

ANNUAL REPORT 2025

Corporate America Family Credit Union



 **CAFCU**

Empowering Financial Success

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ABOUT US

We aim to be a relentless champion of our members' financial dreams and the communities we serve.

WHAT WE OFFER



LENDING SOLUTIONS

Home, auto, and personal loans are designed to help members reach important financial milestones with competitive value and responsive service.



CONVENIENT ACCESS

24/7 account access through enhanced digital banking tools, nationwide ATM networks, and shared branching locations.



EVERYDAY BANKING

A full suite of checking and savings products supported by secure systems and modernized banking technology.



FINANCIAL GUIDANCE

Personalized support and financial wellness resources strengthened by streamlined processes and improved member service tools.

"Very happy with CAFCU. They consider their clients far more than a large bank ever would, which is priceless."

– Leo D., Rolling Meadows, 5-Star Google Review

We empower financial success.

PRESIDENT & CEO MESSAGE



STEFANIE RUPERT

2025 was a year of transformation, not just in systems, but in mindset.

This organization chose to do hard things this year. We modernized infrastructure, sharpened our strategy, and challenged ourselves to operate with greater clarity and accountability. None of that happens by accident. It happens through focus, resilience, and a shared commitment to progress.

Our core system conversion in March marked a pivotal moment. While technology is often viewed as a back-office upgrade, this investment was about far more than software. It was about capacity. It was about creating a digital and operational foundation strong enough to support the next decade of growth. It equips our team with better tools, strengthens data integrity, enhances reporting, and ultimately improves how we serve every member.

Transitions of this scale require discipline and teamwork. I am proud of how our employees leaned in, adapted, and stayed member-focused throughout the process. Change tests culture, and ours proved strong.

Financially, 2025 reflects a year of investment. Elevated provision expenses and modernization costs impacted earnings, but those decisions were intentional. We protected capital, maintained liquidity, reduced borrowings, and upheld balance sheet discipline. We finished the year well capitalized and positioned for forward momentum. Stability remains our foundation.

Equally important, we strengthened internal alignment. We clarified priorities, elevated performance expectations, enhanced analytics, and refined sales and service execution. We invested in leadership development and reinforced a culture rooted in ownership and accountability. Growth does not come from activity alone; it comes from disciplined focus on the right initiatives.

As we move into 2026, we will introduce a new brand that reflects the clarity and ambition we have built internally. This



evolution is not cosmetic. It is the outward expression of years of strategic work. It signals that we are confident in our capabilities, bold in our direction, and prepared for broader impact.

Our mission remains unchanged: to serve members with integrity, innovation, and financial strength. But how we deliver on that mission continues to evolve.

We are building an organization designed for durability, one that balances cooperative values with modern execution, community commitment with enterprise discipline, and service with growth.

Thank you to our team for their perseverance, to our Board for their steady governance, and to our members for your trust. The work completed this year was foundational.

The next chapter is no longer about catching up. It is about leading forward.

Thank you for your continued trust and commitment as we move forward to our next chapter.

BOARD CHAIR MESSAGE

THOMAS RIECK



On behalf of the Board of Directors, I want to thank you members for the trust you place in CAFCU. Your confidence is the foundation of our cooperative, and we take that responsibility seriously.

2025 was a year of disciplined execution and structural progress. Most notably, we successfully implemented

our new core system. This was a complex, enterprise-level undertaking that strengthens our operational capacity, enhances service delivery, and positions the credit union for long-term competitiveness. Projects of this scale require rigorous oversight, and the Board remained closely engaged throughout the process.

The Board's focus this year was clear: sound governance, capital strength, and strategic modernization. We worked closely with executive leadership to ensure growth initiatives were aligned with prudent risk management and long-term sustainability. At year-end, total assets reached \$829.0 million, and member equity increased to \$109.2 million. These results reflect continued financial stability and responsible stewardship.

While earnings were influenced by elevated provision expenses and targeted strategic investments, CAFCU remains well capitalized and financially sound. The decisions made this year were deliberate. We invested in infrastructure, technology, and organizational alignment to ensure that the credit union remains relevant, resilient, and prepared for future opportunities.

In addition to financial oversight, the Board continued to strengthen governance practices, support regulatory compliance, and uphold the cooperative principles that define this institution. Our role is not only to oversee performance, but to safeguard the long-term interests of our members. That responsibility guides every decision we make.

As we enter 2026, CAFCU stands on solid ground. The foundational work completed over the past two years has positioned the organization for its next phase of growth and evolution. We are confident in management's ability to execute the strategy ahead while maintaining the integrity and member focus that have long defined this credit union.

COMPARATIVE FINANCIAL STATEMENTS

2025 reflects disciplined growth, strengthened capital, and operational investment designed to support long-term scalability.

