

Listening. Evolving. Delivering.

Building the foundation for the next 60 years.

2025 Annual Report |  US ALLIANCE
FINANCIAL®

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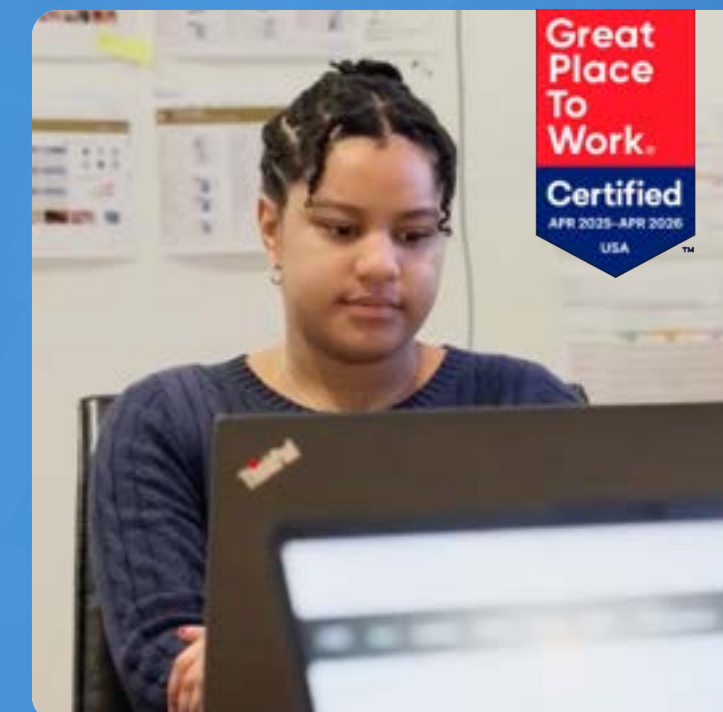
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Letter from the Board Chair

Carla M. Palma

Dear Valued Members,

The year 2025 began amid considerable headwinds. Geopolitical tensions, fluctuating interest rates, and employment challenges created a challenging environment for all of us.

Yet through disciplined stewardship and a clear focus on member benefits, USALLIANCE navigated these uncertainties with resilience. By year's end, that steadiness translated into strong results that allowed us to continue expanding access, improving services, and making a meaningful difference in the financial lives of our members.

Being a not-for-profit means our success is measured by yours. This year, we refreshed our mission, vision, and values to reaffirm what has always driven us: supporting your financial wellness, earning your trust, and developing products and services that truly serve you.

The clarity gained through this refresh is already influencing how we show up for you and for one another, and it was reflected in the national recognition we received for our workplace culture, including a Great Place to Work certification and four Top Workplaces Culture Excellence awards.

Our Board and executive team were guided by that same clarity this year, turning member insights into results. Key milestones include the reopening of our newly renovated Walmart of Napanoch branch and a major enhancement to our MyLife Checking account, both direct responses to what you told us matters most.

Our commitment to innovation remains as strong as ever as we anticipate your needs and build solutions that help you reach your financial goals. This year, we launched a new chatbot that puts faster answers right at your fingertips and reduces wait times when you reach out to us, all while maintaining the personal care and attention that defines USALLIANCE. As we move into 2026, you can expect even more enhancements designed to support that journey.

None of this would have been possible without the dedication and adaptability of our employees and volunteers, whose contributions strengthened both our member experience and the overall performance of our organization. Thank you for your hard work, your passion, and your unwavering commitment to our mission.



Carla M. Palma
Board Chair

Letter from the President & CEO

Harry Zhu

Dear Fellow Members,

As we bring 2025 to a close, I'm inspired by the progress we've made together and the momentum guiding our direction. Your feedback, loyalty, and continued partnership shaped a year of meaningful advancement and set the foundation for an even stronger future.

Being a USALLIANCE member means having a partner for life's biggest moments, and this year, you trusted us to show up for yours. We helped enable 224 home purchases through mortgage lending and supported 1,501 home improvement projects through our home equity, renovation, and improvement loan programs.

You also continued to build your financial future with us. Total deposits grew from \$2.44 billion to \$2.52 billion, and we returned over \$82 million in deposit dividends to you, a giveback that places USALLIANCE in the top 1% of credit unions nationwide. As a member-owned institution, returning value to you isn't a marketing line—it's our reason for being.

Beyond the numbers, more of you than ever told us you'd recommend USALLIANCE to friends and family. Our member satisfaction score rose nearly four points year over year, a meaningful shift that tells us our work to improve your experience is landing where it should.

Your trust shows up not only in your feedback but in the way you continue to grow with us. In 2025, our assets and loans reached historic highs, underscoring the confidence you place in us. We are deeply grateful

for your support. It keeps us strong, even in an uncertain economic environment, and it allows us to continue serving you with stability and care.

