

efile GRAPHIC print - DO NOT PROCESS

As Filed Data -

DLN: 93493319051397

Form 990

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2016

Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public

Information about Form 990 and its instructions is at [www.irs.gov/form990](#)

Department of the Treasury
Internal Revenue Service

2016

Open to Public Inspection

A For the 2016 calendar year, or tax year beginning 01-01-2016 , and ending 12-31-2016

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Final

☐ Return/terminated

☐ Amended return

☐ Application pending

C Name of organization

Harborstone Credit Union

Doing business as

Number and street (or P O box if mail is not delivered to street address)

PO Box 4207

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

Tacoma, WA 984380207

F Name and address of principal officer

PHIL JONES

PO Box 4207

Tacoma, WA 984380207

H(a) Is this a group return for subordinates?

☐ Yes ☒ No

H(b) Are all subordinates included?

☐ Yes ☐ No

H(c) Group exemption number ▶

I Tax-exempt status

☐ 501(c)(3) ☒ 501(c) (14) ◀(insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶

WWW.HARBORSTONE.COM

K Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation

1955

M State of legal domicile

WA

Part I Summary

1 Briefly describe the organization's mission or most significant activities

HARBORSTONE CREDIT UNION HELPS TO MAKE MEMBERS' FINANCIAL DREAMS COME TRUE

2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3 Number of voting members of the governing body (Part VI, line 1a)

3

8

4 Number of independent voting members of the governing body (Part VI, line 1b)

4

8

5 Total number of individuals employed in calendar year 2016 (Part V, line 2a)

5

363

6 Total number of volunteers (estimate if necessary)

6

11

7a Total unrelated business revenue from Part VIII, column (C), line 12

7a

570,976

7b Net unrelated business taxable income from Form 990-T, line 34

7b

-480,767

Revenue

8 Contributions and grants (Part VIII, line 1h)

9 Program service revenue (Part VIII, line 2g)

10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)

11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)

12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)

Prior Year

0

45,272,813

5,444,926

-241,394

50,476,345

Current Year

0

47,427,664

5,337,980

-154,223

52,611,421

Expenses

13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)

14 Benefits paid to or for members (Part IX, column (A), line 4)

15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)

16a Professional fundraising fees (Part IX, column (A), line 11e)

16b Total fundraising expenses (Part IX, column (D), line 25) ▶0

17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)

18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)

19 Revenue less expenses Subtract line 18 from line 12

111,360

0

18,404,036

0

24,475,221

42,990,617

7,485,728

53,000

0

18,875,936

0

26,256,772

45,185,708

7,425,713

Net Assets or Fund Balances

20 Total assets (Part X, line 16)

21 Total liabilities (Part X, line 26)

22 Net assets or fund balances Subtract line 21 from line 20

Beginning of Current Year

1,148,072,492

1,016,538,993

131,533,499

End of Year

1,199,334,729

1,060,367,049

138,967,680

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

Signature of officer

2017-11-15

Date

LAURIE LENO CFO

Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

Firm's name ▶ Moss Adams LLP

Firm's EIN ▶ 91-0189318

Firm's address ▶ 2707 Colby Avenue Suite 801

Phone no (425) 259-7227

Everett, WA 98201

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2016)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐**1** Briefly describe the organization's mission:

THE CREDIT UNION IS A MEMBER OWNED, NOT FOR PROFIT, COOPERATIVE, OPERATED FOR THE PURPOSE OF CREATING A MEANS WHEREBY MEMBERS CAN PROVIDE EACH OTHER WITH NEEDED FINANCIAL SERVICE

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code) (Expenses \$ including grants of \$) (Revenue \$)
See Additional Data

4b (Code) (Expenses \$ including grants of \$) (Revenue \$)
See Additional Data

4c (Code) (Expenses \$ including grants of \$) (Revenue \$)
See Additional Data

4d Other program services (Describe in Schedule O)
(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ▶

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1	No
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?	2	No
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> 	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> 	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> 	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> 	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> 	10	No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> 	11a	Yes
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i> 	11b	Yes
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i> 	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> 	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> 	11e	Yes
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i> 	11f	Yes
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> 	12a	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> 	12b	Yes
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i> (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	No

Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	Yes	
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		No
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	Yes	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		No
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>		No
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		No
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		No
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		No
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		No
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		No
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		No
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		No
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		No
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	Yes	
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	Yes	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	Yes	
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		No
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		No
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	Yes	

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a	27,011
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	363
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b	Yes
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	Yes
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O	3b	Yes
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	No
b	If "Yes," enter the name of the foreign country ► _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8	
9a	Did the sponsoring organization make any taxable distributions under section 4966?	9a	
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.Check if Schedule O contains a response or note to any line in this Part VI. ☒**Section A. Governing Body and Management**

			Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a	8		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.				
b Enter the number of voting members included in line 1a, above, who are independent	1b	8		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			No
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3			No
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			No
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5			No
6 Did the organization have members or stockholders?	6		Yes	
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		Yes	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		Yes	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a The governing body?	8a		Yes	
b Each committee with authority to act on behalf of the governing body?	8b		Yes	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.	9			No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

			Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a			No
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b			
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a		Yes	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.				
12a Did the organization have a written conflict of interest policy? If "No," go to line 13.	12a		Yes	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b		Yes	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done.	12c		Yes	
13 Did the organization have a written whistleblower policy?	13		Yes	
14 Did the organization have a written document retention and destruction policy?	14		Yes	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?				
a The organization's CEO, Executive Director, or top management official	15a		Yes	
b Other officers or key employees of the organization	15b		Yes	
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).				
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		Yes	
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		Yes	

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed▶	
18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. ☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)	
19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.	
20 State the name, address, and telephone number of the person who possesses the organization's books and records. ▶HARBORSTONE CREDIT UNION 9611 GRAVELLY LAKE DRIVE SW LAKEWOOD, WA 984992761 (253) 584-2260	

Part VII

Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Ann Anderson Secretary (3/31), Chair	2.00	X		X				0	0	377
(2) BONNIE KERN Chair (3/31), Board Member	2.00	X		X				0	0	377
(3) JIM Buck VICe Chair	2.00	X		X				0	0	377
(4) LINDA CRANE NELSEN Secretary	2.00	X		X				0	0	377
(5) MICHAEL GEDEON board Member	2.00	X						0	0	377
(6) Richard Evans Board Member	2.00	X						0	0	377
(7) Tom Dempsey BOARD Member	2.00	X						0	0	377
(8) Rick Stevens Board Member	2.00	X						0	0	377
(9) Suzanne Colpitts Board Member (1/1)	2.00	X						0	0	0
(10) PHIL JONES President/CEO	40.00			X				550,562	0	88,040
(11) Laurie Leno SR VP CFO	40.00			X				219,227	0	56,915
(12) TOM GRAVES EXECUTIVE vice president	40.00				X			977,870	0	46,838
(13) Steve Crosby SR VP COO	40.00				X			210,262	0	51,963
(14) Michael Decius SR VP CIO	40.00				X			183,977	0	54,006
(15) Michael Powell SR VP CLO	40.00				X			191,533	0	35,584
(16) JEFF IVEY SR VP Strategic OPERATION	40.00				X			159,589	0	32,174
(17) Michael Paul SR VP Lending	40.00				X			196,589	0	9,269

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) John Renforth Executive/BIN	40 00					X		315,258	0	43,501
(19) Doug Richardson VP TRAINING/ADMINISTRATION	40 00					X		154,007	0	37,013
(20) Forest hayes VP Chief Risk Officer	40 00					X		163,879	0	34,278
(21) Theresa Walyor VP IT Systems	40 00					X		125,111	0	26,763
(22) Frank Marzano VP Business Banking	40 00					X		114,218	0	25,419

1b Sub-Total	▶			
c Total from continuation sheets to Part VII, Section A	▶			
d Total (add lines 1b and 1c)	▶	3,562,082	0	544,779

