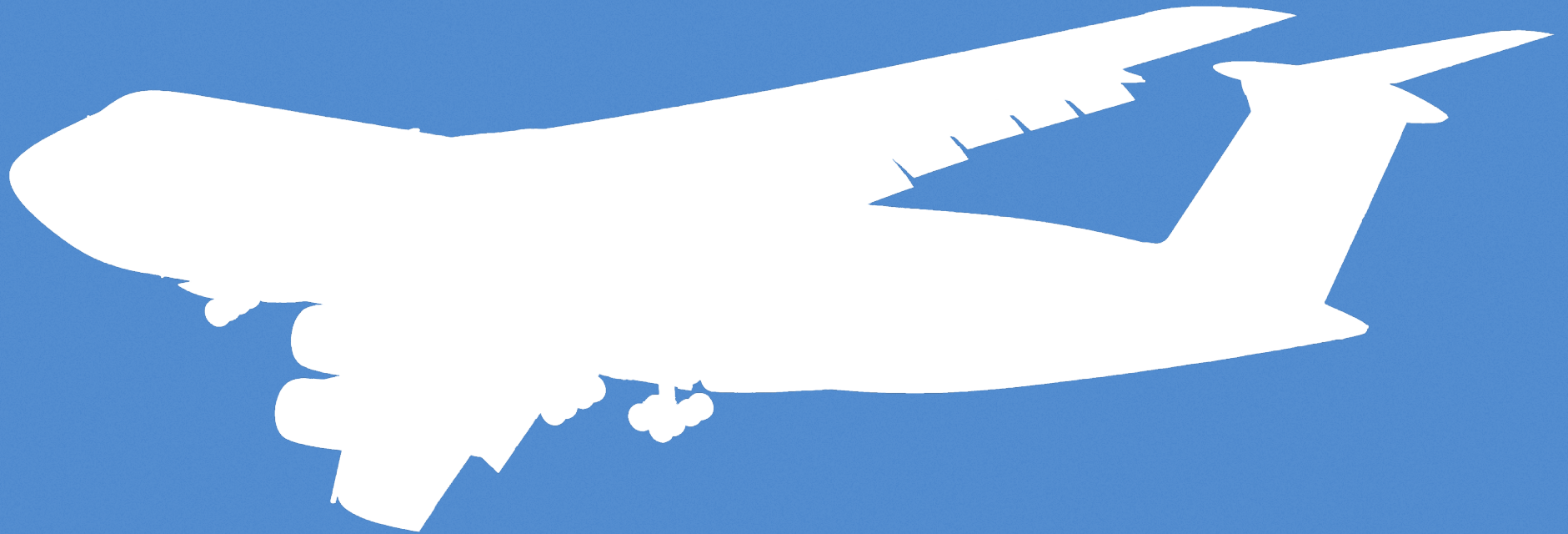


2025 | ANNUAL REPORT



DIVIDENDS PAID TO MEMBERS
\$8,996,664

CASH BACK REWARDS EARNED
BY MEMBERS **\$620,952**



NUMBER OF MEMBERS **43,410**

2026 ANNUAL MEETING

JUNE 10TH, 2026

SAVED MEMBERS **\$2,468,058** IN
FRAUDULENT TRANSACTIONS



FUNDED **\$15,332,127** IN
REAL ESTATE LOANS TO OUR MEMBERS

PROCESSED **323,178** MEMBER TRANSACTIONS

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2026 MEETING AGENDA

- I. Call To Order
- II. Pledge of Allegiance
- III. Introductions
- IV. Recording Secretary Appointment
- V. Parliamentarian Appointment
- VI. Sergeant-at-Arms Appointment
- VII. Ascertainment of Quorum
- VIII. Motion Announcement
- IX. Minutes of the 2025 Annual Meeting
- X. Report of Directors
- XI. Report of the President
- XII. Report of the Supervisory Committee
- XIII. Unfinished Business
- XIV. New Business
- XV. Report of the Board Governance Committee
- XVI. Adjournment



2025 ANNUAL MEETING MINUTES

The 67th Annual Membership Meeting was called to order at 6:09 p.m. by Jeannette Schuler, Board Chair, on June 11, 2025, at Modern Maturity Center, Dover, Delaware. Jeannette Schuler, Chair, welcomed all credit union members and thanked everyone for being present.

