



REPORT OF THE SUPERVISORY COMMITTEE - 2017

The Supervisory Committee continued to meet its obligations to the Membership of Trademark and its Board of Directors by coordinating the work of the independent external auditor, as well as conducting our own internal audit program. In cooperation with our Management team, and our Federal regulator, we provided the required level of oversight and supervision to ensure the financial integrity of the Credit Union.

Several internal audits were conducted by the committee including reviews of loan documentation files and compliance with related loan policies, staff compliance with policies and regulatory requirements, as well as surprise cash audits. We found no material weaknesses and Management has been cooperative in correcting all minor issues identified.

In 2018, the Supervisory Committee engaged with an accounting firm to complete an independent Financial Audit and Bank Secrecy Act Audit as of December 31, 2017. We are pleased to report that there were no significant findings for us to address in these reviews. The Auditors report that the financial audit was conducted in accordance with Generally Accepted Audit Standards, providing a reasonable basis for their opinion.

Trademark Federal Credit Union increased its total assets in 2017 and deposits increased with the concentration of the growth in Share Draft and Club accounts. Capital remained high at 12.21% which is well above the National Credit Union Association's (NCUA) definition of 'well capitalized' as anything higher than 7%.

The Committee has kept the Board of Directors and Credit Union Management apprised of all the ongoing examinations and any related recommendations we have. The cooperation of the Credit Union's Members, Directors, Officers and employees is appreciated. Your Supervisory Committee shall continue to perform its oversight responsibilities, in the best interest of all the Credit Union Members.

Respectfully Submitted By:

Gale Bertrand, Chairwoman
Melanie Daigle, Committee Member
Carol Hickman, Committee Member