I want to extend my deep appreciation to the entire USALLIANCE team and our Board of Directors. Your teamwork, initiative, and genuine care for our members have stood out in every moment. Your contributions continue to define what makes this organization exceptional.

Our progress this year is only the beginning. As we reflect on 2025 with pride, we're equally focused on the opportunities that lie ahead. With our 60th anniversary approaching in 2026, we are laying our foundation for the next 60 years—broadening our impact, deepening member relationships, and delivering consistent value.

Thank you for your ongoing trust, support, and the role you play in shaping our future together. I'm excited for what we will accomplish together in the coming year.



Harry Zhu
President & CEO

2025 Year in Review

191,963
Members

27,711
Accounts Opened

15,278
Checking Accounts

12,433
Savings Accounts



1
Great Place to Work
Certification



4
Top Workplaces Culture
Excellence Awards





LISTENING. Mission, Vision, & Values

We recognize the value of a strong, aligned company culture where everyone is moving in the same direction. When we stand together with a shared purpose, we're able to truly change our members' lives.

In 2025, we unveiled our renewed Mission, Vision, and Values (MVV). These statements define who we are, what we believe in, and the purpose that guides our work each day. Our mission expresses our purpose, and our vision looks ahead and inspires us to grow, serve, and make a meaningful impact in the years to come.

The Process

These updated values emerged from a thoughtful collaborative journey, one shaped by member feedback, focus groups with more than 30 employees, market insights, and a close look at the industry landscape.

A dedicated team of two board directors, two executives, one manager-level employee, and an outside consultant drove the process through multiple iterations, rigorous brainstorming and testing, and more than 33 hours of collective meeting time. Their work culminated in an all-day workshop where the group aligned on four core values and the foundational themes that would shape the mission and vision statements.

Rather than reinventing who we are, they capture—more clearly than ever—the values we've lived by for decades. They provide a strong foundation for our culture, decisions, and actions, and reinforce our dedication to our members' financial well-being as a cooperative financial institution.

The Result

Following the completion of this work, the final MVV were presented to the Board for approval in March. Once approved, they were introduced to the vice presidents and then unveiled to the entire organization during a town hall-style meeting led by Harry and the MVV Project Team.

This rollout marked the beginning of a shared commitment to bringing the refreshed MVV to life across every level of the organization.

“I was grateful to be part of that [focus] group. When the final version was shared, I felt proud—not just of the outcome but of the process. It was a powerful reminder that we are better together that, collectively, we can and will do amazing things.”

Sean Murray
Talent Development Business Partner

Our Mission and Vision

We work side by side with members like you, empowering financial well-being to pursue your dreams.

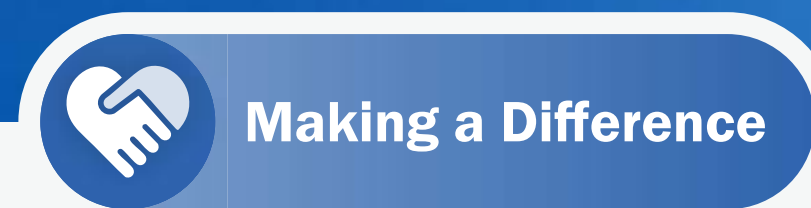
We aspire to be the preferred financial partner for each of our members, using innovation to deliver meaningful, personalized service and create opportunities for all.

Our Core Values

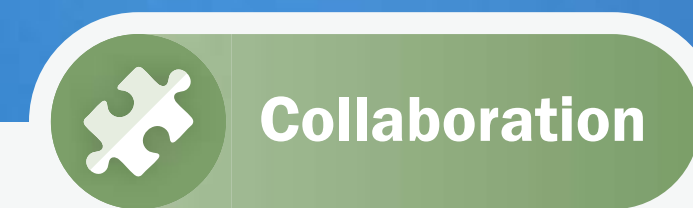
Our Core Values are the essential and enduring guiding principles and tenets of USALLIANCE.



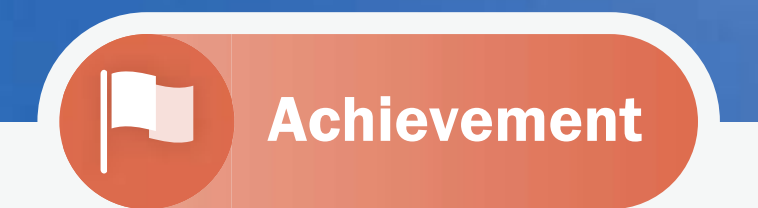
We always act with authenticity, credibility, and integrity, earning trust in every interaction.



We put people first in everything we do, translating empathy into action to make a positive impact.



We work as a team of diverse and motivated individuals, innovating to advance shared goals and success.



We think big, adapt, and innovate. We take ownership of outcomes and celebrate success.