The Pledge of Allegiance and moment of silence was led by the Chair, Jeannette Schuler.

Jeannette then introduced those seated at the head table with her.

The Chair appointed Donise Cottman to be the Recording Secretary, Myfanwy Bonilla as the Parliamentarian, and Tony Rivera as the Sergeant at Arms for this year's meeting.

The Secretary, Donise Cottman, reported that a quorum was present. 15 members constitute a quorum, with 97 members present at that time.

The chair then requested a motion to approve the minutes of the last annual meeting without reading. A motion to approve the minutes without reading was made by George Gaudio, seconded by Karen (Anna H. Sebastian). Motion carried.

A message from the Chair of the Board was delivered by Jeannette Schuler.

A message from the President was delivered by Janell Upton.

The Supervisory Committee report was presented by John Van Tine, Supervisory Committee Chair.

LaShawne Pryor, Chair of the Board Governance Committee, provided the report from the committee.

Jeannette thanked the members for their attendance and declared the business meeting adjourned at 6:47 p.m.



CHAIR AND CEO'S JOINT REPORT

As we reflect on 2025, we are proud to share a year defined by disciplined growth, strategic investment, and an unwavering commitment to your financial well-being.

Navigating Economic Trends

In an economic environment shaped by elevated interest rates, persistent inflationary pressures, and rising delinquency trends nationwide, our organization remained focused on strengthening our foundation while continuing to enhance the services and experiences that matter most to you.

Across the national financial landscape, many households have had to work through rising costs with tighter budgets, contributing to a rise in delinquency, particularly in credit card and auto lending. Dover Federal was not immune to these national trends and elevated delinquency levels became a key area of focus throughout 2025. In response, we maintained a disciplined and proactive risk management approach, closely monitoring performance and taking measured actions to manage outcomes. Overall, net income was impacted with softened loan demand in line with broader market conditions, however the credit union remained within established risk tolerance. Looking ahead, we anticipate that delinquency trends will persist in the coming year. To support our members during these challenges, we expanded our Member Solutions team, strengthened early-stage intervention strategies, and enhanced monitoring protocols. We also updated procedures and forecasting tools to better identify and address emerging risks. These efforts, combined with prudent underwriting standards, have enabled us to maintain a strong financial position.

Financial Strength and Asset Growth

Dover Federal continues to grow and at year end reached \$711 million in assets. Our net worth ratio at the end of 2025 was 7.76% and continues to exceed “well-capitalized” regulatory standards, reinforcing the resilience and stability of our institution.

Digital and Physical Transformation

Lending Platform: A key milestone in 2025 was the successful upgrade of our lending platform, representing a significant advancement in our digital capabilities. This transformation has materially improved operational efficiency, streamlined loan decisioning and reduced processing times. Members now benefit from a more intuitive application, providing transparency throughout the process and enhanced member experience.

Saulsbury Financial Center: Throughout the year, we made strategic investments in how we serve our members and communities by advancing our branch transformation efforts in meaningful ways. One of the most exciting milestones is the development of our new Financial Center on Saulsbury Road. This is a landmark project that reflects both our growth and our long-term commitment to personalized, relationship-driven banking. Designed to combine modern technology with a welcoming, member-focused environment, this facility will continue to offer branch services while also offering expanded consultation space for mortgage, business, financial planning, and investment services. Additionally, the location will hold a dedicated financial education area reinforcing our commitment to financial wellness for individuals and families across all stages of life. The Financial Center is expected to open in the Fall of 2026.

Milford Branch: Continuing with our commitment to further invest in how we serve our members and communities, our Milford Branch is moving to a new state-of-the-art facility. Less than a half mile from our current branch, this location will boost convenience and accessibility for our members, including the addition of drive-thru services and Saturday hours. Our new Milford Branch location is expected to open in late 2026 and will support continued growth.

