Shell FCU has been growing with our members since 1937. We are a family who serves the community through service, lending, financial planning and positive support. With ideal products and services, savings opportunities, rewards, cash back and financial education we are here to help you grow too!
85 YEARS OF HELPING MEMBERS GROW IN OUR COMMUNITIES

139,125 MEMBERS AS OF DECEMBER 2022

$1.73 BILLION IN ASSETS AS OF DECEMBER 2022

11 LOCATIONS (AND GROWING) LOCATED ACROSS HARRIS COUNTY

$2,484,000 CASH BACK AWARDED IN 2022

12 CONSECUTIVE YEARS AWARDED TOP WORK PLACE
CHESTER SERVANCE
CHAIRMAN

DONALD BOOTH
VICE-CHAIRMAN

BEN ESQUIVEL
TREASURER

SALMA HARTLEY
ASSISTANT TREASURER

KURT HOEFER
SECRETARY

MARK SAPP
ASSISTANT SECRETARY

MIKE KOLB
DIRECTOR

ROYCE PARKER
DIRECTOR

DARRICK DUKE
DIRECTOR

WILLIAM WHITE
DIRECTOR EMERITUS
Shell FCU has been growing since 1937, and every day we appreciate the trust you place in us. Your Credit Union serves 139,000 members and employs over 433 dedicated individuals. Currently the most tenured Shell FCU employee, with 30 years, is Jose Rodriguez, our CEO/President of 15 years. Jose began his career at Shell FCU as a part-time teller and has held many positions during his time at the credit union. We thank Jose for his leadership and the entire staff for their commitment to serving the financial needs of the Shell FCU members!

As a $1.73 billion full-service financial institution, Shell FCU remains diligent in remaining financially strong and member service focused. In 2022, 24,465 loans were lent out for more than $551 million. Dividends of $8.9 million were paid out and members received nearly $2.5 million in promotional cash back offers when funding their auto or mortgage loan.

We know your financial needs will grow, and that’s why we’re growing too! The Credit Union began construction in April 2020 on a multi-year, four-phase project at the Deer Park branch. The new staff parking garage was occupied in 2021 and the Deer Park Drive Thru was relocated in the fall of 2021. The new corporate office then broke ground and construction continued throughout 2022. It is anticipated to be occupied in mid-2023.

These projects will allow for additional employment opportunities that will benefit the membership, staff and communities served by Shell FCU. Plus, we’re continuously searching for future locations to provide you with additional convenient branches. Your 12th Shell FCU branch is scheduled to open in Tomball later this year.

Let’s continue “Growing Together” in 2023 and beyond!
The Supervisory Committee provides the Credit Union membership with an independent evaluation of the safety and soundness of Shell Federal Credit Union’s operations and activities. It does so in compliance with the Federal Credit Union Act and Shell FCU’s bylaws. The Supervisory Committee reviews all internal and external audit reports and meets regularly to discuss audit results including internal and external audit recommendations for strengthening internal controls, and the status of management’s action on all prior audit recommendations. The goal of the Supervisory Committee is to ensure the Credit Union’s financial statements provide a fair and accurate representation of its financial condition and that management establishes and maintains sound internal controls that protect the assets of the Credit Union.

In 2022, the committee contracted with CliftonLarsonAllen, LLP to perform annual regulatory compliance assessments and engaged Warren Averett, CPAs and Advisors to perform the annual financial audit. Excellent reports were presented, without any material discrepancies noted.

Throughout the year, the Supervisory Committee reviews and responds in writing to letters and emails it receives from the membership. Both the membership and the management of Shell FCU benefit from this open communication because your individual concerns are addressed on a personal basis and your comments help to ensure that Shell FCU maintains the highest level of exceptional service to its members.

The National Credit Union Administration (NCUA), the regulatory agency for all federally chartered credit unions, also performs periodic supervisory examinations. Based on the results of the 2022 NCUA Examination Report, it is the opinion of your Supervisory Committee that Shell FCU continues to be financially strong and well managed, with sound policies and programs in place.

Thank you for your continued confidence in Shell Federal Credit Union. We invite you to communicate with us by mail at P.O. Box 237, Deer Park, TX 77536 or visit the Supervisory Committee link on the ‘About’ page at ShellFCU.org. All communications are reviewed by this committee.
JOSE RODRIGUEZ

We are excited to be celebrating another year with you, as Shell FCU continues to serve its members through leadership that is committed to keeping the credit union strong, aggressive and financially sound. Best of all, it’s not over!

Shell FCU remains persistent in seeking opportunities to enhance technology, products and services available to improve every exceptional Shell FCU experience. Communication, security, scam and fraud prevention and digital enhancements are ongoing projects to enhance your overall Credit Union experience.

