







Chairman of the Board of Directors

to the company's reinvention activity.

At the heart of technology is

invention — or perhaps better, reinvention, as almost every invention builds upon something that existed in some manner before. In financial services, this means redefining the interface between the customer and the financial services provider, refining the systems by which financial transactions take place, and reimagining the customer needs that the financial organization will serve. At Tech CU in 2015, we accomplished all of these "reinventions."

One of the key channels by which the credit union meets current and prospective members is through our branches. We reinvented the Tech CU branch in 2015 with a new concept on display at our relocated Fremont branch, our new San Francisco branch and our redesigned San Jose headquarters. I hope you find these branches as eye-catching, efficient and engaging as I do.

We also face current and prospective members by showing our brand as often and as effectively as possible — maintaining name recognition and gaining financial services mindshare. We reinvented the Tech CU brand with an advertising campaign spanning the entire year. We employed a broad array of media, both physical and electronic, to materially increase brand awareness. We are continuing this campaign in 2016.

We rededicated our focus in 2015, calling it "The Year of the Member" and reestablishing a meaningful increase in membership as one of our annual corporate goals. We were successful in this — generating the highest number of new memberships in seven years and increasing net memberships by over 4%, well above the national average credit union growth rate of 3.4%. This also represents member acquisition growth of 76% in 2015, compared to the prior year. This growth, with an even more ambitious net membership goal, will continue to be a focus in 2016.

On the personal banking side, we reinvented many of the systems through which individual members transact business with us. For example, we updated our mobile app, added Apple Pay and greatly improved our online account opening process. Our commercial banking program is something that sets us apart from most of our credit union peers. We reinvented ourselves here by adding asset-based lending to our suite of business lending products, augmenting our business online banking platform with mobile and tablet applications, and redesigning and expanding our loan participation purchase and sale program with other financial institutions.

Finally, we announced a major executive transition, with our CEO, Barbara Kamm, retiring in mid-May and our CFO and CAO, Todd Harris, moving into the CEO role. The inauguration of a new leader is certainly a form of reinvention, as the new leader puts his stamp on the organization. Let me add from the perspective of the Board, just how much we have valued Barbara's outstanding leadership and direction of the credit union for the past six years. After a careful and deliberate search process, we as a Board are unanimous in our view that Todd is the right person to be Barbara's successor.

The role of the Board of Directors is to provide oversight and direction to this reinvention activity. We ensure that management is adding products, services and personnel in a manner that is strategically sound and fiscally prudent. I believe that our results for 2015 demonstrate that we are successfully fulfilling this role, and we look confidently into the future as a "reinvented" Tech CU.



You may have heard the expression,

"Reinvent or Die" — or some version of it. It's been a Silicon Valley rallying cry over the years because our community is a place where things move very quickly and competition is fierce. Although financial services may have once been a more staid and conservative place to hang your hat, we too must reflect the fast-paced environment surrounding us. Ultimately, it all comes down to staying relevant in the minds of our members.

We are witnessing great change in our industry and in consumer behavior today. And, while we may have once been worried about the FinTechs — those financial technology startups that are introducing new ways of accessing financial products — we have risen to the challenge and created solutions we feel break through the crowded marketplace. Competition offers us an opportunity to do even better when it comes to our member experience and service level, while still offering our members the safety and soundness of a strong, regulated and insured financial institution.

Just a few of the ways we "reinvented" Tech CU to provide convenience and exceptional service in 2015 include:

Acquisition of Sunnyvale Federal Credit Union. This past year started off with a bang as we acquired SFCU — allowing us to expand in our market while giving SFCU members the benefit of a broader variety of products and services.

Transforming and expanding our branch footprint, including opening San Francisco, relocating Fremont and remodeling San Jose. All three of these reflect our new

branch design — incorporating interactive technology to help you learn about personal finance and a floor plan designed to facilitate one-on-one consultations. And, in order to ensure our branch employees have a well-rounded base of knowledge and expertise, approximately 30% of our personnel became Certified Financial Counselors in 2015, with more to come this year and beyond.