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶ 13

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		No
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	Yes	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
DIGITAL INSIGHT Corporation PO BOX 515306 Los Angeles, CA 90051	online banking provider	1,547,032
FISERV CNS PO Box 5037 263 Portland, OR 97208	atm/network processor	1,005,646
Fidelity Information Services Inc po box 4535 carol stream, IL 60197	core processor, check processing	859,992
DBSI INC 6950 W Morelos Place STE 1 Chandler, AZ 85226	Building Contractor	500,905
The Element Group Inc 125 Brewery Lane STE 9 Porthsmouth, NH 03801	Building Contractor	432,361

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ▶ 29

Part VIII **Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII ☐

**Contributions, Gifts, Grants
and Other Similar Amounts**

1a Federated campaigns . . .	1a	
b Membership dues . . .	1b	
c Fundraising events . . .	1c	
d Related organizations	1d	
e Government grants (contributions)	1e	
f All other contributions, gifts, grants, and similar amounts not included above	1f	
g Noncash contributions included in lines 1a-1f \$ _____		
h Total. Add lines 1a-1f ▶		

(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
----------------------	--	---	--

Program Service Revenue

	Business Code				
2a INTEREST FROM LOANS	522100	35,331,892	35,331,892		
b Interchange income	522100	4,254,799	4,254,799		
c SERVICE CHARGES & FEE INCOME	522100	3,937,235	3,937,235		
d OTHER NON-INTEREST INCOME	522100	1,932,812	1,494,378	438,434	
e revenue sharing income	522100	1,189,185	1,189,185		
f All other program service revenue		781,741	635,426	146,315	
g Total. Add lines 2a-2f ▶		47,427,664			

Other Revenue

3 Investment income (including dividends, interest, and other similar amounts) ▶		4,585,593			4,585,593
4 Income from investment of tax-exempt bond proceeds ▶					
5 Royalties ▶					
6a Gross rents	(i) Real	(ii) Personal			
	247,782				
b Less rental expenses	402,250				
c Rental income or (loss)	-154,468				
d Net rental income or (loss) ▶		-154,468			-154,468
7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
	46,814,791	2,688,000			
b Less cost or other basis and sales expenses	46,654,575	2,095,829			
c Gain or (loss)	160,216	592,171			
d Net gain or (loss) ▶		752,387			752,387
8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 a					
b Less direct expenses b					
c Net income or (loss) from fundraising events . . . ▶					
9a Gross income from gaming activities See Part IV, line 19 a					
b Less direct expenses b					
c Net income or (loss) from gaming activities . . . ▶					
10a Gross sales of inventory, less returns and allowances . . . a					
b Less cost of goods sold . . . b					
c Net income or (loss) from sales of inventory . . . ▶					
Miscellaneous Revenue	Business Code				
11a INCOME FROM JOINT VENTURES	522100	245	14,018	-13,773	
b					
c					
d All other revenue					
e Total. Add lines 11a-11d ▶		245			
12 Total revenue. See Instructions ▶		52,611,421	46,856,933	570,976	5,183,512

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.	53,000			
2 Grants and other assistance to domestic individuals. See Part IV, line 22.				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, line 15 and 16.				
4 Benefits paid to or for members.				
5 Compensation of current officers, directors, trustees, and key employees.	3,064,398			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).				
7 Other salaries and wages.	11,104,122			
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions).	996,027			
9 Other employee benefits.	2,629,611			
10 Payroll taxes.	1,081,778			
11 Fees for services (non-employees):				
a Management.				
b Legal.	46,066			
c Accounting.	67,603			
d Lobbying.				
e Professional fundraising services. See Part IV, line 17.				
f Investment management fees.				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	1,958,320			
12 Advertising and promotion.	1,223,449			
13 Office expenses.	1,376,246			
14 Information technology.	1,209,783			
15 Royalties.				
16 Occupancy.	1,795,614			
17 Travel.				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19 Conferences, conventions, and meetings.	210,770			
20 Interest.	3,687,249			
21 Payments to affiliates.				
22 Depreciation, depletion, and amortization.	2,431,496			
23 Insurance.	237,856			
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O):				
a PROVISIONS FOR LOAN LOSS	6,105,938			
b Processing Fees	2,949,592			
c LOAN SERVICES	1,409,103			
d Dues & Subscriptions	221,714			
e All other expenses	1,325,973			
25 Total functional expenses. Add lines 1 through 24e.	45,185,708			
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ☐ if following SOP 98-2 (ASC 958-720).				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part IX ☐

