

Main Office
905 Aldine Bender
Houston, Texas 77032

Cypresswood Branch
230 Cypresswood Drive
Suite H
Spring, Texas 77388

Atascocita Branch
5444 Atascocita Road
Suite 108
Humble, Texas 77346

Tomball Parkway Branch
24922 Tomball Parkway,
Suite 100
Tomball, TX 77375

North Loop West Branch
811 North Loop Freeway West
Houston, TX 77008

| | |
|--------------------------|---------------------|
| Office | 281-449-0109 |
| Toll-Free | 866-449-0109 |
| Fax | 281-449-3649 |
| Audio Response | 281-442-4917 |
| Toll-Free Audio Response | 866-298-4917 |
| Website | InvesTexCU.org |
| Email | info@InvesTexCU.org |

Hours of Operation

Lobby Hours

Monday-Friday (except Thursday): 8:30am to 5:00pm

Thursday: 9:00am to 5:00pm

Saturday: 8:30am to 3:00pm

Drive-Thru

Main

Mon-Fri: 7:00am to 6:00pm

Saturday: 8:30am to 3:00pm

All Other Branches

Monday-Friday: 8:30am to 6:00pm

Saturday: 8:30am to 3:00pm

2009 Annual Report



InvesTex[®]
CREDIT UNION

Making Life Better since 1952

2010 Agenda

Verification of Quorum

Cathy Paraschos, Chairperson

Chairman's Report

Cathy Paraschos, Chairperson

President's Report

Keith Kearney

Approval of Minutes of 2009 Meeting

Cathy Paraschos, Chairperson

Report of The Treasurer

Allan Griffin, Jr.

Unfinished Business

Cathy Paraschos, Chairperson

New Business, Other Than Elections

Cathy Paraschos, Chairperson

Election of Directors

Dr. Bob Williams

Adjournment

Cathy Paraschos, Chairperson

Drawing for Door Prizes

Jana Anders

Vision Statement

InvesTex Credit Union will develop lasting relationships that promote our members' quality of life and financial well-being.

Mission Statement

InvesTex Credit Union is dedicated to the highest quality service for its members, while maintaining a solid financial foundation. Our core values reflect the strong character of our members and our growing relationship with them.

Operational Changes

- Effective December 2, 2009, the Texas Credit Union Department approved InvesTex Credit Union's newly revised bylaws.
- Offered new products and services including vehicle, home, and life insurance, TurboTax, and migrated the Accidental, Death, and Dismemberment Insurance to a new provider.
- Membership total as of December 31, 2009 is 20,181.
- The credit union incurred non-operational losses of \$435,986 in 2009 related to impairments to the National Credit Union Share Insurance Fund and investments owned by Southwest Corporate FCU.

Our History, Our Future

- 1952 – Aldine Teachers Credit Union was established by W.W. Thorne, Superintendent of Aldine I.S.D. and other community leaders to serve district employees and their families.
- 1973 – Membership expanded to include North Harris County Junior College.
- 1976 – Main Office built by Aldine High School students.
- 1985 – Drive-thru lanes added to the Main Office.
- 1990 – Expanded the Main Office to support growth.
- 2000 – Remote services such as FREE online banking, bill pay, and call center services were introduced.
- 2002 – Membership reaches 13,000.
- 2004 – Name changed to InvesTex Credit Union to reflect the growing field of membership. Introduced a new phone system and a platinum credit card.
- 2005 – Membership expanded to include the geographical area of Lone Star College System.
- 2005 – First two branches were deployed: Cypresswood and Atascocita.
- 2005 – ATMs were added to 6 Lone Star College System campuses.
- 2006 – Membership reaches 14,500.
- 2006 – Mortgage products were introduced to the membership.
- 2007 – Implemented the "Adopt-A-School" program.
- 2007 – Enhanced security for online banking users with multi-factor authentication and completed a full computer system conversion.
- 2007 – Upgraded credit union's main computer and network systems to enhance member service, continuity, and security.
- 2007 – Merger with Associates Mutual Credit Union expanded membership to almost 20,000 and the credit union's fifth branch location.
- 2008 – Deployed new branch location in Tomball and established a Hot-Site backup computer system.
- 2009 – Despite economic challenges, continued strong growth and success.

