



Thanks to all of you for coming out this evening. This is my first annual meeting with iQ and an opportunity to meet and talk with many of you. It's hard to believe, but it's been about a year since I came aboard and wow, it's been a whirlwind to say the least. During that time, I've focused on understanding the essence of what makes iQ Credit Union special and how to further that mission, continuing to focus on making the lives of our members better and helping our local communities.

2016 Recap: Before going forward, let's back up for a moment and review what happened this past year. 2016 was an amazing year of growth. Memberships grew to just below 70k, loans grew almost 8% to \$638 million and assets grew to \$919 million. If you break it down, this means iQ lent \$73 million in small business loans to business owners to helping their dreams grow. We made just over 6900 new auto loans and 402 members were able to purchase a new home. We strive to be your trusted financial partner walking beside you along the way.

2016 also saw the introduction of several new services. Members can now get an EMV chip & PIN Visa card issued right at the branch. When iQ staff members are out in the field, they can now open new member accounts. And small business members can now enjoy a one-stop Business Service Center for all their needs. As you can see, the common denominator here is convenience. People are busier than ever, with more things to do and less time to do them in. That's something we always keep in mind when looking at ways to improve or expand our services for you our members.

2017 Update: That's a quick look back at last year. Now let's move forward and see what's happening in 2017. Even though we're just a few months in, things are already off to a fast start. Since the new year began, we've added Touch ID mobile log-in for members with iPhones; launched a new, more intuitive website; and re-introduced our Easy Saver product as a way to encourage savings. And we're just getting started!

From mobile phone apps to new branches, we're always looking for ways to help our members save time and gain access. So over the course of the next several months, we have a whole host of new services and updated branches in the works. Their common goal? Convenience!

We have also updated our Bill Pay service, which includes a new feature called Popmoney that lets members send, request or receive money to just about anyone either online or using their mobile device. I'm a personal user of PopMoney and it's a pretty amazing product.

And since we're always looking for ways to increase our level of service, we're adding a live chat feature to our website, giving members the option of having an online conversation with an iQ Member Solutions expert instead of calling or driving to a branch. Our mortgage team is hard at work to give you a faster, more streamlined home loan process. And this summer we will be opening an all-new Battle Ground branch, as well as rolling out a new member-friendly look for the 192nd Street branch.

Oregon Bound: Now for the answer to the big question: Where is iQ headed in Oregon? We already have over 5,000 iQ members across the Columbia River. Extending into this market gives us a wonderful and natural opportunity to better serve our members who live, work and do business on both sides of the river. So what's our plan? Our goal has always been steady, purposeful growth. One of the ways we grow is through new programs and enhanced services for existing members. Another way we grow is by adding new members — and thus our expansion into Oregon. You may have noticed our marketing campaign: "move beyond the bank" and join iQ. This is all part of our measured growth strategy.

In the short term, we will continue to engage in the Portland market through community sponsorships and building awareness in select neighborhoods and communities. Over the next several months, the Board and Executive Management will finalize decisions on when and where we open branches. The plan is to grow organically at a pace that fits our size. The only thing moving into Oregon will change is allowing more local people to take advantage of all of the great things iQ has to offer, while providing an increased level of service to members who already work and do business in the area. Clark County will always be our home. While we grow, our roots will forever be here.

Community First: As we enter into new areas, we will continue to put community first. That's one of the true hallmarks of iQ — it's in our DNA and it's part of our culture. I can't tell you how proud I am to know that we are making a difference in the communities we serve. From marching in the Hazel Dell Parade and racing bathtubs during Camas Days to participating in the Stevenson Timber Carnival, our staff members love nothing more than getting out from behind teller row and adding to the local flavor that makes our communities so vibrant and strong.

As part of our continuing outreach, we have increased our community-focused financial education, as well. For instance, our Budget & Brews workshops, provide an ideal way to connect with millennials looking for financial guidance. In schools, iQ has become the go-to local resource for financial education — including Financial Reality Fairs for high school students and financial-related classroom presentations for school kids of all ages. And we recently opened our sixth campus branch, this one inside Mountain View High School in the Evergreen School District.

iQ has always stood for education and improving the lives of children in our area. Nowhere is that more evident than with the iQ for Kids nonprofit foundation, created specifically to raise money for local groups that support children. Last year alone, staff members donated more than \$57,000 through dress down days, skip pays, calendar sales and much more. Our Read With Me program has put thousands of books where they're needed most — in the hands of young readers. And one of the things I'm most proud of is our new Community Time Off program. Put in motion last October when iQ staff spent their day off, for Columbus Day, helping in the food bank, cleaning grounds at a youth camp, restoring wildlife habitat and more. This year employees will choose the non-profit or charity of their choice and we will be donating 1600 hours of time into our community. Giving back is who we are — and what we're all about.

Wrap Up: From strong financial performance to our dedication of community involvement this brings us back to why iQ was founded in the first place. Local schoolteachers saw the need to pool their resources to help others with loans. The need was there in 1940 and the need is still there today. It all boils down to the fact that for you – the members in our communities, we're not just your financial partner, we're your neighbor. This is home. Our promise to you is to maintain your safe and sound Credit Union, while providing products and services that are convenient and relevant to the needs of our members and the community. We are your trusted partner and always will be.

I am truly blessed with a great Executive Team when I came to iQ. They have given me 110% everyday, introduced me to an amazing community here in Clark County, and I would like to introduce each of them to you this evening.

DeWayne Ledbetter, Sr. Vice President and Chief Financial Officer

Eric Petracca, Sr. Vice President and Credit Risk Officer

Kari Stansberry, Sr. Vice President of Human Resources and Facilities

Danette LaChapelle, Sr. Vice President & Chief Communications Officer

Kelly Schrader, President/CEO