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		7,331,220	1	6,581,955
	2	Savings and temporary cash investments		44,917,386	2	69,151,662
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		2,406,419	4	3,464,231
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net		741,136,985	7	814,037,538
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges		1,465,185	9	1,904,383
	10a	Land, buildings, and equipment—cost or other basis. Complete Part VI of Schedule D	10a 52,166,115			
	b	Less: accumulated depreciation	10b 23,370,746	30,252,817	10c	28,795,369
	11	Investments—publicly traded securities			11	
	12	Investments—other securities. See Part IV, line 11		303,170,029	12	258,627,155
	13	Investments—program-related. See Part IV, line 11			13	
	14	Intangible assets		4,188,925	14	3,592,999
	15	Other assets. See Part IV, line 11		13,203,526	15	13,179,437
16	Total assets. Add lines 1 through 15 (must equal line 34)		1,148,072,492	16	1,199,334,729	
Liabilities	17	Accounts payable and accrued expenses		9,354,851	17	9,233,715
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		4,200,907	23	2,969,600
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		1,002,983,235	25	1,048,163,734
	26	Total liabilities. Add lines 17 through 25		1,016,538,993	26	1,060,367,049
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ► ☐ and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets			27	
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
	Organizations that do not follow SFAS 117 (ASC 958), check here ► ☒ and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds		0	30	0
	31	Paid-in or capital surplus, or land, building or equipment fund		0	31	0
	32	Retained earnings, endowment, accumulated income, or other funds		131,533,499	32	138,967,680
33	Total net assets or fund balances		131,533,499	33	138,967,680	
34	Total liabilities and net assets/fund balances		1,148,072,492	34	1,199,334,729	

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	52,611,421
2	Total expenses (must equal Part IX, column (A), line 25)	2	45,185,708
3	Revenue less expenses Subtract line 2 from line 1	3	7,425,713
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	131,533,499
5	Net unrealized gains (losses) on investments	5	-455,172
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	463,640
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	138,967,680

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

	Yes	No
1 Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis		No
b Were the organization's financial statements audited by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis	Yes	
c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

Additional Data

Software ID:

Software Version:

EIN: 91-0659059

Name: Harborstone Credit Union

Form 990 (2016)

Form 990, Part III, Line 4a:

PROVIDING CONSUMER AND MORTGAGE LOANS FOR 29,726 MEMBERS TOTALING \$602,556,701

Form 990, Part III, Line 4b:

PROVIDING BUSINESS LOANS TO 374 MEMBERS TOTALING \$170,510,531

Form 990, Part III, Line 4c:

MAINTAINING DEPOSITS ON 142,900 MEMBER AND BUSINESS ACCOUNTS TOTALING \$1,048,264,505

efile GRAPHIC print - DO NOT PROCESS		As Filed Data -		DLN: 93493319051397											
SCHEDULE D (Form 990)		Supplemental Financial Statements			OMB No 1545-0047										
Department of the Treasury Internal Revenue Service		► Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. ► Attach to Form 990. Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.			2016										
					Open to Public Inspection										
Name of the organization Harborstone Credit Union				Employer identification number 91-0659059											
Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.															
		(a) Donor advised funds		(b) Funds and other accounts											
1	Total number at end of year														
2	Aggregate value of contributions to (during year)														
3	Aggregate value of grants from (during year)														
4	Aggregate value at end of year														
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?				☐ Yes ☐ No										
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?				☐ Yes ☐ No										
Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.															
1	Purpose(s) of conservation easements held by the organization (check all that apply)														
	☐ Preservation of land for public use (e g , recreation or education) ☐ Preservation of an historically important land area														
	☐ Protection of natural habitat ☐ Preservation of a certified historic structure														
	☐ Preservation of open space														
2	Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year														
a	Total number of conservation easements	<table><tr><td colspan="2">Held at the End of the Year</td></tr><tr><td>2a</td><td></td></tr><tr><td>2b</td><td></td></tr><tr><td>2c</td><td></td></tr><tr><td>2d</td><td></td></tr></table>				Held at the End of the Year		2a		2b		2c		2d	
Held at the End of the Year															
2a															
2b															
2c															
2d															
b	Total acreage restricted by conservation easements														
c	Number of conservation easements on a certified historic structure included in (a)														
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register														
3	Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► _____														
4	Number of states where property subject to conservation easement is located ► _____														
5	Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?				☐ Yes ☐ No										
6	Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ► _____														
7	Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ► \$ _____														
8	Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?				☐ Yes ☐ No										
9	In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements														
Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" on Form 990, Part IV, line 8.															
1a	If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items														
b	If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items														
	(i) Revenue included on Form 990, Part VIII, line 1	► \$ _____													
	(ii) Assets included in Form 990, Part X	► \$ _____													
2	If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items														
a	Revenue included on Form 990, Part VIII, line 1	► \$ _____													
b	Assets included in Form 990, Part X	► \$ _____													
For Paperwork Reduction Act Notice, see the Instructions for Form 990.															
		Cat No 52283D		Schedule D (Form 990) 2016											

