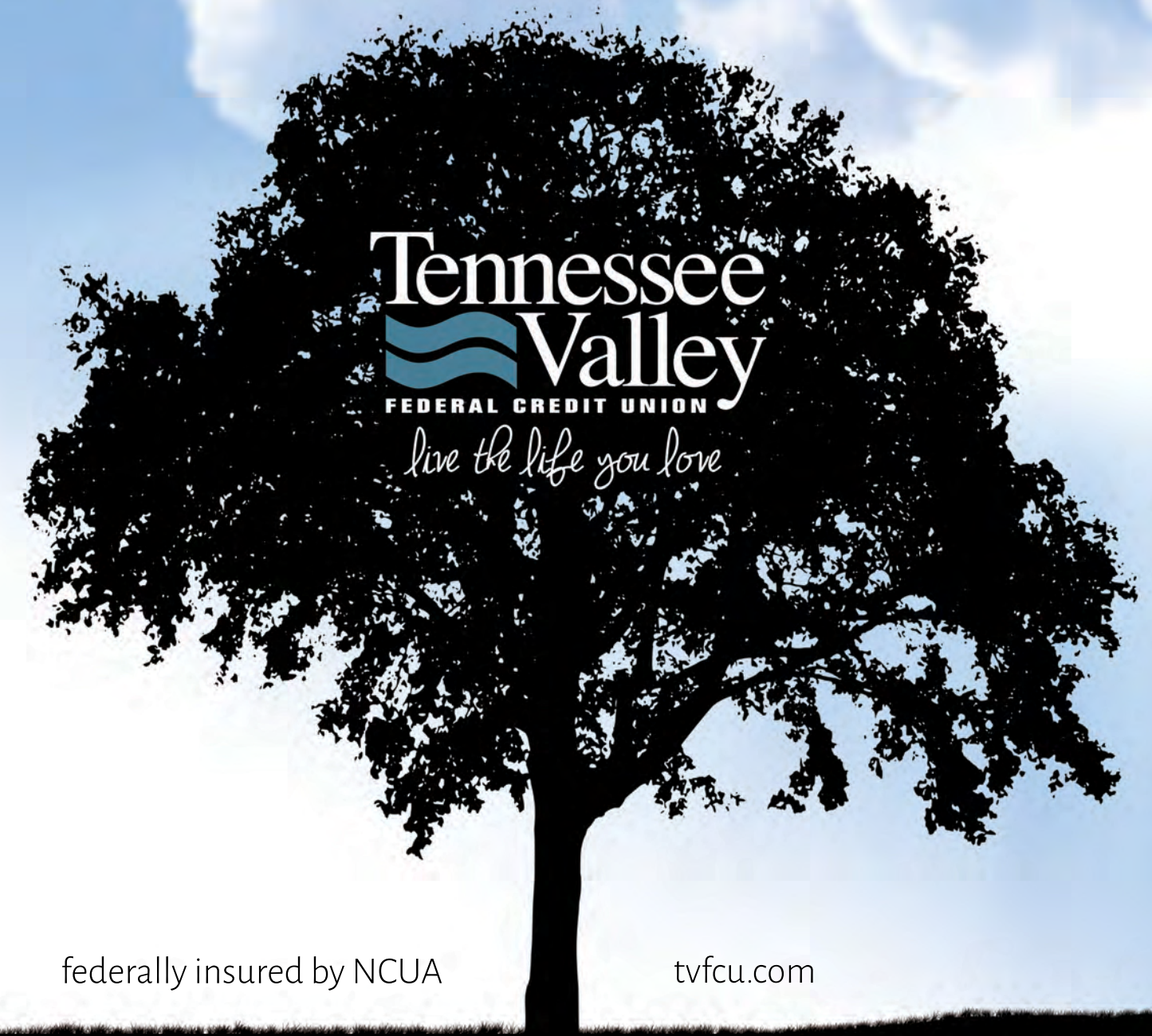


2017 Annual Report Summary

assets	\$1,351,271,375
deposits	\$1,163,747,908
loans	\$986,382,643
auto loans	\$588,141,228
members	133,048
capital	12.91%
net income	\$18,212,165
return on assets	1.40%

(Full copy of financials available upon request.)