InvesTex Credit Union continues to make its own history year after year. Products and services available to InvesTex members match or beat other financial institutions. The credit union is part of ongoing and worthwhile community efforts such as the "Adopt-A-School" program, independent school district educational programs, participation with several local business chambers, and much more. FREE services offered such as all electronic services, 28,000 available ATMs, and checking accounts with no service fees are just a few ways InvesTex reinvests back into the membership. InvesTex is truly "Making Life Better since 1952"!

Treasurer's Report

The credit union experienced a challenging and reasonably successful year in 2009 despite the worst recession in U.S. history. Referred to as the "Great Recession", 2009 presented the greatest financial threat to the credit union industry since its very beginning. Considering the economic challenges during the past year, the credit union continued to provide extremely low loan rates, competitive deposit rates as well as great promotions to assist over 20,000 members in achieving their financial goals.

The credit union industry was able to avoid using any government bailout funds by managing its self insured capabilities. However, as a result of the mortgage crisis, several corporate credit unions did suffer significant losses which were shared by their member credit unions including InvesTex. Despite losses recognized as a result of impairments to the National Credit Union Share Insurance Fund (NCUSIF) and SouthWest Corporate FCU reducing the assets of InvesTex by over \$435,000 during the year, and another \$80,000 loss in plastic card fraud experienced from the Heartland Payment Systems data breach, InvesTex Credit Union continued to operate with no decline in services to the membership or material change in operations (including benefits to staff). This fact is a great testament to the solid management and sound financial policies of InvesTex.

Despite significant changes in student loan programs nationwide, including severe limitations to liquidity by our third party processor, the credit union continued to be a valuable resource for members by providing student loans when many other institutions were pulling back or completely pulling out of student lending. Student loans outstanding have increase approximately 140% in the last year.

The credit union continues to expand the mortgage lending program providing low closing costs, low loan rates and flexible terms to members resulting in over \$6 million in well underwritten mortgage loans and over \$4 million in home equity loans. Overall the credit union's loan portfolio grew 7.2% for 2009 in a very competitive and challenging economic environment, while the rest of the credit union industry averaged only 1.0% loan growth.

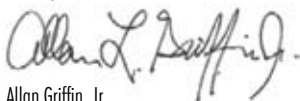
InvesTex continues to provide five (5) full-service branch locations and introduce new products to serve the membership. The credit union continues to be deeply committed to partnerships within the community through various businesses, school districts and the Lone Star College System.

Attached are the Statement of Condition and the Operating Statement for the past two years ended December 31, 2009. The credit union's capital position continues to be exceptionally strong at 12.64%, and the Return on Average Assets is at .02%.

InvesTex Credit Union enlisted the services of John Weaver & Associates to conduct the Supervisory Committee Annual Review of the books and records of the credit union for the 12-month period ended March 31, 2009. The review was accomplished in accordance with the National Credit Union Administration Rules and Regulations and the Texas Credit Union Department Regulations. The review report stated, "The records and supporting documentation have been found to be in excellent condition." The Texas Credit Union Department also performed an examination of InvesTex Credit Union as of December 31, 2009, and we are pleased to report that the credit union continues to be a strong and efficiently managed institution.

We would like to take this opportunity to thank our members for their continued loyalty and support and ask you to tell your friends about the great things going on at InvesTex. It is because of you that we continue to grow and be successful. We would also like to express our appreciation to the credit union staff for all their hard work serving the best interests of our members. Despite many economic challenges, we look forward to another successful year!