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3

Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIII and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII

☐

Part V

Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a)Current year	(b)Prior year	(c)Two years back	(d)Three years back	(e)Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2

Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a

Board designated or quasi-endowment

b

Permanent endowment

c

Temporarily restricted endowment

The percentages on lines 2a, 2b, and 2c should equal 100%

3a

Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i) unrelated organizations

(ii) related organizations

b

If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R?

	Yes	No
3a(i)		
3a(ii)		
3b		

4

Describe in Part XIII the intended uses of the organization's endowment funds

Part VI

Land, Buildings, and Equipment.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		7,307,218		7,307,218
b Buildings		23,925,651	8,700,341	15,225,310
c Leasehold improvements		4,531,382	1,584,913	2,946,469
d Equipment		15,484,294	13,085,492	2,398,802
e Other		917,570		917,570
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				28,795,369

Part VII

Investments—Other Securities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11b.
See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b)Book value	(c)Method of valuation Cost or end-of-year market value
(1)Financial derivatives		
(2)Closely-held equity interests	2,557,817	F
(3)Other _____		
(A) AVAILABLE FOR SALE SECURITIES	239,067,407	F
(B) 457(F) Deferred Compensation Plan Investments	15,026,931	F
(C) certificate of deposit	1,975,000	F
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 12) ▶	258,627,155	

Part VIII

Investments—Program Related. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c.
See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 13) ▶		

Part IX

Other Assets. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15) ▶	

Part X

Other Liabilities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f.
See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	
Member's Shares	1,048,163,734
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25) ▶	1,048,163,734

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☒

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue Add lines 3 and 4c . (This must equal Form 990, Part I, line 12)	5	

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c . (This must equal Form 990, Part I, line 18)	5	

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Return Reference	Explanation
See Additional Data Table	

Part XIII **Supplemental Information** *(continued)*

Return Reference	Explanation

Additional Data

Software ID:

Software Version:

EIN: 91-0659059

Name: Harborstone Credit Union

Supplemental Information

Return Reference	Explanation
Part X, Line 2	FASB ASC 740-10-65, Income Taxes, provides guidance for how uncertain tax positions should be recognized, measured, disclosed, and presented in the consolidated financial statements. This requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Credit Union's tax returns to determine whether the tax positions are "more likely than not" to be sustained when challenged or "when examined" by the applicable tax authority. Tax positions deemed to not meet the more likely than not threshold would be recorded as a tax expense and liability in the current year. The Credit Union adopted the provisions outlined in this guidance on January 1, 2009. The Credit Union had no unrecognized tax positions that required adjustment to the January 1, 2009, beginning balance of undivided earnings. For the years ended December 31, 2016 and 2015, management has determined that there are no material uncertain tax positions. The Credit Union files exempt organization returns with the federal jurisdiction and a sales and a use tax return with the state of Washington.

