Why we exist:
To SERVE Our Members’ Interests

What we stand for:
INTEGRITY Is First In All We Do
Treat All With RESPECT
VALUE Employees As Our Primary Resource
Be a GOOD Corporate Citizen

We promise to:
Treat you with the highest standards of RESPECT and PROFESSIONALISM.
Be ACCURATE and ENSURE THE SECURITY of your financial information.
MAKE IT EASY for you to do business with us.
IDENTIFY your needs and suggest a solution that will IMPROVE your financial life.
RESPOND to your requests in a timely manner.
SHOW YOU APPRECIATION for allowing us to SERVE you.
2018 was a very good year for your credit union. We enjoyed steady growth and ended the year with 69,309 members and $805 million in assets, up $29 million from the end of 2017.

2018 was also a year of change. Both savings and lending rates rose nationally, creating an increased demand for savings products. We introduced a new Name It Save It account and three new certificate terms with highly competitive rates, making saving even more appealing and allowing us to compete with high yield savings accounts previously found mostly in online institutions. We also revamped our home equity lines of credit, offering a lower rate for this popular loan type.

We serve members in person at eight branch locations. Our branch on Dairy Ashford in Houston was relocated to the new ConocoPhillips headquarters late in the year to better serve members who work there.

Online and mobile banking transactions make it easy for members to manage their finances wherever they are. This year, mobile transactions surpassed online transactions and grew to 3.1 million, proving that many members enjoy having a branch in their pocket.

Serving members will always be our top priority, and with this in mind, we consolidated several time-sensitive tasks that directly impact members’ accounts and formed a new department to increase efficiency, cohesiveness and service. We will continue to look for ways to serve you better.

The purpose of the annual report is to outline and celebrate the credit union’s financial condition, and you’ll find the numbers on pages 8 and 9 of this report.

We are keenly aware that you have a choice in financial institutions. All of us at Truity want to thank you for your loyal business. It’s a privilege and honor to serve your financial needs.
Branch Activity

Bartlesville

EMPLOYEE VOLUNTEERISM
Credit union employees give their time and resources generously. Employees voluntarily support Community Cares, the credit union’s way of donating to both the United Way and the American Cancer Society’s Relay For Life. In 2018, Bartlesville employees gave more than $70,000 to the United Way and more than $15,000 to Relay For Life of NOW.

Other recipients of credit union employee generosity and volunteer hours include:
- Agape Mission
- Big Brothers Big Sisters
- Building Bridges of Oklahoma
- The Cottage
- Daybreak Rotary
- HOPE Clinic
- Lions Club
- Westside Community Center
- Young Professionals of Bartlesville

COMMUNITY PARTNERS
In addition to the employees of Phillips 66 and ConocoPhillips in Bartlesville, we serve more than 100 Select Employee Groups, including:
- ABB
- Bartlesville Public Schools
- The City of Bartlesville
- Diversified Systems Resources
- Rogers State University
- Schlumberger, REDA Production
- Siemens Applied Automation
- Tri County Technology Center
- The Voice of the Martyrs, Inc.

Lawrence

EMPLOYEE VOLUNTEERISM
The creative employees that work at the Lawrence branches are always looking for ways to show Lawrence residents the value of credit union membership.

In Lawrence, Truity regularly sponsors events tied to Lawrence Public Schools as well as to The University of Kansas. Events for 2018 included the Lawrence Education Association’s School Supply Drive along with several awards given to our local teachers and classified staff.

Other organizations supported by employees in Lawrence include:
- Boys and Girls Club
- Big Brothers Big Sisters
- Junior Achievement
- Just Food
- Toys for Tots
- United Way of Douglas County

COMMUNITY PARTNERS
Not only does the credit union serve the faculty, staff and students of The University of Kansas, we also serve many other Select Employee Groups, including:
- Amarr Garage Door
- Baker University
- Cottonwood, Inc
- Maximus
- Hallmark
- Haskell Indian Nations University
- Laird Noller Automotive
- Lawrence Memorial Hospital
- Lawrence Public Schools
- The Local Firefighters Union, IAFF Local 1596
EMPLOYEE VOLUNTEERISM
Since we are so closely tied to our Select Employee Groups in Houston, we sponsor many of the activities and causes that are important to them.

COMMUNITY PARTNERS
In addition to the employees of Phillips 66 and ConocoPhillips in Houston, we serve several other companies, including:
▸ Chevron/Phillips Chemical Co.
▸ Securitas Inc.
▸ Sodexo
▸ Zachry Construction Co.