Teller transactions exceeded 925,000 in 2022 and the call center received more than 550,000 calls. Live chat, video chat and texting are also available for your convenience. We love seeing members in the branches and encourage you to refer your friends and family too. Remember, anyone who lives, works, worships, attends school or regularly conducts business in Harris County, Texas can bank with Shell FCU. It’s time for everyone to experience Banking But Better.

Shell FCU continues to recognize businesses in our communities with our Business of the Month program. Last year we hosted and donated to numerous community and member events; including festivals, concerts, back to school and pick your pumpkin events, our traditional holiday Facebook Lives and so much more. If you would like the latest Shell FCU news, promotions or alerts please follow us on social media or Opt In to Shell FCU promotional texts by texting SHELL to (888) 993-6928.

If you have feedback or suggestions for improvements, we encourage you to reach out through our Service Survey on our website at ShellFCU.org/ServiceSurvey. We would love to hear from you. We are here to serve you, the members and owners of Shell FCU.

Thank you for the opportunity to serve you!
### Statements of Financial Condition

<table>
<thead>
<tr>
<th>Assets</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans</td>
<td>$1,075,121,616</td>
<td>$1,223,946,259</td>
<td>$1,357,982,235</td>
</tr>
<tr>
<td>Cash</td>
<td>$190,455,424</td>
<td>$152,230,503</td>
<td>$142,148,260</td>
</tr>
<tr>
<td>Investments</td>
<td>$77,680,637</td>
<td>$112,362,531</td>
<td>$120,794,645</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>$39,343,537</td>
<td>$48,514,759</td>
<td>$64,256,883</td>
</tr>
<tr>
<td>Other Assets</td>
<td>$48,882,932</td>
<td>$53,253,005</td>
<td>$45,116,861</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$1,431,484,146</td>
<td>$1,590,307,057</td>
<td>$1,730,298,884</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities &amp; Equity</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member Shares</td>
<td>$1,256,677,343</td>
<td>$1,401,266,227</td>
<td>$1,517,262,940</td>
</tr>
<tr>
<td>Liabilities</td>
<td>$45,303,433</td>
<td>$33,232,961</td>
<td>$37,247,914</td>
</tr>
<tr>
<td>Regular Reserve</td>
<td>$3,282,855</td>
<td>$3,282,855</td>
<td>$3,282,855</td>
</tr>
<tr>
<td>Undivided Earnings</td>
<td>$135,066,838</td>
<td>$158,459,244</td>
<td>$188,538,286</td>
</tr>
<tr>
<td>Unrealized Gains &amp; (Losses)</td>
<td>$(8,846,323)</td>
<td>$(5,934,230)</td>
<td>$(16,033,110)</td>
</tr>
<tr>
<td>Total Liabilities &amp; Equity</td>
<td>$1,431,484,146</td>
<td>$1,590,307,057</td>
<td>$1,730,298,884</td>
</tr>
</tbody>
</table>

### Operating Statements

<table>
<thead>
<tr>
<th>Income</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on Loans</td>
<td>$52,384,387</td>
<td>$55,123,852</td>
<td>$65,164,577</td>
</tr>
<tr>
<td>Income from Investments</td>
<td>$2,121,032</td>
<td>$1,917,972</td>
<td>$8,314,164</td>
</tr>
<tr>
<td>Other Income</td>
<td>$26,612,094</td>
<td>$32,606,228</td>
<td>$36,341,429</td>
</tr>
<tr>
<td>Total Income</td>
<td>$81,117,513</td>
<td>$89,648,052</td>
<td>$109,820,170</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Expenses</td>
<td>$56,368,686</td>
<td>$59,186,185</td>
<td>$72,374,619</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>$(725,344)</td>
<td>$(919,735)</td>
<td>$(1,500,208)</td>
</tr>
<tr>
<td>Dividends</td>
<td>$9,818,100</td>
<td>$7,989,195</td>
<td>$8,866,714</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$65,461,441</td>
<td>$66,255,645</td>
<td>$79,741,125</td>
</tr>
</tbody>
</table>

| Net Income                    | $15,656,072   | $23,392,406   | $30,079,045   |

*All figures rounded to the nearest dollar.*

### Membership Statistics

<table>
<thead>
<tr>
<th>Membership</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Members</td>
<td>118,379</td>
<td>129,927</td>
<td>139,125</td>
</tr>
</tbody>
</table>
11 LOCATIONS (AND GROWING)