Expanding your ease-of-use by launching products that help you bank at your convenience. These include our "Call Me" call back service, our online appointment scheduling service, Apple Pay, and numerous upgrades to our Mobile App, such as Touch ID and an Apple Watch interface.

Launching a brand new, innovative and award-winning advertising campaign, "Bank Happily Ever After." To get the word out about who we are, in 2015 we launched ads on billboards, cable cars, BART, on the radio, TV and in movie theaters — all geared toward communicating that we're large enough to provide all the access and convenience of a big bank and small enough to offer exceptional, personalized service. We also did much of the legwork for our new web site which launched in March 2016.

Being the first credit union in the U.S. to offer Asset-Based Lending. We now offer asset-based working capital lines of credit to companies looking for an alternative to traditional sources of financing. We hired an expert team and have installed a new system to support this group.

Achieving record loan growth in 2015 by streamlining our loan processing and funding systems — making our application and approval processes faster and easier.

We also launched such products as Personal Loans; Stockpile, which allows you to buy fractional shares of stock; and a comprehensive online insurance offering.

Finally, as is often said, change is the one constant in life. To this end, after leading the company for over six years, I've decided to retire this May, although I will remain on the Board of Directors. I'm proud of all we have accomplished during this time, including restoring the company to profitability; growing our loan portfolio; building a strong management team; introducing a full range of commercial loans; adding Wealth Management to our portfolio of products; and offering leading-edge technology to our members. I'll be passing the reins to Todd Harris, our current CFO and Chief Administrative Officer.

With his nearly 25 years of experience in financial services, including in the banking, credit union and leasing company sectors, Todd has the experience, vision, leadership and knowledge this organization requires. During his time at Tech CU, he has been instrumental in leading a variety of key initiatives aimed at improving the member experience. I am confident that he and our excellent board will continue this legacy of growth while ensuring a great member experience.

I know you have many choices when it comes to your financial institution, and we greatly appreciate your membership. At Tech CU, we always have your best interests at heart and look forward to continuing to serve you in the years ahead.



2015 marked another successful year

of serving our membership with exceptional financial products and services, as we expanded our capabilities in the dynamic Silicon Valley marketplace. The continued strength of the regional economy resulted in robust demand for mortgages, auto and home equity loans, with Tech CU experiencing growth in each of these areas.

We designated 2015 as the "Year of the Member." With this theme in mind, we continuously looked for new ways to improve your experience with us — be it through a new product or service or by simply making it easier and more convenient to bank with us. It all begins with listening to you and gathering your feedback.

I'm pleased to report that our Retail, Wealth Management and Commercial Banking Divisions all performed well with these objectives in mind.

In our Retail Banking Division, we worked to improve the branch experience for our members by renovating several of our locations. These branch renovations will continue throughout the next few years. We introduced "Tech LiveConnect" in three of our branch locations to allow members more convenient access to Wealth Management,

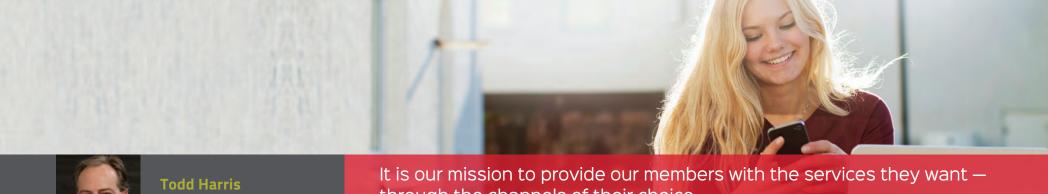
Commercial Banking and Mortgage professionals via a video conferencing platform. We also introduced an enhanced online account opening platform — providing members the flexibility to open a Tech CU account from just about anywhere.

Our Wealth Management Division continued to expand its product offerings. We introduced an enhanced insurance product with expansion into an online insurance service channel. We also partnered with Stockpile — offering fractional shares of stock for purchase from our website, including virtual gift cards for family and friends. A new, personal line of credit and automated advisor platform are on our roadmap for 2016.