LISTENING. A Culture Worth Celebrating

To bring our values to life, we made them tangible: branded shirts, mugs, and materials that employees could carry with them as daily reminders of what we stand for. We also launched an employee recognition program rooted in our core values, ensuring that the behaviors and contributions we celebrate are directly tied to the principles that define us.



In October, we came together as an entire organization to celebrate our MVV—a night filled with fun, connection, and a renewed sense of purpose. Since then, we've been intentionally weaving our core values into everyday moments: new employee onboarding, town hall meetings, monthly value spotlights, recruiting conversations, and more.

By creating a culture that reinforces itself through shared values, we are doing more than building alignment; we are shaping a clear picture of where we are headed, and these values are laying the foundation for the next 60 years and beyond.



EVOLVING. 2025 Workplace Awards



Percentage of USALLIANCE Employees Who Consider it a Great Place to Work

82%

Percentage of a Typical Company's Employees

57%

82% of employees at USALLIANCE Financial say it is a great place to work, compared to 57% of employees at a typical U.S.-based company.

Great Place To Work® is the global authority on workplace culture, providing organizations with research-backed insights, benchmarking, and certification to help them build consistently positive employee experiences.

“Our commitment to **“Making a Difference,”** isn't just about serving our members; it starts with our own team. We believe appreciation isn't just about saying thank you; it's about creating an environment where every employee feels seen, heard, and valued.”

Harry Zhu
President & CEO



Building on what is becoming an annual trend, this year USALLIANCE earned national recognition for our workplace culture, receiving Great Place to Work certification for the second consecutive year. Additional recognition was given to USALLIANCE through a Financial Industry Top Workplaces award and a Top Workplaces Cultural Excellence award across three categories: employee appreciation, professional development, and employee well-being.

Each of these recognitions were grounded in feedback from our employees, through research-backed engagement surveys that measure trust, connection, leadership effectiveness, and overall workplace experience. The results affirmed what we strive for every day: a culture where people feel supported and empowered to grow.

EVOLVING. Investing in Tools that Move Us Forward

Building a great workplace and delivering a great member experience are two sides of the same coin. This year, we expanded our use of innovative technologies, including new AI platforms that streamline operations and support more personalized experiences.

