

INCOME STATEMENT

December 2015

Income from Loans	2,493,356
Income from Investments	234,389
Other Income	1,207,897
Total Income	3,935,642
Operating Expenses	3,569,944
Income Before Dividends	365,698
Dividends & Interest Paid	317,730
Other Non-Operating Inc. (Exp)	(6,375)
Net Income	41,593

Treasurer's Report

In 2015, Thinkwise Credit Union achieved significant growth in a variety of critical areas. Among the highlights of that growth were:

- Loans grew by \$2.0 million, to \$42.3 million. Our annual growth rate was 5 percent. Our fastest growing category was mortgage loans.
- Member savings increased by \$6.2 million to \$62.8 million. Our annual growth rate was an impressive 11 percent. Share Certificates and savings account balances grew the fastest.
- Total assets grew by \$6.6 million to \$74.7 million. Our annual growth rate was 9.7 percent.
- The Net Worth Ratio of Thinkwise Credit union was 15.02 percent as of December 31, 2015. This is more than double the NCUA's required of 7 percent to be considered well capitalized.

These growth rates in critical sections of our balance sheet all match or exceed those of our peer credit unions. Our growth reflects our continued commitment to member service as well as our continuing efforts to offer rates and fees that are among the most attractive in our market area.

Aside from the impressive growth number we saw some other strong signs that our members continue to trust Thinkwise with more of their financial business. Total revenue for 2015 grew by \$100,000 to \$3.9 million. Another highlight for 2015 is the total dividends paid to members. The Board of Directors and Management are committed to returning as much value as possible to members. In 2014, the Thinkwise Credit Union paid members \$243,000 in dividends. We were able to increase that number by 30% in 2015 to \$317,000.

The commitment to the future was a major theme of 2015. The credit union embarked on a major technology upgrade by changing our core data processing provider. This project was completed in September and will be the cornerstone of Thinkwise Credit Union's bright future. Aside from the improved technology and ability to offer a variety of new products and services, the new system will save Thinkwise tens of thousands of dollars per year. These savings will allow for event more future growth and opportunities for our members. Thinkwise Credit Union continues to be a highly safe and sound financial institution with a strong balance sheet and financial profile.

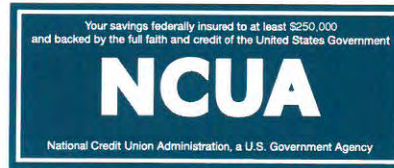
Brad McDuffee

BOARD OF DIRECTORS

<i>Charlie Slaton</i>	<i>Chairman</i>
<i>Jess Cisneros</i>	<i>Vice Chairman</i>
<i>Brad McDuffee</i>	<i>Treasurer</i>
<i>Del Bryant</i>	<i>Secretary</i>
<i>Melissa Anderson</i>	<i>Director</i>
<i>Linda Bardere</i>	<i>Director</i>
<i>Denise Perez</i>	<i>Director</i>
<i>Ethel McAfee</i>	<i>Director</i>
<i>Marcia Mulvaney</i>	<i>Director</i>

SUPERVISORY COMMITTEE

<i>Diane Pearce</i>	<i>Chairperson</i>
<i>Carlene Simmons</i>	<i>Committee Member</i>
<i>Karen Burgon</i>	<i>Committee Member</i>



NCUA AND AMERICAN SHARE INSURANCE

Deposit savings accounts are insured up to \$500,000. Your savings is federally insured to at least \$250,000 and backed by the National Credit Union Administration, a US Government Agency. The Board of Directors has chosen to provide an additional \$250,000 of savings protection to each qualifying account through American Share Insurance, a private deposit guaranty corporation.

We are an Equal Opportunity Lender and an Equal Housing Lender. We do business in accordance with the Federal Fair Housing Law and the Equal Credit Opportunity Act.

Thinkwise Credit Union
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2015 ANNUAL REPORT



*Serving the financial
needs of our Members
for 63 years*

BALANCE SHEET

Assets	2014	2015	Change
Loans	40,273,235	42,257,755	4.93%
ALL	(465,498)	(436,329)	-6.27%
Net Loans	39,807,737	41,821,426	5.06%
Cash & Investment	21,222,625	24,448,489	15.20%
Fixed & Other Assets	7,104,537	8,454,048	19.00%
Total Assets	68,134,899	74,723,963	9.67%

Liabilities & Equity

Other Liabilities	516,887	706,606	36.70%
Savings	17,972,501	19,252,822	7.12%
Checking	9,910,789	11,083,316	11.83%
Money Market	11,710,441	11,679,267	-0.27%
Share Certificates & IRA	16,971,990	20,778,125	22.43%
Total Share Deposits	56,565,721	62,793,530	11.01%
Total Equity	11,052,291	11,223,827	1.55%
Total Liabilities & Equity	68,134,899	74,723,963	9.67%