The Wealth Management Division grew total member assets under management to an all-time high. We are also pleased to report that one of our financial advisors achieved President's Club status for the third year in a row, the highest award bestowed by Cetera, our broker-dealer. Our Tech Wealth Management program was ranked among the top two credit unions within the Cetera asset category for 2015.

Our Commercial Banking Division continued to expand and grow in 2015 by providing our members with commercial real estate, construction, multi-family and SBA lending. An exciting development was the addition of asset-based lending as part of our commercial lending product set. This allows Tech CU to serve growth-stage companies along with well-established, small- to middle-market businesses in need of working capital lines of credit. By adding this specialty, we now carry the distinction of being the only credit union in the country to provide this type of commercial lending.

Everything we do at Tech CU starts with our commitment to you. Thank you for the privilege of serving you, your families and your businesses during 2015.





Chief Financial/ Administrative Officer

through the channels of their choice.

2015 was a record year for Tech CU

as we posted record loans of \$1.321 billion, record assets of \$2.066 billion, and record deposits of \$1.849 billion. Because of the large growth we experienced in 2015, Return on Assets (ROA) decreased a small amount to .73% from .80% the year before. However, our credit quality remains excellent and our net worth ratio remains strong, well above 10%. We funded \$689 million in loans in 2015 — representing a \$176 million increase, or 34% more than last year.

Net income for the year was \$15.1 million, compared to \$14.6 million in 2014, reflecting an increase of \$417,000. If provision expense were excluded, income would have improved \$1.3 million year-over-year, as 2014 included a \$1.5 million credit to provision expense while 2015 included only a small \$223,000 credit to provision expense.

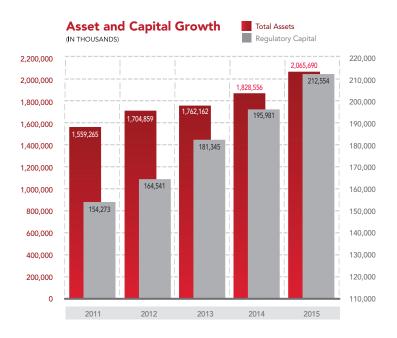
For the third year running, our credit quality measures are among the best in the industry. Total reportable delinquent loans remained low at .19% and the commercial loan portfolio had no delinquencies at year end. The credit union experienced net recoveries of .03% in 2015 compared to a net charge-off rate of .19%

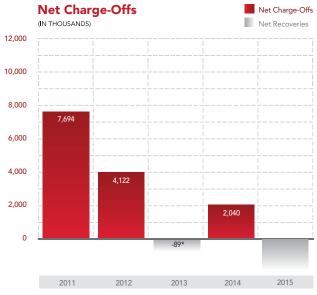
in 2014, and the coverage ratio was more than 400%. All of this created an environment where loss reserves could be safely reduced for the third year in a row. Standing at .88% of total loans, our allowance remains at the high end of our peer group.

In 2015, we continued to innovate and enhance our member experience or "ease of doing business." We created a new lending interface using a responsive design — allowing members to apply for loans using computers, tablets and phones. This new interface provides a credit decision within seconds of submitting the application and, for existing members, all of their base information auto-fills, saving significant time. In addition to the many member conveniences mentioned by our Chairman Mical Atz Brenzel and our CEO Barbara Kamm, we have automated a number of previously manual processes. In past years, a member would have to come into a branch or call us to skip a loan payment (Skip-A-Pay), change an international address or schedule a branch appointment. Today, all of these services can be performed online. Our mobile app function has also improved — allowing members to stop check payments and schedule appointments.

We will continue to expand services, enhance ease-of-use and provide the most favorable pricing. It is our mission to provide our members with the services they want, when they want them and through the channels of their choice — be it through our branches, our call center, online or mobile.