DEER PARK
301 E 13th St
Deer Park, TX 77536

LA PORTE
11526 Spencer Hwy
La Porte, TX 77571

BAY AREA
1600 W Bay Area Blvd
Houston, TX 77058

PEARLAND
11391 Monroe Rd
Houston, TX 77075

BAYTOWN
7235 John Martin Rd
Baytown, TX 77521

SOUTHMORE
401 E Southmore Ave
Pasadena, TX 77502

FAIRMONT
5133 Fairmont Pkwy
Pasadena, TX 77505

SPRING
6232 FM 2920
Spring, TX 77379

KATY
23125 Morton Ranch Rd
Katy, TX 77449

WILSON
4787 Wilson Rd
Humble, TX 77396

WOODFOREST
5544 E Sam Houston Pkwy N
Houston, TX 77015

TOMBALL BRANCH COMING SOON IN 2023!
### Branch Hours

<table>
<thead>
<tr>
<th>Hours</th>
<th>Monday, Tuesday, Wednesday, Friday</th>
<th>9:00 AM – 5:00 PM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lobby Hours</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Thursday</strong></td>
<td></td>
<td>9:00 AM – 5:30 PM</td>
</tr>
<tr>
<td><strong>Saturday</strong></td>
<td></td>
<td>9:00 AM – 12:30 PM</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Hours</th>
<th>Monday, Tuesday, Wednesday</th>
<th>7:30 AM – 6:00 PM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Drive-Thru Hours</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Thursday, Friday</strong></td>
<td></td>
<td>7:30 AM – 7:00 PM</td>
</tr>
<tr>
<td><strong>Saturday</strong></td>
<td></td>
<td>8:00 AM – 12:30 PM</td>
</tr>
</tbody>
</table>

### Contact Us

- **Main Number:** (713) 844-1100
- **Text Us:** (713) 844-1100
- **Toll Free:** (800) 388-5542

### Corporate Website:
ShellFCU.org

### FCU Team:
GoVolunteerToday.org

### Youth Website:
SFCUiLife.org

Call Center Available 24/7 For Your Convenience

Text SHELL to (888) 993-6928 to be the first to know about upcoming events, announcements and special offers.

Messages and data rates may apply. Must have active text messaging plan to join. Reply HELP to (713) 844-1100 for help. Text STOP to (888) 993-6928 to cancel. See our SMS Texting Terms and Conditions for more information available at www.shellfcu.org.
The 85th Annual Membership Meeting of the Shell Federal Credit Union was held Friday, March 11, 2022, at 7:00 p.m. in the Performing Arts Center at the Deer Park High School, in Deer Park, Texas with an estimated attendance of 511 members. Of this total, there were 164 retirees and 34 children under the age of 15.

**Welcome** – Chairman Chester Servance welcomed everyone to the Annual Meeting.

**Call to Order** - The meeting was called to order at 7:00 PM. with Chester Servance presiding and Sonya Speck recording.

**Recognition of Military and Families of Military** – Chairman Servance asked for all military that have served or currently serving to stand and be recognized.

**National Anthem, Pledge of Allegiance, and Texas Pledge**: Chairman Servance introduced the DPHS JROTC and everyone stood for the Pledge of Allegiance and National Anthem. Stephanie Tunchez sang the National Anthem.

**Invocation** – Ben Ellis gave the invocation.

**Establish Quorum** – Chairman Servance declared that, by a show of hands, a quorum (15 members) had been established.

**Introduction** – At the Head Table, the Board Members, Supervisory Committee and CEO were introduced. He also spoke about the duties and responsibilities of these volunteers. Chairman Servance asked the Shell FCU staff to stand and be recognized.

**Minutes of the last Annual Meeting** – It was announced that the minutes from the last Annual Meeting were included in the Annual Report. We received no recommended amendments to the minutes. With no amendments, the minutes of the 84th Annual Membership Meeting held on June 01, 2021 were approved.

**Introduction of Nominating Committee** – Chairman Servance recognized Steve Alexander, Galen Davis, and Dewey Neighbors as the members of our Nominating Committee.

Chairman Servance presented the Committee’s recommendations as follows.

**Board Members**

<table>
<thead>
<tr>
<th>Name</th>
<th>Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donald Booth</td>
<td>3-year term re-election</td>
</tr>
<tr>
<td>Mark Sapp</td>
<td>3-year term re-election</td>
</tr>
<tr>
<td>Royce Parker</td>
<td>3-year term re-election</td>
</tr>
<tr>
<td>Darrick Duke</td>
<td>1-year term re-election</td>
</tr>
</tbody>
</table>

The Nominating Committee reported there were no nomination petitions. Since there were no nomination petitions, the nominees equal the number of positions to be filled. Per our Bylaws an election will not be conducted. A motion was made by Galen Davis, seconded by several that the nominees submitted by the Nominating Committee be elected by acclamation. Motion carried unanimously.
Grand Prize Drawing - The Grand Prize Drawing ticket was drawn and attached to the Grand Prize envelope to be revealed at the end of the meeting.