Net Worth Ratio 16.22% 15.02%

Supervisory Committee's Report

The Supervisory Committee is responsible for monitoring the financial safety and soundness of Thinkwise Federal Credit Union. The Supervisory Committee also measures compliance with various financial and regulatory requirements. In fulfilling these responsibilities, the Committee appointed the independent audit firm of Turner, Warren, Hwang, & Conrad AC, which directly reports to the Supervisory Committee. We held monthly meetings to review internal audit services, internal controls and risk management processes, and examinations by regulatory agencies. In the opinion of the Committee, Thinkwise Federal Credit Union has operated in a fiscally sound manner and in accordance with applicable federal and state regulations.

MISSION STATEMENT: To provide individualized financial services to the members of the San Bernardino School Employees Federal Credit Union. To encourage thrift by providing a source of credit and a safe and convenient place to accumulate savings. The Credit Union is dedicated to servicing the membership's best interest in a friendly and caring manner while preserving the membership's trust.

Chairman & CEO Message

Members Remain Top Priority

The credit union industry is known for offering tremendous member service. Thinkwise Credit Union has always placed members as the top priority. We are excited about the future of the credit union and will continue to look for ways to offer an even better service delivery to our members.

Thinkwise Credit Union is a member-owned not-for-profit co-operative. A co-operative is an autonomous association of persons united voluntarily to meet common economic needs through a democratically controlled enterprise. The value in a co-operative is truly in the member owners. We invite you to participate further with us to enjoy all the benefits your co-operative has to offer.

We Want to Know

Over the past several years we have worked hard to improve the value we return to our members as a not-for profit co-operative. We have done so in a variety of ways including reducing fees, improving loan and deposit rates, and offering new services. In 2016 we are looking forward to learning directly from our members the preferred ways we can return value. We have started a strategic initiative to gather more information directly from our members than ever before. In the coming months you will see some new ways to communicate with your credit union. Many of you have shared your opinions with employees or even on the survey feature on our website. Thinkwise as a member owned co-operative values your opinion and we want to know how to serve you better.

We want to hear from you! What are we doing well and where we can improve? Please look for opportunities to share your opinions about your credit union. We promise we will listen and do our best to respond.

Community Engagement

An area that the Board of Directors and employees are very proud of in recent years is the amount of engagement that has taken place in our local community. A huge allocation of resources has been made to ensure Thinkwise is part of our local schools as well as the community as a whole. Thinkwise employees have attended dozens of events at local schools including career days, festivals, reading events and much more. We have proudly adopted Dr. Mildred Henry, Hillside Demonstration and Hunt Elementary Schools. We are very proud of our relationship with these schools and will continue to work with them to enhance the environment for staff and students. We look forward to adopting more schools in the future.

During 2015 we held four Bite of Reality events at local high schools. The Bite of Reality is a financial simulation offered through our relationship with the Richard Myles Johnson

Foundation. The simulation offers high school and middle school students a glimpse of living in the "real world" on a budget. We had dozens of wonderful volunteers help us and we are very proud to have hosted more than 300 students at Bite of Reality events. We look forward to offering more events in 2016 and reaching even more students with this important and practical financial education.

As an institution that serves educators, one of the things that amazes us every day is the passion and enthusiasm our members have for educating students. We see this passion in our branch and certainly when we are at school sites for various events. Financial education is one of our core initiatives and we have reached over 1,500 attendees at various financial wellness events. We are proud and excited to be providing more education opportunities than ever before around personal finance issues.

Technology Never Slows Down

We live in a fast paced world and the need to manage technology is a critical part of our business. Thinkwise took a leap forward in 2015 with our core data processing conversion. We were on the previous system for nearly 30 years. In September we completed an upgrade to a new system. While this conversion was not without obstacles and disruption, it laid a great foundation for Thinkwise to offer new products and services faster than ever before. In the coming months we will be rolling out new delivery options to our members including electronic document transfer and mobile banking. Mobile banking is something our members have been waiting for a long time. We are happy to say that with the new core system, the rollout of that product has been started and we expect a launch date in the first half of 2016.

We have planned another product enhancement that will be taking place during 2016. We will be consolidating the processing of debit cards and credit cards to one vendor. This will make our back office operations more efficient. Part of this conversion will also be the issuance of EMV or "chip" cards. These new chip embedded cards should help reduce fraud for our members. We are also looking at personal card controls so our members are even more self-empowered to manage their finances. We will do our best to communicate these changes well in advance and work hard to minimize member disruptions.

The future is very bright at your credit union. We thank you for your loyalty in Thinkwise Credit Union and look forward to an exciting 2016.

Charlie Slaton
Chairman of the Board

Kevin Posey
CEO