeting. Chairman Whiteman informed the membership that all was well financially, and that things were transitioning smoothly under the leadership of the new CEO Melissa Domingues. Chairman Whiteman thanked Diana Tenbrook for putting the meeting together again this year. Chairman Whiteman acknowledged the presence of the wife of former supervisory committee member Elvin Sommers and the daughters of former supervisory committee member Gene Marner, both of whom are now deceased. Chairman Whiteman talked about the Highland Park project, and what the Solidarity employees did in order to be a part of restoring the Disabled Playground equipment in Highland Park. Thanks to the employees and membership, Solidarity was able to donate \$31,954 to the City of Kokomo park department to assist in restoring the playground equipment that was destroyed by a tornado. Chairman Whiteman informed the membership that board member Becky Bell was retiring due to health issues and that supervisory committee member Tonya Stephenson would be taking her place on the board of directors. He also shared that we have a gift for Becky that he would present to her later. Chairman Whiteman announced that the annual election for the Solidarity Community Federal Credit Union had been held and that Lewis Hall, Vince Holt, and Mike Whiteman, had been re-elected to 3 year terms. Chairman Whiteman asked for an acclamation from the membership which was approved unanimously. Chairman Whiteman commented on where the annual board reports could be found. There was no new business. There was no unfinished business. There were no questions from the floor.

Board Chairman Michael Whiteman thanked Rozzi's catering for the food. Michael Whiteman thanked Lewis Hall and Richard Floyd for their participation on the gift and prize committee. Benediction was given by board member Richard Floyd. Michael Whiteman adjourned the meeting at 2:20.

Board member Gary Shaw and Board Treasurer Billy Cantu gave each child present, \$10 in coins.

Board members Glenn Rodgers and Vince Holt awarded the following winners of the drawing, a \$25 door prize award:

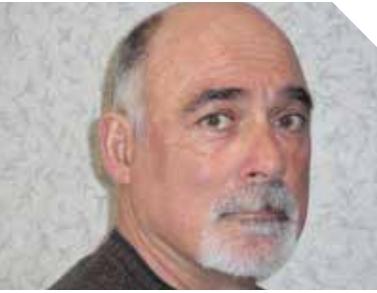
- Tina Fivecoate
- Tom Collins
- Bertha Gregory
- Mary Nicholson
- JC Barnett Jr.
- Amanda Hamilton
- Dale Leese
- Charles Short

ELECTION OF EXECUTIVE COMMITTEE OFFICERS FOR 2017-2018

Chairman - Michael Whiteman
Vice Chairman - Glenn Rodgers
Treasurer - Billy Cantu
Secretary - Janet Barnett

Respectfully submitted,
JANET BARNETT
Secretary

SUPERVISORY COMMITTEE REPORT



The five members of the Supervisory Committee are the direct representative to the membership. It is the responsibility of this committee to monitor the internal controls of the credit union, by insuring all mandated procedures are followed, and funds are expended properly. All transactions must be monitored for security reasons to protect you, our membership and owners.

A few of our major responsibilities are as follows:

- Review credit union operations, procedures and policies.
- Evaluate performance of Management, Staff, and the Board of Directors.
- Determine compliance with regulatory agencies.
- Perform periodic unannounced cash audits and verifications.
- Respond to member's complaints and inquiries.

- Verify that a high level of security is always present.
- Hire an external CPA firm to perform audits as deemed necessary.

Our outside audit firm CliftonLarsonAllen gave us an unqualified opinion which is a "clean" opinion that means the financial statements were presented fairly. Our federal regulator, NCUA, gave us a positive report that reiterates our financial soundness. These excellent ratings received from both organizations speaks volumes for the outstanding performance of our Management, Staff, and the Board of Directors you have elected and trust to oversee your interests in Solidarity Community Federal Credit Union. Solidarity Community Federal Credit Union is and will remain a very sound financial institution.

With all the uncertainty about our nation's financial future, we want to put your mind at ease. The safety and soundness of your money at Solidarity Community Federal Credit Union is priority number one from everyone at Solidarity Community Federal Credit Union, and the entire credit union movement. It is indeed our honor to be able to serve the membership of Solidarity Community Federal Credit Union. Thank you for your continued trust and faith in this fine member-owned organization. As always, special thanks from the Supervisory Committee.

Respectfully submitted in Solidarity,
THE SUPERVISORY COMMITTEE
KENNY ELSON - Chairman



Solidarity's
7TH ANNUAL
Car, Truck & Bike
SHOW



Solidarity welcomed over **108 participants** to their Main Office Parking Lot for the Annual Car, Truck & Bike show!

With our **Co-Op ATM & Alliance One Networks** members enjoy access to:

- Over 35,000 surcharge-free ATMs
- Over 800 ATMS all across Indiana
- ATMs in all US States (*Including Alaska & Hawaii*)
- Some international coverage
- More coverage than most of the largest banks
- Over 5,600 Co-Op Shared Branching locations worldwide





Our local surcharge-free ATM locations



MAIN OFFICE HOURS

201 Southway Boulevard East
Monday-Friday | 9:00 to 5:00
Friday Drive-Up | 8:30 to 6:00

TELEPHONE

Office | 765.453.4020
Fax | 765.453.1572
Toll-Free | 800.999.5894
Money Line | 765.455.2026
Money-Line | 800.999.4784

BRANCH HOURS

118 North Dixon Road
Monday-Friday | 9:00 to 5:00

ATM LOCATIONS

- Boulevard Crossing (Kohls Parking Lot) | 2100 E Blvd
- Main Office (walk up & drive-up) | 201 Southway Boulevard East
- Forest Park Shopping Plaza | 330 Witherspoon Drive
- Dan Young Body Shop | 921 E Jefferson [Tipton]
- 1401 N Washington St
- Shell Quickstop | 3750 N 00 EW
- Marathon | 2102 South Dixon Road
- Village Pantry | 3636 West Sycamore Lane
- Financial Builders FCU Office | 2828 South LaFountain Street
- Kokomo Event & Conference Center | 1500 North Reed Road
- Indiana University Kokomo | 2300 South Washington Street
- Community Howard Regional Health System | 3500 South Lafountain Street
- Kokomo Plaza | 607 South Reed Road
- K-Mart | 705 North Dixon Road
- Waddell's IGA | 125 East Main Street [Russiaville]
- Kokomo High School & KHS Stadium | 2501 South Berkley Road
- Heartland Market | 114 West Main Street [Greentown]
- Grissom Aeroplex Village Pantry | 1729 Harry Foreman Drive [Peru]
- Target | 1037 South Reed Road

EMPLOYEE ATMS

- GM Plant 7 Vending/Break Area
- Chrysler Casting Plant Cafeteria
- Chrysler ITP #1
- Chrysler KTP Main Cafeteria
- GM Fab III Vending/Break Area
- Chrysler KTP Dept 9100
- Chrysler ITP #2
- Delphi CTC Building Cafeteria
- Chrysler KTP Dept 7700
- Chrysler TTP
5880 W 200 S
Tipton, IN 46072