federally insured by NCUA

tvfcu.com

Serving our growing credit union family



Board & Management Report

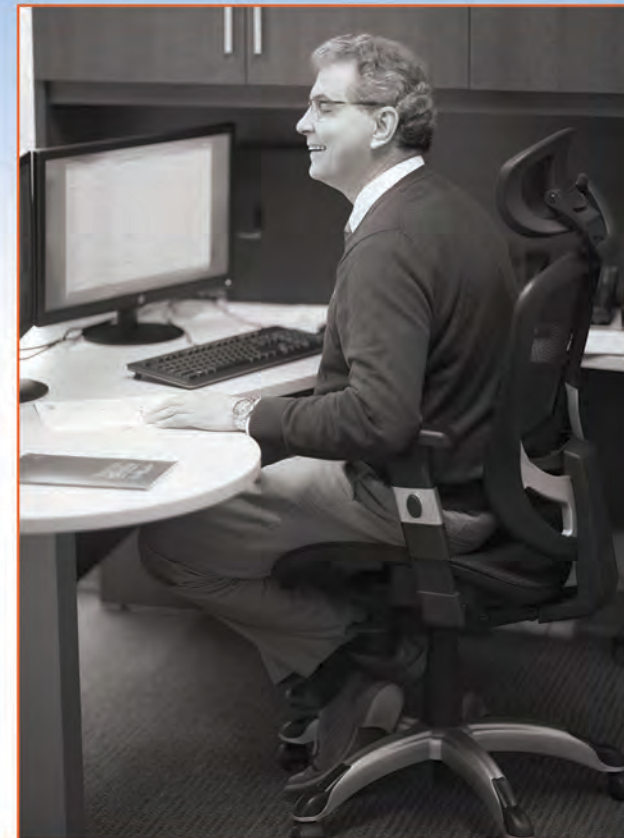
For more than 80 years, the heart of our mission here at Tennessee Valley Federal Credit Union (TVFCU) has been serving you. Our pursuit of exceptional personal service has continued throughout the many exciting changes we have experienced over the years. And since good service can sometimes be hard to find, people seem to truly appreciate its value. This appreciation is clearly evidenced by our growing credit union family. We welcomed more than eight thousand new members in 2017, topping 133,000 members and \$1.3 billion in assets by year's end.

Due to this outstanding growth, a corresponding increase in staffing was required to meet the growing demand and TVFCU's back-office operations outgrew our main office in downtown Chattanooga. Renovations on a larger facility at 535 Chestnut Street were completed in early 2018 and administrative staff has now been moved to this location. As we continue to grow by working hard to serve you, exciting new products and services are sure to come.

A couple of years ago, we launched tvfcuLIVE Interactive Teller Machines (ITMs) at our Ringgold branch. Because of the excellent response to this new technology, we added tvfcuLIVE ITMs to most branch drive-thrus in 2017. We also added ITMs to two new branches inside Food City stores and to our TVA Chattanooga Office Complex (COC) branch during a recent renovation. More and more members are now experiencing our friendly tvfcuLIVE personal tellers and the convenience of 7 a.m. to 7 p.m. Monday through Saturday access.

Our financial performance shows that 2017 was another fantastic year for TVFCU. Total loans increased almost 20% in 2017, approaching the \$1 billion mark at \$986 million, while deposits ended the year at over \$1.1 billion. During the year we added more than \$18 million to our equity position and ended the year with a capital ratio of 12.91%, which places TVFCU on stable ground for the future. Our all-around performance provides a solid foundation for continued success and strengthens our competitive position in the marketplace.

With technology perpetually racing forward, it's difficult to know what's next, but one thing is certain. Innovations will continue to frequently enter the marketplace, and it's our responsibility to incorporate those that provide convenience and cost savings for you. We will focus on identifying emerging technological tools that add value to membership and help you live the life you love.



Supervisory Committee Report

The Supervisory Committee is created by Federal law and appointed by the Board of Directors in accordance with the provisions of the Federal Credit Union Act. Committee members for 2017 included Judy Field, Bernard Harris, Cheryl Rogers, and Ron Thomas.

According to the rules and regulations of the National Credit Union Administration (NCUA) and the Federal Credit Union Act, the Supervisory Committee is accountable for the performance of certain duties and responsibilities. The Committee is available to provide impartial assistance to any member who encounters problems transacting credit union business, and is responsible for internal audit oversight that seeks to minimize the credit union's risk of loss due to carelessness, error, or fraud.

The Internal Audit Department, under the Committee's direct supervision, assists by performing periodic audits of the credit union's operations, policies, procedures, internal controls, and regulatory compliance. Board and management then utilize these audits to consider possible improvements to the credit union.

The Supervisory Committee annually enlists outside auditors to provide an independent financial audit of the credit union's records. For 2017, the accounting firm of Elliott Davis, LLC performed the audit. This audit assured the Committee that Tennessee Valley Federal Credit Union's financial statements present fairly, in all material respects, the financial position and the changes in net assets and cash flows for the year ended December 31, 2017.