Community Impact and Recognition

Beyond technology and infrastructure, we remain deeply committed to our mission of empowering our communities by educating and inspiring members along their financial journey. In 2025 your credit union delivered meaningful impact through the following efforts:

- Delivered more than 70 financial education sessions for students, service members, community groups, and employers.
- Supported over 75 community events, strengthening partnerships and expanding our outreach across Delaware.
- Partnered with the Biggs Museum of American Art to provide free admission for our members and the broader community.

Throughout the year, we were honored to receive recognition across a wide range of organizations. These are affirmations of the culture we've built, our commitment to the communities we serve, and most importantly, the trust you place in us each day. While awards are never the goal, they are a meaningful reflection of the way our team shows up for you and for one another. Among the year's most notable recognition:

- Top Workplace
- Stars of Delaware Best Credit Union
- First State Favorite Credit Union
- Delaware National Guard Warrior Friendly Award
- Delaware Small Business Chamber Top Employer in Kent County

This recognition belongs as much to our members as to our team and reinforces our commitment to continue earning your confidence every day.

Governance and Executive Oversight

The resilience of Dover Federal is rooted in the strength of our governance. We are guided by a dedicated 9-member Board of Directors, complemented by 3 Associate Board members. Alongside our Supervisory Committee, our Board provides the rigorous oversight and quality control necessary to safeguard your assets while driving strategic growth. Their commitment to excellence ensures that every decision we make is rooted in integrity and the best interests of our membership.

To execute this vision, our Executive Leadership has been intentionally refined to sharpen our focus on member-centricity, positioning Dover Federal as an institution that truly cares for its members. By aligning our leadership structure with our strategic goals, we have improved accountability and streamlined decision-making, ensuring we are better equipped to help our members on their financial journey.

In Closing

Our performance in 2025 demonstrates the balance required for long-term success: growth with discipline, innovation with purpose, and investment with a clear strategic vision. By strengthening our operational capabilities, advancing key infrastructure projects, enhancing our digital platforms, and maintaining sound financial practices, we continue to build a solid foundation for the future.

We remain steadfast in our commitment to serving you with integrity, stability, and a member-first approach. Thank you for your continued trust and membership.



Jeannette Schuler

Jeannette Schuler
Chair, Board of Directors



Janell K Upton

Janell Upton
President/Chief Executive Officer



BOARD OF DIRECTORS

Our elected Board of Directors are a group of volunteer members who oversee the organization's operations. They are responsible for overseeing the CEO's performance and guiding the Credit Union's strategy, managing its finances and ensuring it follows laws and regulations. They meet regularly to discuss Dover Federal's performance and make key decisions. Their main goal is to make sure the Credit Union serves our members well.

CHAIR
Jeannette Schuler

1ST VICE CHAIR
LaShawne Pryor

2ND VICE CHAIR
Cory Thomas

TREASURER
Lee Rideout

SECRETARY
Shawn Tyre

DIRECTORS
Kim Hicks
Andrew Mensack
Mary Parker
Sandra Taylor

DIRECTOR EMERITUS
Russell McCready

ASSOCIATE DIRECTORS
Jeffrey Benson, Jr.
Michael Prystajko
Thomas McGill

EXECUTIVE TEAM

PRESIDENT/CHIEF EXECUTIVE OFFICER
Janell Upton

EXECUTIVE VICE PRESIDENT
Donna Kiscaden

CHIEF EXPERIENCE OFFICER
Todd Wilson

SENIOR VICE PRESIDENT, IT & OPERATIONS
Tim Greim

SENIOR VICE PRESIDENT, FINANCE & RISK
Karin Colon

SENIOR VICE PRESIDENT, LENDING
Michael Lombardo

VICE PRESIDENT, CORPORATE ADMINISTRATION
Donise Cottman

VICE PRESIDENT, HUMAN RESOURCES & TRAINING
Nicole Hercules

GOVERNANCE COMMITTEE

Andrew Mensack, Mary Parker, Shawn Tyre, and I formed the Governance Committee for this past year. We retained all our voting Board of Directors. The following were recently confirmed to renew their terms:

LaShawne Pryor | Cory Thomas | Sandra Taylor

The Governance Committee renominated and confirmed the following Associate Board members to serve another term:

**Jeffrey Benson, Jr. | Michael Prystajko
Thomas McGill**

As a result of the recent nominations and confirmations, the Governance Committee is happy to report that all seats for the Board of Directors are filled.