Thank you,



Allan Griffin, Jr.
Treasurer

INVESTEX CREDIT UNION MINUTES OF THE 2009 ANNUAL MEETING

April 23, 2009

Directors present were Pat Dawson, Cathy Paraschos, Ellis Kuehn, Roy Smith, Dottie Pickens, Teresa Dossman, Elliott Lansford, Allan Griffin and Dr. Bob Williams. Committee member Jim Woodward, committee member Jack Wilson, the credit union management team, various employees, and various members of the credit union were also present.

Jana Anders, VP of Business and Community Development, welcomed members in attendance and special guests. Ms. Anders led the attendees in the Pledge of Allegiance, and the invocation, followed by dinner.

Ms. Anders announced the six scholarship winners; Taylor Morell, Diana Lugo, Ahmed Hussain, Raymond Hooks III, Andrew Garceau, and Ayanna Edmondson. Each winner present was introduced to the members in attendance and presented their scholarship by the Chairman of the Board, Mr. Pat Dawson and the CEO, Mr. Keith Kearney.

The official annual meeting was called to order at 7:45pm. Mr. Pat Dawson, Board Chairman, ascertained that a quorum was present as required. Mr. Dawson presented the Chairman's Report. He recognized the Board of Directors, special guests and the credit union staff. He delivered a report discussing many achievements the credit union had accomplished during the past year and noted the tremendous amount of community involvement.

Mr. Dawson called on Mr. Keith Kearney, CEO, to present the President's Report. Mr. Kearney discussed the various achievements during the past year, emphasized the credit union's commitment to serving the community, discussed various products and services offered by the credit union, and discussed the challenges the credit union faced in the past year.

Mr. Dawson presented the Annual Meeting Minutes from 2008 for review. Upon motion by Ben Keith, seconded by Shannon Richard, it was unanimously voted to accept the minutes of the 2008 Annual Meeting as presented.

Mr. Dawson called on Allan Griffin to present the Treasurer Report. He discussed the report as printed in the Annual Report. Mr. Griffin provided an inspired discussion on the overall strength of the credit union. Upon motion by Allan Griffin, seconded by Jim Woodward, it was unanimously voted to accept the Treasurer's report as presented.

Mr. Dawson asked if there was any Unfinished Business. There was none.

Mr. Dawson asked if there was any New Business (other than Elections). There was none.

Mr. Dawson called on Mr. Roy Smith to report the committee selections. Mr. Smith presented Mr. Elliott Lansford, Ms. Cathy Paraschos, and Dr. Bob Williams for re-election. Mr. Smith explained that there were no nominations by petition as required by the election rules. Therefore, the nominees should be elected by acclamation. Upon motion by Roy Smith, seconded by Jack Wilson, it was unanimously voted to accept the election of the nominees as presented by acclamation.

Upon motion by Ellis Kuehn, seconded by Gloria Lansford, the meeting was declared adjourned at 8:35pm.

Statement of Condition*

As of December 31

| | 2009 | 2008 |
|-----------------------------|-------------------|-------------------|
| ASSETS | | |
| LOANS TO MEMBERS | 60,073,073 | 56,047,402 |
| ALLOWANCE FOR LN LOSSES | (187,912) | (168,837) |
| TOTAL ACCOUNTS RECEIVABLE | 132,394 | 148,488 |
| CASH IN BANK/ON HAND | 2,926,976 | 3,278,856 |
| INVESTMENTS | 19,723,933 | 22,662,607 |
| ALL OTHER ASSETS | 4,636,402 | 4,740,012 |
| TOTAL ASSETS | 87,304,865 | 86,708,528 |
| LIABILITIES | | |
| ACCOUNTS PAYABLE | 977,381 | 1,347,469 |
| TOTAL LIABILITIES | 977,381 | 1,347,469 |
| EQUITY | | |
| MEMBER SHARES | 75,481,258 | 74,531,294 |
| MEMBER CAPITAL | 10,846,227 | 10,829,765 |
| TOTAL EQUITY | 86,327,484 | 85,361,058 |
| LIABILITIES + EQUITY | 87,304,865 | 86,708,528 |