EMPLOYEE VOLUNTEERISM
In Northwest Arkansas, we sponsor Court Appointed Special Advocates and Newspapers in Education, among other initiatives, and employees support many local organizations, including:
▸ Alzheimer’s Association
▸ Children’s Safety Center
▸ The First Tee NWA
▸ JDRF NWA
▸ Make-A-Wish Foundation
▸ NWA Special Olympics

COMMUNITY PARTNERS
In addition to Tyson Foods, Inc. team members, we offer credit union membership to several other organizations, including:
▸ BNSF Logistics
▸ Cobb-Vantress
▸ Fayetteville Public Schools
▸ Kawneer
▸ Northwest Technical Institute
▸ Ozark Regional Transit
▸ Springdale Public Schools
▸ City of Springdale
Truity Credit Union wouldn’t be successful without the support of the communities we serve. Being a good corporate citizen is a high priority for us, and we are proud of the fact that our corporate giving has been at record levels for the past few years at a time when many companies are giving less.

Corporate-wide, Truity employees serve on the boards of almost 20 different organizations and report volunteering more than 500 hours each month in their communities.

**SPIRIT CARDS**
Truity Credit Union makes it easy for members to support local schools and organizations with the Spirit Debit Card program. Members show support for their group by using the cards, and a portion of the interchange is donated to the school or organization featured on the card—$154,257 has been given to area organizations since the program began in 2009.

**SCHOLARSHIPS**
In 2018, Truity continued its tradition of offering an online scholarship application to high school seniors. This year the scholarship application included posting an Instagram photo of the student helping people in their community. Three $1,000 scholarships were awarded, one each in Bartlesville, Springdale and Lawrence.

**TRUITY EDUCATION FOUNDATION**
Formed in 2009, this organization has raised more than $1 million for public school foundations and educational organizations in Bartlesville, Oklahoma, Lawrence, Kansas and Northwest Arkansas. Members of the Truity Education Foundation are eligible for membership in Truity Credit Union.
BARTLESVILLE, OKLAHOMA:
501 S JOHNSTONE AVE
2612 SE WASHINGTON BLVD

HOUSTON, TEXAS:
925 N ELDRIDGE PARKWAY
ROOM #EC4-01-N314
CONOCOPHILLIPS EC4
2331 CITYWEST BLVD
SUITE 143
PHILLIPS 66 WORLD HQ

SPRINGDALE, ARKANSAS:
1910 S THOMPSON ST

LAWRENCE, KANSAS:
3400 W 6TH ST
2221 W 31ST ST
1300 W 23RD ST

TRUITY CREDIT UNION
PO BOX 1358 | BARTLESVILLE, OK 74005 | 800.897.6991 | TRUITYCU.ORG

Clockwise from above: Bartlesville Headquarters, Lawrence Main, Springdale and Houston offices.
# Consolidated Balance Sheet

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$66,300,000</td>
<td>$76,736,000</td>
</tr>
<tr>
<td>Investments</td>
<td>27,644,000</td>
<td>37,949,000</td>
</tr>
<tr>
<td>Loans to members</td>
<td>688,473,000</td>
<td>638,190,000</td>
</tr>
<tr>
<td>Less allowance for loan losses</td>
<td>(6,030,000)</td>
<td>(5,927,000)</td>
</tr>
<tr>
<td>Net loans</td>
<td>682,443,000</td>
<td>632,263,000</td>
</tr>
<tr>
<td>Property and equipment</td>
<td>9,340,000</td>
<td>10,237,000</td>
</tr>
<tr>
<td>Other assets</td>
<td>19,103,000</td>
<td>18,735,000</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>$804,830,000</td>
<td>$775,920,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES &amp; MEMBERS' EQUITY</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Member Deposit Accounts:</td>
<td></td>
</tr>
<tr>
<td>Shares, share drafts</td>
<td></td>
</tr>
<tr>
<td>&amp; money markets</td>
<td>$583,285,000</td>
</tr>
<tr>
<td>Share certificates</td>
<td>130,778,000</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>714,063,000</td>
</tr>
<tr>
<td>Borrowed funds</td>
<td>13,121,000</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>6,000,000</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>733,184,000</td>
</tr>
<tr>
<td>Members' Equity:</td>
<td></td>
</tr>
<tr>
<td>Regular reserve</td>
<td>6,191,000</td>
</tr>
<tr>
<td>Undivided earnings</td>
<td>66,282,000</td>
</tr>
<tr>
<td>Unrealized gain (loss) on</td>
<td>(827,000)</td>
</tr>
<tr>
<td>available for-sale investments</td>
<td>(827,000)</td>
</tr>
<tr>
<td>Total Members' Equity</td>
<td>71,646,000</td>
</tr>
<tr>
<td>TOTAL LIABILITIES &amp; MEMBERS' EQUITY</td>
<td>$804,830,000</td>
</tr>
</tbody>
</table>
Consolidated Statement of Earnings