Special Retiree Drawing – Chairman Servance recognized all retirees and asked them to stand. Chairman Servance and the Board presented 6 - $100 cash awards to 6 retirees.

Report of the Chairman – Chester Servance gave the Chairman's report. He stated, the last two years have taken us all in unexpected paths. Together we remain resilient and will adapt to any challenges we may face together. Thank you for your valued membership and please accept our appreciation for your trust and partnership. Your Shell FCU family has persistently remained open, flexible to the branch changes required and available to serve all of your financial need.

As a $1.5 billion full service financial institution, Shell FCU serves more than 129k members and employs over 395 dedicated individuals. Anyone who lives, works, worships, attends school or regularly conducts business in Harris County, Texas can join the Shell FCU family. We continue to search for available and acceptable future locations to provide you additional convenient branches. The Deer Park drive thru was relocated in the fall of 2021 to the opposite side of the Deer Park branch to continue the multi-phase expansion project. The end goal of the expansion project is to provide additional staffing, resources and services for the benefit of the membership. In 2021 assets exceeded $1.4 billion and over $568.8 million was lent out for a total of 22,236 loans. Dividends of $7.9 million were paid out and members received more than $2.67 million in cash back when funding their auto or mortgage loan during various promotions.

There’s something special about Shell FCU. This year we are celebrating 85 years of exceptional service, positive support and commitment to our communities. It’s time for everyone to EXPERIENCE all Shell FCU has to offer. Inspire your family, friends, coworkers and neighbors to visit us online or stop by any branch to Experience Shell FCU. Experience Cash Back. Experience Service. Experience Family. Experience Home Buying. Experience Financial Freedom. And so much more!

Report of the President – Jose Rodriguez welcomed everyone to our 85th Annual Meeting. Each day your credit union family looks forward to providing you the exceptional service you deserve. We also work extraordinarily hard at enhancing products, services, technology and processes to improve each Shell FCU experience. Last year a new Digital Banking platform was introduced and developments are continuously being launched to enrich your interaction. Skip-A-Pay was also upgraded in 2021. Qualified loans can now select the two months throughout the year they would like to skip. Digital services remained safe, secure and conveniently available throughout 2021.

In 2021, several financial and retirement educational webinars were presented in-branch and online. Shell FCU also hosted social media contest gift card giveaways and live events. The debit and credit card Win Your Purchase contests refunded members for total purchases of $22,991 and Auto Cash Back was offered throughout the year. Plus, the Mortgage Cash Back was reintroduced in August of 2021. Visit our website at ShellFCU.org for the latest promotions and offers.

Shell FCU always prides itself on exceptional service, community involvement and employee satisfaction. The Deer Park Chamber of Commerce named Shell FCU the Business of the Year and the Houston Chronicle named Shell FCU a Top Workplace for the eleventh consecutive year. If you have an enhancement or suggestion please reach out through our website (ShellFCU.org/ServiceSurvey) to provide feedback. We would love to hear from you.

Thank you for the opportunity to serve you! Thank you to the Board and to the staff!

“We are.....SHELL!”
**Special Retiree Drawing** – Chairman Servance and the Board presented 6 - $100 cash awards to 6 retirees.

**John E. Garrison Scholarship Recipients** – The names of the 20 recipients of this year’s scholarship were read and asked to stand if they were present. Seventeen of the recipients were in attendance.

**Report of the Supervisory Committee** – Pam Mills gave the report of the Supervisory Committee. She welcomed the membership and said your Supervisory Committee focuses on ensuring that the Board of Directors and Management of the credit union meet required financial reporting objectives and establish sound practices and procedures sufficient to safeguard our members’ assets. She said in 2021 the Committee contracted with CliftonLarsonAllen to perform quarterly regulatory compliance assessments and engaged Warren Averett CPAs and Advisors to perform the annual financial audit. Excellent reports were presented without any material discrepancies noted. Mrs. Mills thanked the membership for their continued confidence in Shell Federal Credit Union.

A motion was made by Steven Alexander, seconded by others to approve the reports of the Chairman, President, and Supervisory Committee. Motion carried unanimously.

**Cash Awards to the Youngest and Oldest Members Present** - The Board presented $100 cash award to the oldest member, 89 years and youngest baby 5 months that were present.

**Old Business** - None

**New Business** - None

**Cash Prizes for Children age 15 and under** - All children 15 years old and younger were given a $5 bill.

**Door Prize Drawings** – The cash prizes were awarded plus the Grand Prize at the end of the meeting.

**Adjournment** – Chairman Servance asked the Board to stay for the special meeting and declared the Annual Membership Meeting adjourned at 8:29 PM.

Chester Servance, Chairman

Sonya Speck, Recording
THANK YOU FOR THE OPPORTUNITY TO SERVE YOU!