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations,
Governments and Individuals in the United States

Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2016

Open to Public Inspection

Name of the organization
Harborstone Credit Union

Employer identification number
91-0659059

Part I

General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 5

3 Enter total number of other organizations listed in the line 1 table 0

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22

Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					

Part IV **Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference	Explanation
Part I, Line 2	Requests for grants are evaluated by the Credit Union quarterly. Organizations requesting or receiving grants under \$2,500 must provide their IRS exemption letter stating they are 501(c)(3), a Corporate Giving Application produced by the Credit Union, a completed budget for the event or project and explain the sources of revenue and supporting documentation for use of funds. The Corporate Giving Application requests the grant's purpose, how the funds will be used and how the funds will impact the local community.

Additional Data

Software ID:
Software Version:
EIN: 91-0659059
Name: Harborstone Credit Union

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
PIERCE MILITARY AND BUSINESS ALLIANCE (PMBA) PO BOX 1082 TACOMA, WA 98401	38-3675245	501(C)(3)	15,000				Support for morale, welfare, and readiness and retention efforts of the military
Northwest Credit Union Foundation 18000 International Blvd Suite 350 SEATAC, WA 98188	91-1649328	501(C)(3)	11,000				SUPPORT AND PROMOTE CREDIT UNION DEVELOPMENT AND THE COMMITMENT TO SOCIAL RESPONSIBILITY

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
WASHINGTON ACCESS FUND 1437 S Jackson St Suite 302 SEATTLE, WA 98144	91-2094889	501(C)(3)	10,000				Promote access to technology and economic opportunities for disabled individuals in the Pacific Northwest
American Cancer Society 1313 Broadway Suite 100 Tacoma, WA 98402	13-1788491	501(C)(3)	7,000				SUPPORT CANCER RESEARCH, EDUCATION, ADVOCACY AND SERVICE

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Susan G Komen Foundation 112 Fifth Ave N Seattle, WA 98109	75-1835298	501(C)(3)	10,000				SUPPORT CANCER RESEARCH, EDUCATION, ADVOCACY AND SERVICE

Schedule J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

► Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
► Attach to Form 990.

► Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization Harborstone Credit Union	Employer identification number 91-0659059
--	--

Part I

Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. ☐ First-class or charter travel ☐ Travel for companions ☐ Tax idemnification and gross-up payments ☐ Discretionary spending account ☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☐ Health or social club dues or initiation fees ☐ Personal services (e g , maid, chauffeur, chef)		
b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	Yes	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	Yes	
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III. ☐ Compensation committee ☐ Independent compensation consultant ☐ Form 990 of other organizations ☐ Written employment contract ☐ Compensation survey or study ☐ Approval by the board or compensation committee		
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization: a Receive a severance payment or change-of-control payment?		No
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	Yes	
c Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		No
Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.		
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of: a The organization?		
b Any related organization? If "Yes," on line 5a or 5b, describe in Part III.		
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of: a The organization?		
b Any related organization? If "Yes," on line 6a or 6b, describe in Part III.		
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III.		
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.		
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column(B) reported as deferred on prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
See Additional Data Table							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Return Reference	Explanation
Part I, Line 1a	Travel for Companions. Spouses/companions are allowed to travel with executive management and board members and is limited to \$600. Discretionary Spending Account. The discretionary spending account is only available to the CEO and is for an amount up to \$150/month to be used for reimbursement of out of pocket expenses primarily related to charitable donations.
Part I, Line 4b	The Credit Union has deferred compensation agreements with members of the executive management team that provide benefits payable to these employees if they remain employed by the Credit Union until a specific date. If these employees become fully disabled or upon death, a portion of the benefit will be disbursed as defined in the agreements. The benefits are subject to forfeiture if employment is terminated for cause or if the employee is no longer employed by the Credit Union on the payment date as defined. The estimated liability under the agreements is being accrued over the remaining term of each agreement. The Credit Union has accrued approximately \$1,892,000 under these agreements at DECEMBER 31, 2016 included in accrued expenses and other liabilities. The plan participants are Philip Jones, Steve Crosby, Doug Richardson, John Renforth, and Larue Leno.