Board of Directors Term Expiration Dates

As of 12/31/2009

Cathy Paraschos (Position 2) — Chairperson — April 2012
 Dr. Bob Williams (Position 3) — Vice Chair — April 2012
 Elliott Lansford (Position 1) — Secretary — April 2012
 Allan Griffin Jr. (Position 9) — Treasurer — April 2011
 Dorethea Pickens (Position 5) — Director & Supervisory
 Committee Chair — April 2010
 Roy Smith (Position 7) — Director — April 2011
 Ellis Kuehn (Position 8) — Director — April 2011
 Teresa Dossman (Position 6) — Director — April 2010
 Jim Woodward (Position 4) — Director — April 2010

Management

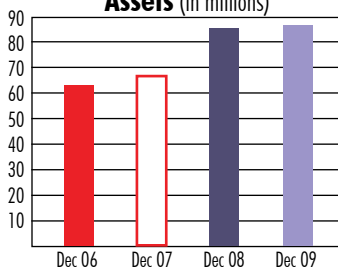
Keith Kearney - CEO/President
 Brian Ellis - VP Marketing
 Jana Anders - VP Business
 Development
 Martha Mireles - VP Lending
 Gail Russell - VP Operations
 Kelly Payne - VP Human
 Resources
 John Tomson - VP I.T.
 Cindy Kirsch - AVP Accounting

Operating Statement*

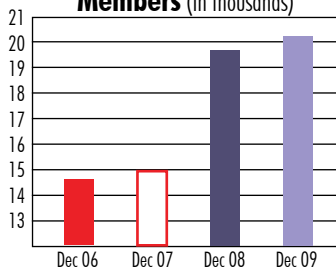
As of December 31

| | 2009 | 2008 |
|--------------------------------------|------------------|------------------|
| INCOME | | |
| INCOME FROM LOANS | 3,921,751 | 3,805,912 |
| INVESTMENT INCOME | 685,838 | 733,711 |
| OTHER INCOME | 2,541,803 | 2,651,449 |
| TOTAL INCOME | 7,149,392 | 7,191,072 |
| EXPENSE | | |
| OPERATIONS EXPENSES | 5,278,324 | 5,240,457 |
| LOAN LOSSES | 412,825 | 413,000 |
| OTHER EXPENSES | 212,478 | 166,430 |
| TOTAL EXPENSE | 5,903,627 | 5,819,887 |
| NET BEFORE DIVIDENDS | 1,245,766 | 1,371,184 |
| DIVIDENDS | | |
| TOTAL SHARES | 77,849 | 132,426 |
| HIGH YIELD CHECKING INT. | 46,267 | 65,678 |
| TOTAL CHECKING | 10,355 | 16,943 |
| TOTAL IRA SHARES | 73,081 | 100,019 |
| TOTAL IRA | 91,915 | 129,889 |
| TOTAL CERTIFICATES | 493,851 | 734,859 |
| TOTAL DIVIDENDS | 793,318 | 1,179,815 |
| NET AFTER DIVIDENDS | 452,448 | 191,369 |
| NCUA MEMBER INSURANCE EXPENSE | | |
| | (113,353) | 0 |
| GAIN/LOSS INVESTMENT | | |
| | 0 | 15,165 |
| OTHER NON-OP LOSS(GAIN) | | |
| | (322,633) | 0 |
| TOTAL NON-OP INC/EXP | (435,986) | 15,165 |
| NET INCOME | 16,462 | 206,534 |

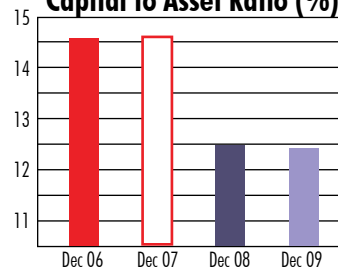
Assets (in millions)



Members (in thousands)



Capital to Asset Ratio (%)



*Dollar values are rounded to the nearest whole dollar.