As you know by now, Barbara Kamm will be stepping down as CEO in May. I want to personally thank Barbara for her outstanding leadership and direction of the credit union over the past six years. She will remain on Tech CU's board, allowing management to still benefit from her and the rest of our excellent boards' counsel, guidance and direction. I am honored to be appointed Barbara's successor, and I know with the support of our management team, employees and board, we will continue Tech CU's legacy of success by providing technology and personal expertise that inspire, educate and empower our members to succeed financially.





^{*}Recoveries exceeded charge-offs.

Statement of Operations (audited)

(IN THOUSANDS)	YEAR ENDED					
Statement of						
Interest on Loans						
Interest on Investments						
Total Interest Income						
Dividends and Interest Expense						
Net Interest Income						
Provision for Loan Losses						
Net Interest Income After Provision For Loan Losses						
Non-interest Income						
Operating Expense and Non-Operating Expense						
Net Earnings						

Statement of Financial Condition (audited)

(IN THOUSANDS)	YEAR ENDED						
Statement of Financial Condition	2011	2012	2013	2014	2015		
ASSETS:							
Cash and Cash Equivalents	\$163,742	\$170,368	\$164,723	\$119,210	\$182,095		
Investments	465,052	582,307	647,512	616,260	528,611		
Loans to Members, Net	884,800	908,618	908,379	1,050,038	1,309,261		
Premises and Equipment	21,372	19,602	18,304	16,980	18,929		
Other Assets	24,299	23,964	23,514	26,068	26,794		
Total Assets	\$1,559,265	\$1,704,859	\$1,762,162	\$1,828,556	\$2,065,690		
LIABILITIES, MEMBER DEPOSITS, AND RESERVES:							
Dividends Payable	\$140	\$106	\$65	\$63	\$142		
Accrued Expenses and Other Liabilities	6,936	8,170	8,585	11,162	9,432		
Notes Payable	0	0	0	0	(
Member Deposits	1,391,496	1,525,683	1,575,375	1,621,112	1,848,914		
Total Equity	160,693	170,900	178,137	196,219	207,202		
Total Liabilities, Member Deposits, and Reserves	\$1,559,265	\$1,704,859	\$1,762,162	\$1,828,556	\$2,065,690		





Bob LuongChairman of the
Supervisory Committee

Tech CU's Supervisory Committee

is made up of five volunteer members who are not directors, officers or employees of Tech CU. The Supervisory Committee is responsible for reviewing the credit union's policies and control procedures to safeguard against fraud and self-dealing and may inspect or cause audits of the securities, cash and accounts of the credit union. The Committee also oversees the annual audit of Tech CU's books and records and reports on the assets and liabilities, receipts and disbursements of the credit union to the Board of Directors.

In performing its functions, the Supervisory Committee acts only in an oversight capacity and necessarily relies on the work and assurances of Tech CU's management, which has the primary responsibility for financial statements and reports, and of the independent auditors. The auditors express an opinion on the conformity of the credit union's annual financial statements to generally accepted accounting principles. In fulfilling its oversight responsibilities, the Supervisory Committee reviewed the audited financial statements for the fiscal year 2015, discussed them with management, and spoke with Tech CU's independent auditors, Crowe Horwath LLP, without management present. The Supervisory Committee discussed with the auditors matters required to be

discussed by Statement on Auditing Standards No. 114 (The Auditor's Communication with Those Charged with Governance) as amended, including the auditors' judgment about the quality as well as the acceptability of the credit union's accounting principles, as applied in financial reporting.

Based on the Supervisory Committee's discussion with management and the independent auditors and the Supervisory Committee's review of the report of the independent auditors to the Supervisory Committee, the Supervisory Committee recommended that the Board of Directors approve the audited financial statements for the year ended December 31, 2015.

In addition to the responsibilities described above, the Supervisory Committee is authorized under applicable law to consider potential violations of the California Financial Code or the bylaws, or any practices of Tech CU which, in the opinion of the Supervisory Committee, may be unsafe or unauthorized. During the calendar year ended December 31, 2015, the Supervisory Committee did not discover any violations of the California Financial Code or the bylaws or any practices which, in the opinion of the Committee, were unsafe or unauthorized.