Additional Data

Software ID:

Software Version:

EIN: 91-0659059

Name: Harborstone Credit Union

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
	(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1PHIL JONESPresident/CEO	(i)441,546	109,016	0	69,599	18,441	638,602	0
	(ii)0	0	0	0	-0	-0	0
1Laune LenoSR VP CFO	(i)197,939	21,288	0	47,481	9,434	276,142	0
	(ii)0	0	0	0	-0	-0	0
2TOM GRAVESEXECUTIVE vice president	(i)269,529	137,766	570,575	31,800	15,038	1,024,708	0
	(ii)0	0	0	0	-0	-0	0
3Steve CrosbySR VP COO	(i)188,797	21,465	0	38,413	13,550	262,225	0
	(ii)0	0	0	0	-0	-0	0
4Michael DeciusSR VP CIO	(i)166,185	17,792	0	43,968	10,038	237,983	0
	(ii)0	0	0	0	-0	-0	0
5Michael PowellSR VP CLO	(i)173,986	17,547	0	22,752	12,832	227,117	0
	(ii)0	0	0	0	-0	-0	0
6JEFF IVEYSR VP Strategic OPERATION	(i)144,262	15,327	0	17,293	14,881	191,763	0
	(ii)0	0	0	0	-0	-0	0
7Michael PaulSR VP Lending	(i)196,589	0	0	0	9,269	205,858	0
	(ii)0	0	0	0	-0	-0	0
8John RenforthExecutive/BIN	(i)124,530	0	190,728	31,800	11,701	358,759	0
	(ii)0	0	0	0	-0	-0	0
9Doug RichardsonVP TRAINING/ADMINISTRATION	(i)138,695	15,312	0	23,662	13,351	191,020	0
	(ii)0	0	0	0	-0	-0	0
10Forest hayesVP Chief Risk Officer	(i)147,899	15,980	0	19,378	14,900	198,157	0
	(ii)0	0	0	0	-0	-0	0
11Theresa WalyorVP IT Systems	(i)114,213	10,898	0	13,722	13,041	151,874	0
	(ii)0	0	0	0	-0	-0	0

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization
Harborstone Credit Union

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2016

Open to Public Inspection

Employer identification number

91-0659059

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, line 6	THE CREDIT UNION'S MEMBERS HAVE RIGHTS TO ELECT MEMBERS OF THE GOVERNING BODY THE CREDIT UNION'S MEMBERS ALSO RECEIVE A SHARE OF THE ORGANIZATION'S PROFITS IN THE FORM OF CASH DIVIDENDS

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, line 7a	MEMBERS OF THE CREDIT UNION HAVE THE RIGHT TO ELECT ONE OR MORE MEMBERS OF THE ORGANIZATION'S GOVERNING BODY, WHETHER PERIODICALLY, AS VACANCIES ARISE, OR OTHERWISE

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, line 7b	MEMBERS OF THE CREDIT UNION HAVE THE RIGHT TO APPROVE THE GOVERNING BODY'S ELECTION AND REMOVAL OF MEMBERS OF THE GOVERNING BODY, AS WELL AS OTHER MATTERS THAT ARE SUBJECT TO THE APPROVAL OF MEMBERS OF THE CREDIT UNION AS THEY OCCUR

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 11b	BOTH THE VP OF ACCOUNTING SERVICES AND CFO REVIEW THE FORM 990 PRIOR TO FILING A COPY OF FORM 990 WILL ALSO BE PROVIDED TO THE BOARD OF DIRECTORS PRIOR TO FILING