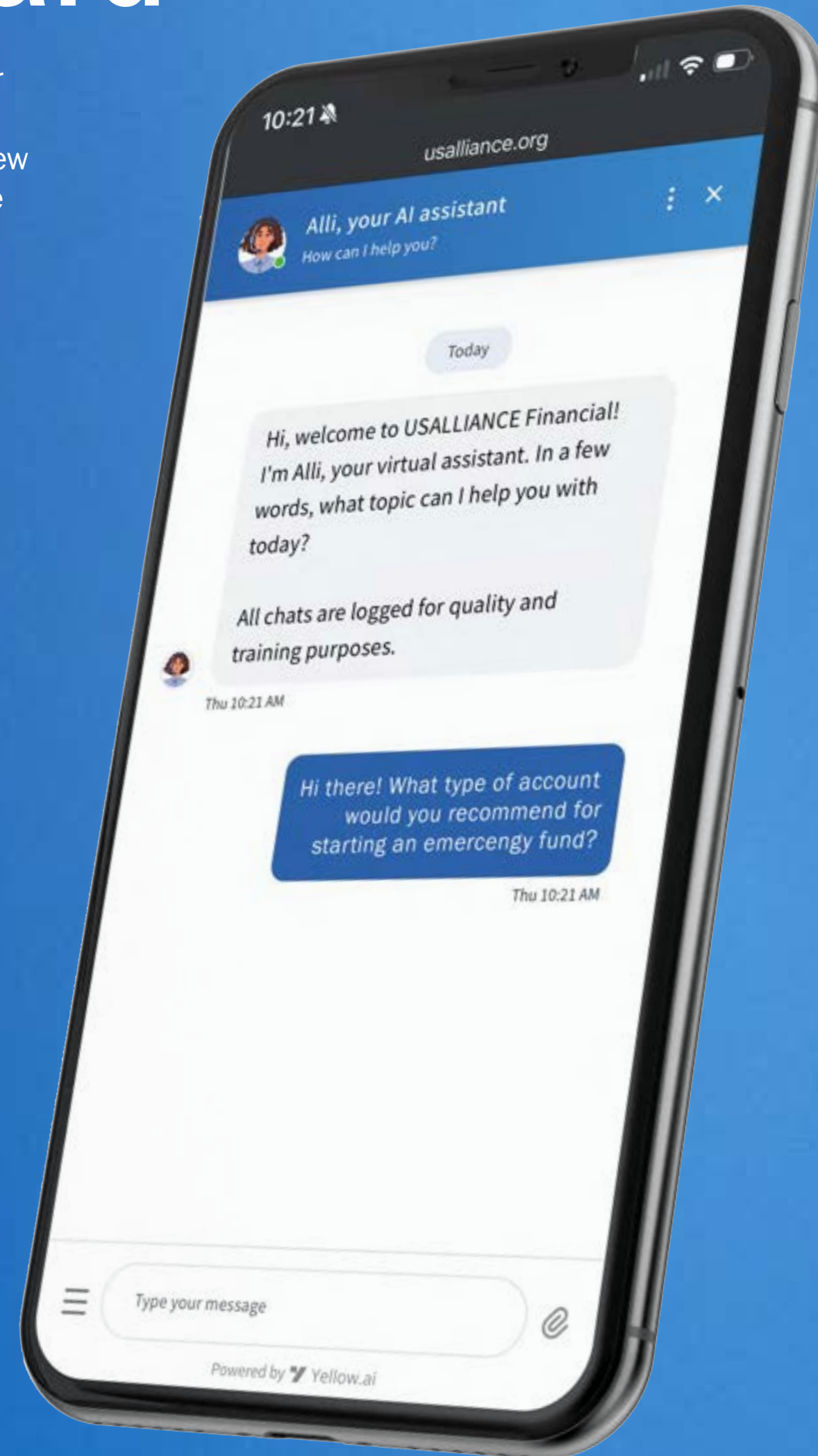
Yellow.ai

In December, we partnered with Yellow.ai to launch a new member-facing chatbot, with voice functionality on the horizon. The tool helps members get answers to common questions faster and reduces wait times across our Contact Center.

Members will continue to have direct access to a real person for personalized support. By shifting routine inquiries to digital channels, our Contact Center staff can dedicate more time and attention to complex member needs—preserving the personal touch that defines USALLIANCE and that our members value.

Verapath & Copilot

We also expanded our technology capabilities with the launch of Verapath, our in-house AI system designed to enhance efficiency while preserving robust member security. As technology evolves, so does our commitment to using it thoughtfully, always with our members and our team at the center of every decision.



DELIVERING. Checking Enhancements



This year, we introduced two significant enhancements to the MyLife Checking experience. Guided by member feedback and a focus on addressing real-world pain points, these updates reinforce our commitment to enhancing our products in ways that better serve our members and empower their financial well-being.

Increased ATM fee rebates

To help offset rising ATM fees nationwide, we raised our monthly ATM fee rebate from \$10 to \$25, giving members greater fee-free access to their money.

Enhanced overdraft protection

We eliminated overdraft fees on transactions under \$5 and when accounts are overdrawn by \$5 or less, providing members with added flexibility and peace of mind.

Listening to member feedback and acting on it is at the core of what we do, and every enhancement we make is driven by the needs and experiences our members share with us.

And we're not done yet—even more features and account enhancements are coming in 2026.

Walmart of Napanoch Renovation

In November, we unveiled our newly renovated Walmart of Napanoch Branch, introducing a modernized space built to elevate the banking experience for our members.

Enhancements include a redesigned teller line with a glass partition, a repositioned ATM for improved privacy and security, an expanded three-person teller station with a handicapped-accessible desk, and a new office for account openings.

“Enhancing the in-branch experience has been a top priority for us. We’re excited to welcome members to a branch that now offers greater privacy, a more functional design, and a more welcoming environment.”

Carlos Fonseca
CMXO and EVP of Marketing and Experience

These improvements ensure our front-line staff have the tools and environment they need to better support our members. We celebrated the grand reopening on December 5, 2025, welcoming members to experience the upgraded space firsthand. The event kicked off with a ribbon-cutting ceremony in partnership with the Ulster County Chamber of Commerce, and members had the chance to connect with their local branch team.

Investing in our physical branches alongside our digital tools reflects our commitment to serving members on their terms, whether they choose to connect in person, over the phone, or online.



Listening. Evolving. Delivering.

As we approach our 60th anniversary in 2026, we are not just reflecting on how far we have come—we are setting the foundation for the next 60 years.

This past year marked intentional progress across every corner of our organization. We grounded ourselves in a renewed MVV that capture who we are and clarify where we’re headed.

We invested in our people and earned national recognition for a workplace culture built on trust, appreciation, and growth, because we believe that members serving members starts with a team that feels genuinely supported.

We enhanced the products and services our members rely on every day, from expanded ATM fee rebates and overdraft relief to a beautifully renovated branch experience. We embraced technology and innovation not for the sake of change, but because our members deserve faster, smarter, and more personalized service. And through it all, we never lost sight of the human connection that has always set us apart.

As we look ahead, our commitment remains the same. We will continue to listen to our members, evolve our product and service offerings, and deliver a better experience for every person who trusts us with their financial well-being.

The best is still to come.

USALLIANCE in the News



USALLIANCE Federal Credit Union wins 2025 Top Workplaces Industry Award, A National Recognition

USALLIANCE Financial is proud to be recognized as a 2025 Financial Industry Top Workplaces winner. The Top Workplaces program, now in its 18th year, honors organizations across the country that excel at creating people-first cultures.