SUPERVISORY COMMITTEE



(From Left to Right): Tom Hall, Former Chairman; Jeffrey M. Lee; Karen Rogge; Bob Luong, 2016 Chairman. (Steven Fisher, Secretary, missing.)



Government Relations

of the toughest local issues.

At Tech CU, we focus on creating

pathways and opportunities for our local communities to succeed and thrive. This means partnering with forward-thinking organizations that address some of the toughest local issues — including education reform, workforce development and affordable housing. We engage with, invest in and promote innovative programs and policies, such as SB 850, which allows community colleges to offer a limited number of bachelor degrees (signed into law in September 2015). We also supported such affordable housing developers as MidPen Housing by underwriting \$4.9 million in commercial real estate lending — helping to ease the housing burden for families in the region. Additionally in 2015, we were honored to have been named one of the Top 50 most philanthropic companies in Silicon Valley.

A few of our notable activities this past year include:

Community Grant Challenge

As part of our San Francisco branch expansion, we launched a Community Grant Challenge — providing members and the extended community the opportunity to participate in grant making. Three San Francisco-based organizations were chosen for their core mission and fit with our community engagement mission: New Door Ventures,

which aims to employ youth ages 16-24 through training, placement and job experience; Full Circle Fund, which focuses on engaged philanthropy; and Glide Foundation, whose goal is to break the cycles of poverty and marginalization.

Next Generation Science Educators

Investing in education, specifically STEM (Science, Technology, Engineering and Math) is key to our community values. We partnered with RAFT (Resource Area For Teachers) and the New Teacher Center on the Middle School Next Generation Science Standards (NGSS) Leadership Alliance Program. This aims to strengthen science education while building teacher confidence when employing hands-on learning in the classroom.

Team Tech CU

From our executives to branch staff, Team Tech CU was well represented in the community this year. With the addition of our new, paid Volunteer Time Off, employees could be found helping students at the Tech Museum's Tech Challenge, volunteering on College Day at local schools, participating in the Silicon Valley Turkey Trot, and sorting both backpacks and holiday gifts for the Family Giving Tree. We also served breakfast at Glide Memorial, provided financial literacy training for students with Breakthrough

Silicon Valley, and led student networking events at San Jose State University. Several of our employees are part of Leadership San Jose, while company executives sit on various boards, including Joint Venture Silicon Valley, Silicon Valley Leadership Group Foundation, SJSV Chamber of Commerce, Housing Trust of Silicon Valley, SJSU Alumni Association and Innovation Tri-Vallev.

Tech CU has invested over \$1.2 million in the local community. We intend to continue investing both our time and treasure in the future.

Additional organizations we supported in 2015 include:

- Downtown Streets Team/KARTMA
- Happy Hollow Science Program
- ALearn
- Tipping Point
- WANDA (Women's Achievement Network and Development Alliance)
- American Leadership Forum
- Silicon Valley Reads
- Startup Weekend Santa Clara University
- Silicon Valley Council of Nonprofits

Board of Directors _____



(From Left to Right): Joe Shepela; Robert E. Bylin, Vice Chairman; Jack Wedgwood; Karen Brochier; Barbara Kamm, CEO & Treasurer/Secretary; Kirk Bloede; Mical Atz Brenzel, Chairman; Rob Herb; Peter Donahower.

Managing Committee _____



(From Left to Right): Debra Bowman, SVP, Retail Banking; Jeannie Sugaoka, SVP, Support Services; Kate Duggan, SVP, Marketing; Al Cadman, EVP, Chief Credit Officer; Jeannine Jacobsen, SVP, Chief Risk Officer; Todd Harris, EVP, Chief Financial/Administrative Officer; Angie Hernandez, SVP, Credit Administration; Joe Anzalone, EVP, Chief Banking Officer; Barbara Kamm, President/CEO; Rebecca Nelson, SVP, Wealth Management.