As of December 31, 2025, and 2024, in thousands of dollars

Assets	2025	2024
Cash in Banks	\$35,113	\$21,745
Loans to Members	\$626,273	\$608,992
Allowance for Credit Losses	(\$7,298)	(\$5,951)
Investments	\$129,343	\$156,820
Other Assets	\$45,582	\$43,628
Total Assets	\$829,013	\$825,234

Liabilities and Equity	2025	2024
Total Shares and Certificates	\$698,549	\$672,656
Borrowings	\$15,000	\$40,000
Other Liabilities	\$6,237	\$8,986
Member Equity	\$109,227	\$103,592
Total Liabilities and Equity	\$829,013	\$825,234

Statements of Income

Revenues	2025	2024
Interest Income Loans & Investments	\$43,515	\$40,174
Fee and Other Income	\$7,710	\$16,568
Total Revenues	\$51,225	\$56,742

Expenses	2025	2024
Interest on Shares, Certificates, and Borrowings	\$13,864	\$14,024
Loan Loss Provision Expense	\$4,359	\$2,960
Operating Expense	\$32,705	\$33,496
Total Expenses	\$50,928	\$50,480

Net Income	\$297	\$6,262
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2025 AT A GLANCE

\$829.0M	Total Assets	61,957	Members Served
\$109.2M	Member Equity	13.45%	Net Worth Ratio
\$626.3M	Loans to Members		

2025 MOMENTUM

CORE SYSTEM CONVERSION COMPLETED

Successfully implemented a new enterprise core platform in March 2025, strengthening digital capacity and operational scalability.

DIGITAL BANKING ENHANCEMENTS

Expanded and improved online and mobile capabilities to support a seamless member experience.

OPERATIONAL DISCIPLINE

Reduced borrowings by \$25.0M while increasing loans by \$17.3M and growing total shares by 3.9%.

STRATEGIC ALIGNMENT

Enhanced reporting, analytics, and leadership focus to support long-term growth.

FINANCIAL STRENGTH MAINTAINED

Remained well capitalized while investing in modernization and infrastructure.



MEMBERSHIP HIGHLIGHTS

GROWTH IN COMMUNITY. STRENGTH IN RELATIONSHIP.

As of December 31, 2025, CAFCU served 61,957 members. Behind that number are individuals, families, and business partners who chose CAFCU as their financial home and community partner.

Membership growth during the year reflected more than new accounts. Members strengthened their relationships with CAFCU by regularly using checking, savings, lending, digital banking, and direct deposit. Throughout 2025, engagement across both branch and digital channels reflected a cooperative built on trust and everyday connection.

Membership is most visible in the communities we serve.

“Bill took the time to fully explain the details of each account available to us. We look forward to growing our relationship.”

– Pat M., Warrenville

SUPPORTING PADS OF ELGIN

One of the most meaningful partnerships in 2025 was CAFCU’s continued sponsorship and engagement with PADS of Elgin, an organization dedicated to preventing homelessness and supporting individuals and families in crisis.

Through sponsorship, awareness efforts, and community collaboration, CAFCU helped elevate PADS’ mission and reinforce the connection between housing stability and long-term financial well-being.

STRENGTHENING COMMUNITIES WE SERVE

In 2025, CAFCU’s impact extended well beyond financial services and into the communities our members call home.

- Connected with families at the Streamwood Summer Celebration, strengthening neighborhood relationships through local engagement.
- Engaged Crystal Lake residents at the Community Expo and hosted a Toys for Tots drive supporting children during the holidays.
- Organized a Rolling Meadows food pantry collection benefiting Harvest Hope Center and local families in need.
- Welcomed Elgin families to the annual Boo at the CAFCU Drive-Thru, creating a safe and festive gathering for the community.
- Sponsored initiatives with the Elgin Hispanic Network, reinforcing CAFCU’s commitment to serving and supporting its Latino community through partnership and cultural engagement.
- Sponsored Towanda Hometown Country Christmas, serving hot cocoa during a cherished seasonal tradition.
- Partnered with The Salvation Army in Bristol to host an Angel Tree initiative supporting twelve local children.



Throughout 2025, CAFCU remained actively engaged in the communities it serves through ongoing sponsorships, partnerships, and outreach initiatives.

Each moment reflects neighbors showing up for neighbors. At CAFCU, membership means more than managing money. It means belonging to a cooperative committed to strengthening the communities we share.

MEET OUR BOARD



Thomas Rieck
Chair



Glenn Brown
Vice Chair



Kenneth Naatz
Secretary



John Blozis
Treasurer



Pat Tollefson
Director



Thomas Sheppard
Director



Jeff Gott
Director



Costanzo Maestranzi
Director



Tiffany Jordan
Director



Matt Stern
Associate Director

COMMITTEES

ALCO/Investment

Thomas Rieck
John Blozis
Kenneth Naatz
Jeff Gott

Nominating

Thomas Rieck
John Blozis
Costanzo Maestranzi

Compensation

Thomas Rieck
John Blozis
Kenneth Naatz
Thomas Sheppard

Credit/Loan

Glenn Brown
Pat Tollefson
Kenneth Naatz

Diversity, Equity, and Inclusion

Glenn Brown
Tiffany Jordan
Thomas Sheppard

Membership

Tiffany Jordan
Jeff Gott
Glenn Brown

Supervisory

Tiffany Jordan
Thomas Sheppard
Jeff Gott

Political Action

Thomas Rieck
Pat Tollefson

TREASURER'S REPORT

JOHN BLOZIS



Corporate America Family Credit Union delivered \$297K in net income and \$2.2M in operating income during 2025. Member equity grew to \$109.2M, and the credit union finished the year with a 13.45% Net Worth to Total Asset Ratio. CAFCU remains well capitalized.