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 12c	ON AN ANNUAL BASIS, ALL EMPLOYEES & VOLUNTEERS ARE REQUIRED TO REVIEW THE CONFLICT OF INTEREST POLICY. SIGNATURES ARE OBTAINED VERIFYING THAT THEY ATTEST TO HAVING READ THE POLICY. ADDITIONALLY, EACH NEW EMPLOYEE HIRED BY THE CREDIT UNION REVIEWS THE CONFLICT OF INTEREST POLICY ON THEIR FIRST DAY OF EMPLOYMENT. If a situation arises involving a conflict of interest, it shall be reported to the President/CEO or to the Chair of the Board of Directors, as applicable, in order to permit consideration of the circumstances and thereby to relieve the individual(s) reporting such a conflict from liability. Each instance of a conflict of interest shall be addressed during the next Board meeting following its submission. Any discussion concerning the conflict of interest shall be noted in the minutes of the meeting. A member of the Board of Directors shall not vote on any conflict of interest item concerning him/herself.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 15	WE UTILIZE VARIOUS REPUTABLE, THIRD-PARTY MARKET DATA SOURCES (MILLIMAN, CUES, ETC) TO AI D IN SETTING THE COMPENSATION OF OUR OFFICERS AND KEY EMPLOYEES GENERALLY, FINAL COMPENSA TION DECISIONS ARE MADE BY THE SENIOR VICE PRESIDENT/CHIEF OPERATIONS OFFICER COMPENSATIO N DECISIONS FOR THE EXECUTIVE VICE PRESIDENT AND ALL OTHER SENIOR VICE PRESIDENT POSITIONS ARE MADE BY THE PRESIDENT/CEO COMPENSATION DECISIONS FOR THE PRESIDENT/CEO ARE MADE BY T HE BOARD OF DIRECTORS COMPENSATION IS REVIEWED ANNUALLY AND AS SUCH WAS REVIEWED IN 2016

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section C, line 19	THE GOVERNING DOCUMENTS AND FINANCIAL STATEMENTS ARE MADE AVAILABLE TO THE PUBLIC IN THE ANNUAL REPORT AND ANNUAL MEETING, WHICH IS HELD IN MARCH OF EACH YEAR THE CONFLICTS OF INTEREST POLICY IS NOT MADE PUBLIC

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part XI, line 9	CHANGE in CASH Surrender VALUE of Life Insurance 461,000 EQUITY ACQUIRED FROM MERGER 2,640

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

▶ Attach to Form 990.▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2016

Open to Public Inspection

Name of the organization
Harborstone Credit Union

Employer identification number
91-0659059

Part I Identification of Disregarded Entities

Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) CU SERVICES GROUP LLC 9611 GRAVELLY LAKE DR SW LAKEWOOD, WA 98499 26-2064794	BUSINESS LENDING	WA	470,966	10,098,583	HARBORSTONE CREDIT UNION

Part II Identification of Related Tax-Exempt Organizations

Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b) (13) controlled entity?	
						Yes	No

Part III Identification of Related Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) BUSINESS LENDING GROUP LLC 6019 LAKE GROVE ST SW LAKEWOOD, WA 98499 45-1149959	BUSINESS LOAN DEVELOPMENT	WA	HARBORSTONE CREDIT UNION	Related	-19,583	7,274		No		Yes		40 480 %

Part IV Identification of Related Organizations Taxable as a Corporation or Trust Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512(b) (13) controlled entity?	
								Yes	No

Part V Transactions With Related Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest, (ii)annuities, (iii) royalties, or(iv) rent from a controlled entity

1a

No

b Gift, grant, or capital contribution to related organization(s)

1b

No

c Gift, grant, or capital contribution from related organization(s)

1c

No

d Loans or loan guarantees to or for related organization(s)

1d

No

e Loans or loan guarantees by related organization(s)

1e

No

f Dividends from related organization(s)

1f

No

g Sale of assets to related organization(s)

1g

No

h Purchase of assets from related organization(s)

1h

No

i Exchange of assets with related organization(s)

1i

No

j Lease of facilities, equipment, or other assets to related organization(s)

1j

No

k Lease of facilities, equipment, or other assets from related organization(s)

1k

No

l Performance of services or membership or fundraising solicitations for related organization(s)

1l

Yes

m Performance of services or membership or fundraising solicitations by related organization(s)

1m

No

n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

1n

Yes

o Sharing of paid employees with related organization(s)

1o

Yes

p Reimbursement paid to related organization(s) for expenses

1p

No

q Reimbursement paid by related organization(s) for expenses

1q

No

r Other transfer of cash or property to related organization(s)

1r

No

s Other transfer of cash or property from related organization(s)

1s

No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Part VII **Supplemental Information**

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation
------------------	-------------