This industry-specific award highlights employers that prioritize their teams, foster meaningful workplace experiences, and set a high standard within the financial sector. Earning this distinction positions USALLIANCE as an employer of choice for talent seeking a supportive and engaging workplace.

[READ MORE](#)



USALLIANCE Financial unveils newly renovated Walmart of Napanoch, NY Branch

[READ MORE](#)



USALLIANCE Financial expands leadership team with future-focused hires

[READ MORE](#)



USALLIANCE Financial earns 2025 Top Workplaces Culture Excellence Awards

USALLIANCE was named a winner in the 2025 Top Workplaces Culture Excellence Awards, earning recognition in three categories: employee appreciation, professional development, and employee well-being.

[READ MORE](#)



USALLIANCE Financial celebrates strong growth and member-focused innovations in 2025

[READ MORE](#)



USALLIANCE Financial selected to receive Designation of Savings Excellence Award by National Savings Program Annual Campaign

USALLIANCE was selected as a 2025 America Saves Week Designation of Savings Excellence (DOSE) award winner. This award is an honor explicitly reserved for organizations that effectively and actively promote saving strategies during the annual America Saves Week campaign.

[READ MORE](#)



Best Student Checking Accounts of 2025

The best student checking accounts keep the fees low, let you access your money easily and have user-friendly online banking tools.

[READ MORE](#)

Social Media Highlights

Supporting our members with helpful financial education is a key priority. We believe that understanding how to manage money wisely can make a real difference in our members' lives, and we're committed to making that knowledge accessible.

Throughout the year, we shared tips, tools, and insights across a variety of channels—including our website, blog, monthly newsletter, and social media platforms.

Our Financial Education Center continues to serve as a hub for practical advice and resources. Members are encouraged to subscribe and follow along to stay informed and empowered on their financial journey.

 @usalliance

 @usalliance

 @usalliancefcu

 www.linkedin.com/company/usalliance/



Last week, we celebrated the grand reopening of our newly renovated Walmart of Napanoch Branch! 🎉 Thank you to the Ulster County Chamber of Commerce and all who celebrated with us. You made the day so special! 💙 Our space now offers enhanced privacy, a more welcoming layout, and new conveniences designed to elevate your banking experience. Stop by and see what's new! We can't wait to serve you in our upgraded branch. 🙌



USALLIANCE Financial celebrates strong growth and Member-focused innovations in 2025.



What a year! 💙 2025 brought new milestones, exciting growth, and so many reasons to celebrate. Click the link in bio to check out our favorite moments from the year!



It's National Self-Employed Day! Did you know that 16 million Americans are self-employed? Today, we're celebrating all of you who are making your own path!



REPOST Sammy Sweets:
 Couldn't be more grateful and proud of my first corporate order. Couldn't be happier with where my cookie journey has brought me 🍪
 Usalliance Financial



We're honored to be recognized as a 2025 Top Workplace for Culture Excellence in Employee Appreciation, Professional Development, and Well-Being! Thank you to our incredible team for helping us build a workplace that's full of collaboration, creativity, and care. 🙌



Don't mind us, we're just happy to be here.



Financial Education

Supporting our members with helpful financial education is a key priority. We believe that understanding how to manage money wisely can make a real difference in our members' lives, and we're committed to making that knowledge accessible.

Throughout the year, we shared tips, tools, and insights across a variety of channels—including our website, blog, monthly newsletter, and social media platforms.

Our Financial Education Center continues to serve as a hub for practical advice and resources. Members are encouraged to subscribe and follow along to stay informed and empowered on their financial journey.



**USALLIANCE
Wrapped 2025**

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the New Year**

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Supervisory Committee Report

The Supervisory Committee is an independent body, appointed by the Board of Directors, which has the responsibility to ensure that the financial statements accurately and fairly present the financial condition of the Credit Union and that management practices and procedures safeguard the members' assets.

To accomplish our goals, the Committee engages both internal auditors and an independent public accounting firm to audit the consolidated financial statements. Internal audit findings, recommendations, and management responses are reviewed by the Supervisory Committee and presented to the Board of Directors. To ensure the consolidated financial statements fairly represent the Credit Union's financial position, the Supervisory Committee retained the services of the certified public accounting firm of Doeren Mayhew, to perform an audit in accordance with Generally Accepted Accounting Principles (GAAP) and to express an opinion on the fairness of the consolidated financial statements.

Their audit report, which contained an unqualified opinion, dated February 27, 2026, confirmed the Credit Union's consolidated financial statements for 2025 were materially correct and presented in conformity with GAAP.

For a complete copy of the independent audit report performed by Doeren Mayhew, please call the Credit Union at (800) 431-2754 or email your request to memberservices@usalliance.org.

A handwritten signature in black ink that reads "Chanel V. Smith". The signature is written in a cursive, flowing style.