During 2025, total revenue decreased by \$5.5M. Net income was \$297K, reflecting \$2.2 million in non-recurring charges for infrastructure and technology investments. Dividend and interest expense decreased by \$160K. The loan loss provision decreased by \$1.4M. Operating expenses decreased by \$791K.

Total members' equity increased by \$5.6M, or 5.4%, to \$109.2M directly due to improved earnings and a lower level

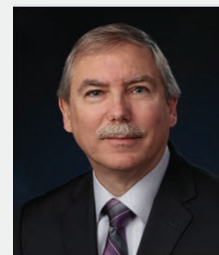


of unrealized loss of investments. The increase in members' equity resulted from the \$297K of net income for the year and the \$5.3M increase in the market value of investments. The credit union is well-capitalized.

Total assets of \$829.0M at the end of 2025 increased by \$3.8M or 0.5% from the prior year. Loans increased by \$17.3M. The increase was due to increases in outstanding loans and cash. Total shares increased by \$25.9M or 3.9%. Borrowings decreased by \$25.0M.

SUPERVISORY COMMITTEE REPORT

THOMAS SHEPPARD



The Supervisory Committee's responsibility is to serve Corporate America Family Credit Union (CAFCU) members by ensuring that all credit union records are accurately and properly reported.

This committee fulfills its obligation to members by monitoring and auditing the activities of each credit union branch office

and department to ensure adherence to internal control procedures and board policy. This committee receives and reviews member inquiries and resolves any issues that arise. The committee also recommends policy changes to the Board of Directors for their approval.

The Supervisory Committee contracted Doeren Mayhew, a nationally recognized CPA and advisory firm, to perform an annual audit of the credit union. Their latest report, dated October 30, 2025, states that the audit was conducted in accordance with auditing standards generally accepted in the United States of America. Doeren Mayhew concluded that the financial statements present fairly, in all material respects, the financial position of CAFCU as of March 31, 2025, and 2024, and the results of its operations and its cash flows for the years then ended are in accordance with accounting principles generally accepted in the United States of America.

CAFCU contracted CliftonLarsonAllen for quarterly compliance assessments and CastleGarde, Inc., for IT and cybersecurity assessments. These voluntary, proactive assessments demonstrate our commitment to meeting evolving compliance expectations and protecting our members.

The Supervisory Committee remains committed to compliance and internal controls.

INTRODUCING



In Spring 2026, Corporate America Family Credit Union will transition to Alero Financial, marking the next chapter in our evolution.

The name Alero reflects movement, partnership, and support. It represents a credit union that moves at the speed of life, clear, human, and connected, while remaining grounded in the cooperative principles that have defined us for generations

Our vision is to advance the financial well-being of families and communities through empathy, innovation, and purpose

While our name and visual identity will evolve, our mission remains the same.

This transition reflects momentum, readiness, and a confident next phase of growth.

CAFCU HISTORY

- 1939 Automatic Credit Union (ACU) was founded in Chicago by 15 Automatic Electric Co. employees
- 1956 ACU becomes GTE Employees Federal Credit Union
- 1986 GTE becomes Corporate America Federal Credit Union
- 1997 Credit Union adds state charter, becomes Corporate America Family Credit Union
- 2008 Mobile banking was adopted to empower members
- 2014 Personal Teller Machines (PTMs) installed in branches
- 2019 Corporate America Family Credit Union rebrands to become CAFCU
- 2020 CAFCU acquires Ben Franklin Bank
- 2024 New community engagement strategy introduced. Stefanie Rupert steps into the President/CEO role.
- 2025 Digital banking upgraded to improve member experience. Core system conversion completed to strengthen operational infrastructure and support future growth.
- 2026 CAFCU will rebrand as Alero Financial, reflecting its continued evolution and long-term commitment to members and communities.



LOOKING AHEAD

Launch Alero Financial in Spring 2026

Expand product offerings to increase member value

Advance financial education and advisory services

Continue digital investment and service optimization

Deepen community partnerships

Maintain disciplined, scalable growth



We're becoming something more – together.

Welcome to 2026 and beyond.



1950 Big Timber Rd
Elgin, IL 60123
cafcu.org

Federally insured by NCUA.

BRANCH LOCATIONS

ILLINOIS

Arlington Heights
Burbank
Crystal Lake
Elgin
Mt. Carmel
Streamwood
Warrenville
Rolling Meadows

VIRGINIA

Herndon

CONNECTICUT

Bristol

PENNSYLVANIA

Towanda