**INTEREST INCOME**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on loans to members</td>
<td>$31,377,000</td>
<td>$29,936,000</td>
</tr>
<tr>
<td>Interest on investments &amp; cash equivalents</td>
<td>$1,460,000</td>
<td>904,000</td>
</tr>
<tr>
<td><strong>Total Interest Income</strong></td>
<td>$32,837,000</td>
<td>$30,840,000</td>
</tr>
</tbody>
</table>

**INTEREST EXPENSE**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shares, share drafts &amp; money markets</td>
<td>$2,890,000</td>
<td>$1,639,000</td>
</tr>
<tr>
<td>Share certificates</td>
<td>1,689,000</td>
<td>1,014,000</td>
</tr>
<tr>
<td><strong>Total dividend expense</strong></td>
<td>4,579,000</td>
<td>2,653,000</td>
</tr>
<tr>
<td>Interest on borrowed funds</td>
<td>43,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total interest expense</strong></td>
<td>4,622,000</td>
<td>2,653,000</td>
</tr>
</tbody>
</table>

Net interest income

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>28,215,000</td>
<td>28,187,000</td>
</tr>
</tbody>
</table>

Provision for Loan Losses

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>6,028,000</td>
<td>5,562,000</td>
</tr>
</tbody>
</table>

Net interest income after provision for loan losses

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>22,187,000</td>
<td>22,625,000</td>
</tr>
</tbody>
</table>

Non-interest income

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>12,717,000</td>
<td>12,251,000</td>
</tr>
</tbody>
</table>

Non-interest expense

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>31,936,000</td>
<td>31,329,000</td>
</tr>
</tbody>
</table>

NET EARNINGS

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,968,000</td>
<td>$3,547,000</td>
</tr>
</tbody>
</table>

Copies of audited financial statements are available upon request.
Truity is governed by a volunteer board of directors composed of Truity members. They guide the general direction and affairs of the credit union in accordance with our bylaws.

CHUCK ROHRS, CHAIRMAN
Manager Internal Audit - Corporate, Phillips 66, Retired

CHRISS KELLY
Process Lead, Phillips 66

STEPHANIE ARY
Managing partner of a private oil and gas company

LEE KIDD
Vice President, Benefits, Tyson Foods Inc.

BRENT BOEVE
SAP PRA Projects, ConocoPhillips, Retired

MATTHEW McCLOREY
President, CritiTtech, Inc.

AVIS BRAGGS
IT Manager, Lower 48 Region, ConocoPhillips, Retired

BRIT PARKER
Manager, IS Business Partner Upstream, ConocoPhillips, Retired

BEVERLY DOLLAR
Sr. Intellectual Property Counsel, ConocoPhillips, Retired

JOHN ZUKLIC
Treasurer, Phillips 66
The role of the Supervisory Committee is to ensure that members’ interests are protected by conducting audits and reviews of key financial and operating components of the credit union. Appointed by the credit union board of directors, the Supervisory Committee is responsible for coordinating audits to determine that accounting records are prepared promptly, and that they accurately reflect the credit union’s condition.

To assist in this process, the committee engaged the firm of HoganTaylor, LLP to perform the annual audit of the credit union for the year ending December 31, 2018.

As a result of this audit and our ongoing internal audit, it is the opinion of the Supervisory Committee that the financial statements fairly and accurately reflect the condition of the credit union.

On behalf of the Supervisory Committee, we appreciate the opportunity to serve the credit union, and as always, we welcome your comments and suggestions.

SUPERVISORY COMMITTEE

SCOTT HENSLEY, CHAIRMAN
Global Information Protection and Policy Administration, ConocoPhillips

ANGELA LORSON
Director, Joint Venture Accounting, Finance, ConocoPhillips

MARY FRIEDMAN
GIPA - Consultant Privacy and Awareness, ConocoPhillips, Retired

ELYSSE WISEMAN
Analyst, Technology F&PA, Phillips 66

AMY GRONIGAN
Supervisor – Closing & Control, Midstream Financial Services, Phillips 66