Chanel V. Smith
Supervisory Committee Chair

Statement of Income

	2025	2024
INTEREST INCOME		
Loans to members	\$169,716,205	\$162,117,450
Investments and cash equivalents	\$11,621,789	\$14,174,624
TOTAL INTEREST INCOME	\$181,337,994	\$176,292,074
INTEREST EXPENSE		
Members' shares and savings accounts	\$82,045,750	\$82,576,847
Borrowed funds and subordinated debt	\$18,923,985	\$17,208,999
TOTAL INTEREST EXPENSE	\$100,969,735	\$99,785,846
NET INTEREST INCOME	\$80,368,259	\$76,506,228
Provisions for credit losses	\$12,490,262	\$17,713,802
NET INTEREST INCOME AFTER PROVISIONS FOR CREDIT LOSSES	\$67,877,997	\$58,792,426
NON-INTEREST INCOME		
Fees and charges	\$8,056,110	\$7,971,145
Interchange income	\$3,322,235	\$3,538,503
Gain on sale of visa stock	-	\$2,069,364
Other income	\$1,648,817	\$1,223,658
(Loss)/gain on sale of loans	\$1,156,272	\$298,601
TOTAL NON-INTEREST INCOME	\$14,183,434	\$15,101,271
NON-INTEREST EXPENSE		
Compensation and benefits	\$34,082,592	\$33,735,054
Office operations	\$12,808,430	\$12,904,167
Loan servicing	\$5,340,197	\$4,927,196
Office occupancy	\$2,884,403	\$3,162,565
Other expense	\$3,383,627	\$2,320,891
Advertising costs	\$2,773,308	\$2,420,104
TOTAL NON-INTEREST EXPENSE	\$61,272,557	\$59,469,977
NET INCOME	\$20,788,874	\$14,423,720

Statement of Financial Condition

	2025	2024
ASSETS		
Cash and cash equivalents	\$221,051,657	\$219,094,210
Automated Clearing House (ACH) receivable	\$17,484,801	\$18,316,340
Federal Home Loan Bank (FHLB) stock	\$24,726,000	\$23,724,800
Central Liquidity Facility (CLF) stock	\$6,534,022	\$5,990,527
Loans to members, net of allowance for loan losses	\$2,957,890,312	\$2,813,420,737
Accrued interest receivable	\$15,931,353	\$14,970,022
Prepaid and other assets	\$62,568,727	\$78,781,267
Property and equipment, net	\$2,947,632	\$3,756,811
National Credit Union Share Insurance Fund (NCUSIF) deposit	\$22,439,259	\$21,997,059
TOTAL ASSETS	\$3,331,573,763	\$3,200,141,773
LIABILITIES AND MEMBERS' EQUITY		
LIABILITIES:		
Members' shares and savings accounts	\$2,276,808,561	\$2,206,021,163
Non-member deposits	\$244,336,000	\$235,572,008
Borrowed funds	\$509,463,041	\$481,086,109
Subordinated debt	\$14,400,000	\$16,000,000
Accrued expenses and other liabilities	\$38,918,452	\$36,181,668
TOTAL LIABILITIES	\$3,083,926,054	\$2,974,860,948
MEMBERS' EQUITY		
Undivided earnings	\$247,972,287	\$227,183,413
Accumulated other comprehensive loss	(\$324,578)	(\$1,902,588)
TOTAL MEMBERS' EQUITY	\$247,647,709	\$225,280,825
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$3,331,573,763	\$3,200,141,773

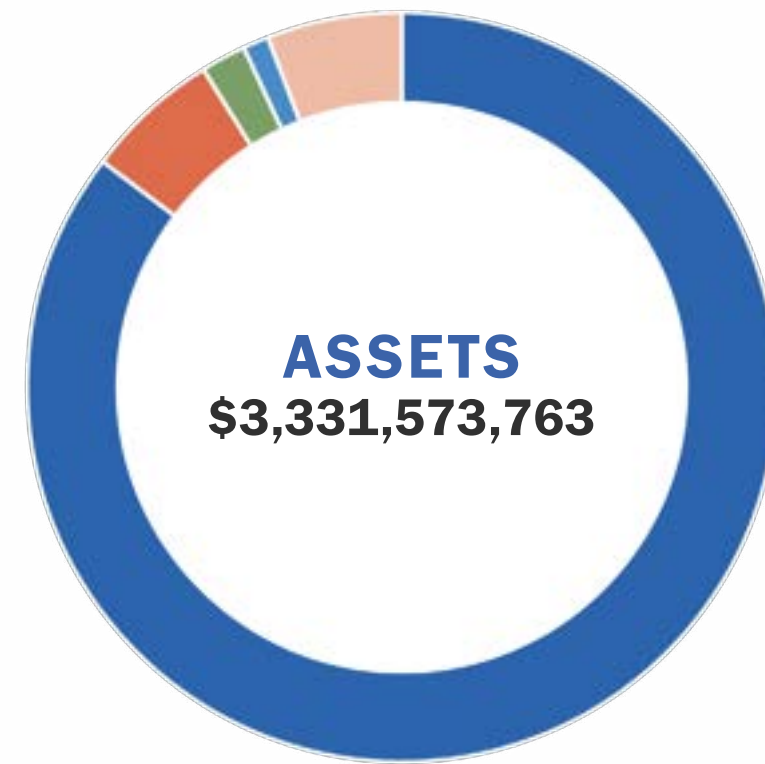
	2025	2024	2023
NET INCOME	\$20,788,874	\$14,423,720	\$19,348,582
TOTAL ASSETS	\$3,331,573,763	\$3,200,141,773	\$3,093,628,703

Their audit report dated February 27, 2026, which contained an unqualified opinion, confirmed the Credit Union's consolidated financial statements for 2025 were materially correct and presented in conformity with GAAP.

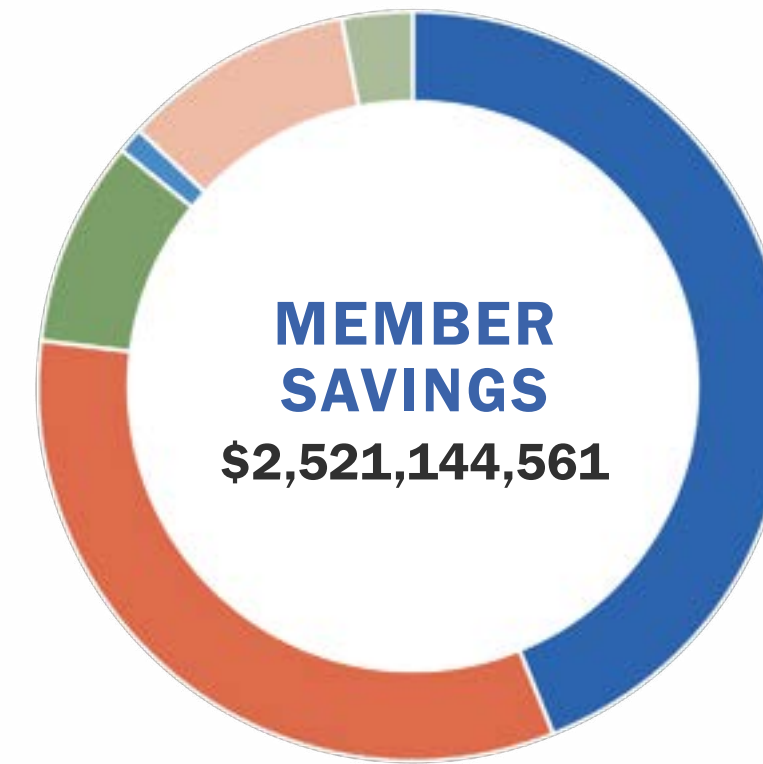
For a complete copy of the independent audit report performed by Doeren Mayhew, please call the Credit Union at (800) 431-2754 or email your request to memberservices@usalliance.org.

Statement of Financial Condition CONTINUED

All data as of December 31, 2025



- **LOANS**
\$2,957,890,312
- **CASH**
\$221,051,657
- **INVESTMENTS**
\$31,260,022
- **PROPERTY & EQUIPMENT**
\$2,947,632
- **OTHER**
\$118,424,140



- **CERTIFICATES**
\$1,101,921,689
- **SHARES**
\$844,313,545
- **CHECKING**
\$231,573,971
- **MONEY MARKET**
\$18,861,214
- **RETIREMENT**
\$80,138,142
- **NON-MEMBER DEPOSITS**
\$244,336,000



- **REAL ESTATE**
\$1,927,159,142
- **AIRCRAFT**
\$357,546,198
- **BOAT AND VEHICLE**
\$419,764,207
- **CREDIT CARDS**
\$28,727,880
- **OTHER**
\$256,719,739

NOTE: Other includes \$3,429,391 of commercial real estate

Branches

Connecticut

West Haven
1 Atwood Place

Massachusetts

Medford
71 Station Landing

New York

Bronx
20 East 179th Street

Napanoch
7500 Route 209, Walmart

Port Chester
555 Boston Post Road

Purchase
700 Anderson Hill Rd. PEPSICO†

ATMs & Shared Branches

USALLIANCE members have access to 33,000+ surcharge-free ATMs, as well as more than 5,400 shared branch facilities nationwide.

Find one near you: www.usalliance.org/about-us/atm-branch-locator

6 USALLIANCE Branches

33,000+ Surcharge-free ATMs

5,400+ Shared Co-op Branches

Digital Banking

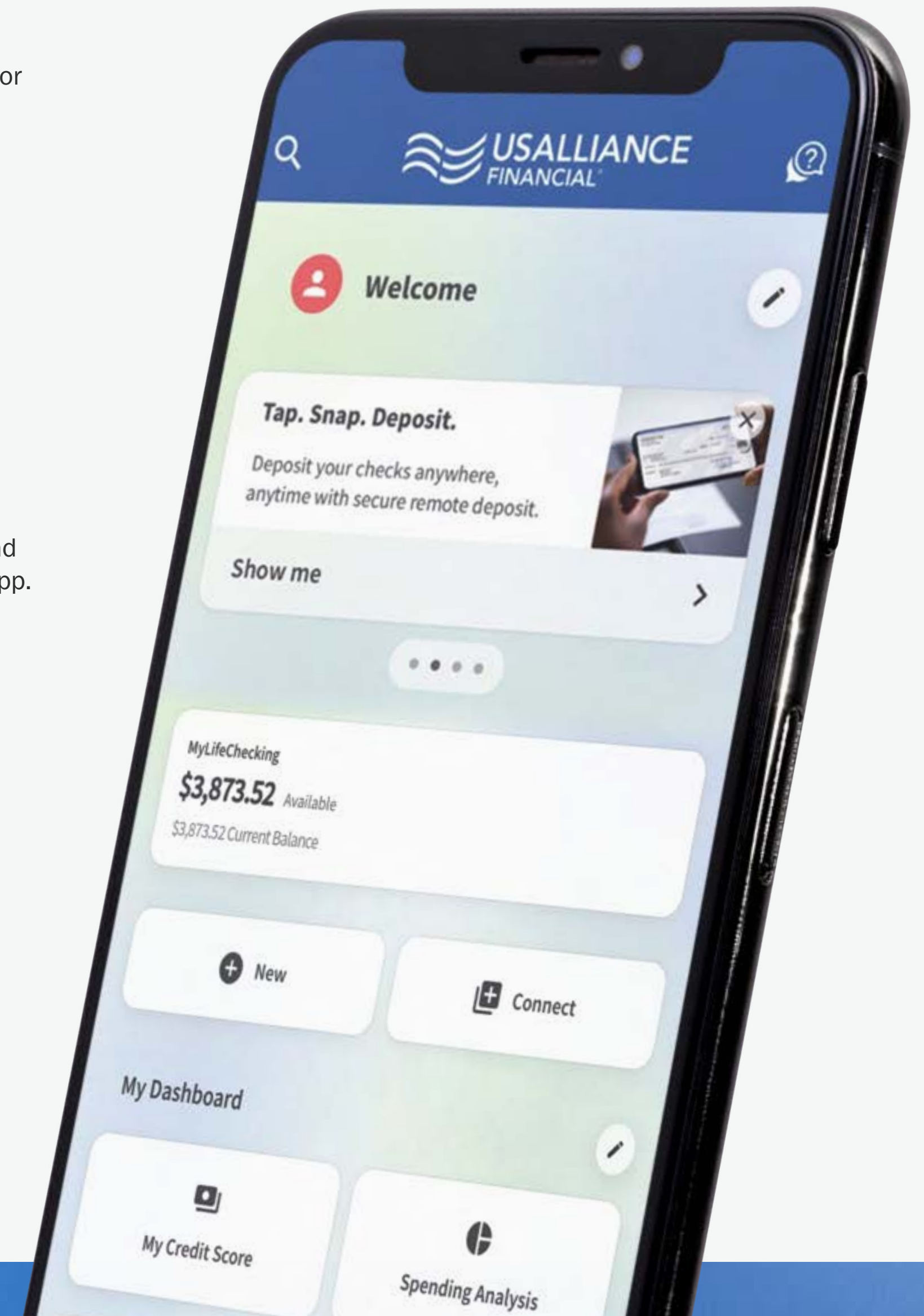
Our Digital Banking platform provides convenient, personalized, and secure access to your accounts through the USALLIANCE mobile app. The app is available in the Apple App Store® and on Google Play™.

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App Store is a service mark of Apple Inc.

Google Play and Android are trademarks of Google LLC.

Branch location data as of January 1, 2026



Volunteers

Board of Directors

Board Chair

Carla M. Palma

Vice Chair

Ron Quagliani

Secretary

Todd Paschke

Treasurer

Bill Lusk

Directors

Ellen Dulberger

Arthur Kentros

Paul Gravenese

Nancy Rossi

Thadd Shepherd

Associate Directors

Loretta Ovueraye

Cory Notrica

Nick Zagaria

Supervisory Committee

Members

Chanel V. Smith, Chair

Carl A. Itoka

Michele Royster

Mark O'Connor

Paul Gravenese

Management Team

Executive Team

President & Chief Executive Officer

Harry Zhu

Chief Strategy & Innovation Officer

Executive Vice President

Kevin A. Randall

Chief Financial Officer

Executive Vice President

Brett J. Wheeler

Chief Lending Officer

Executive Vice President

Alexander Schmidt

Chief Marketing & Experience Officer

Executive Vice President

Carlos J. Fonseca

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