We encourage all members with an interest in volunteering to apply through the DFCU website. In addition to the Board seats, various volunteer committee opportunities are available. Input and service from all members is welcomed as we serve Dover Federal Credit Union together.

I want to thank my fellow committee members for their commitment and dedication to reviewing the applications to identify the most qualified candidates to advance Dover Federal Credit Union for our members.

Kim Hicks

**Kim Hicks,
Board Governance Committee Chair**

SUPERVISORY COMMITTEE

The Supervisory Committee's primary function is to ensure financial soundness and stability in order to safeguard our members' assets.

This is accomplished through ongoing reviews and audits to ensure that records are maintained properly, honestly and accurately and to verify adherence to policies established by law and by the Dover Federal Credit Union (Dover Federal) Board of Directors. The Committee meets on a monthly basis to review and discuss internal controls as well as auditing matters. We also serve as a direct resource for reviewing and resolving member complaints that cannot be resolved through normal channels. To assist in accomplishing our goals and objectives, the Supervisory Committee engages the services of an audit company. It is the role of the audit company to conduct reviews and issue reports by performing agreed upon procedures which are approved by the Committee and conducted in accordance with the attestations and standards established by the American Institute of Certified Public Accountants. For 2025, Doeren Mayhew Assurance conducted the Financial Audit and the Committee is pleased to report that no major findings were reported. The Supervisory Committee also engaged Doeren Mayhew Assurance to audit and express an opinion on Dover Federal's financial statements. The firm has reported that in their opinion, the financial statements of Dover Federal for the year ending December 31, 2025, presented fairly, in all material respects, the results of its operations and cash flows for the period in conformity with accounting principles generally accepted in the United States of America.

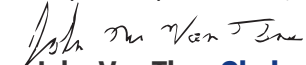
Dover Federal also has an Internal Auditor on staff to ensure daily functions are in compliance with policies and internal controls. The Internal Auditor provides information, objective analyses, independent appraisals, and recommendations concerning activities reviewed to promote effective internal controls and operational cost savings.

Additionally, Dover Federal is regulated and examined periodically by the National Credit Union Administration. This examination includes a review of the financial condition, quality of management, risk exposure and areas of regulatory compliance.

The Supervisory Committee is confident that Dover Federal is a financially sound, well-managed institution and that our members' assets are effectively safeguarded.

We will continue to make every effort to further enhance our oversight of Dover Federal operations to ensure that the best interests of all members are served.

Respectfully submitted,


John Van Tine, Chair

COMMITTEE MEMBERS

LaShawne Pryor | Aaron LeFort | Thomas McGill | Michael Prystajko | Kim Warfield-Walker, In Memoriam



CONDENSED BALANCE SHEET

Assets

| | December 31 | |
|---|----------------------|----------------------|
| | 2025 | 2024 |
| ASSETS | | |
| Cash and Cash Equivalents | 69,335,499 | 50,104,402 |
| Available-for-Sale Debt Securities | 55,205,819 | 52,700,937 |
| Loans to Members (Net of Allowance for Credit Losses) | 544,300,346 | 530,390,601 |
| Accrued Interest Receivable | 2,593,005 | 2,280,727 |
| Property and Equipment | 19,295,096 | 18,371,691 |
| Prepaid and Other Assets | 14,054,028 | 17,613,865 |
| National Credit Union Share Insurance Fund Deposit | 6,046,070 | 5,986,901 |
| Total Assets | \$710,829,863 | \$677,449,124 |

Liabilities and Members' Equity

| | December 31 | |
|--|----------------------|----------------------|
| | 2025 | 2024 |
| LIABILITIES | | |
| Members' Shares and Savings Accounts | 652,670,101 | 622,837,957 |
| Borrowed Funds | - | - |
| Accounts Payable and Other Accrued Liabilities | 5,532,056 | 5,356,909 |
| Total Liabilities | \$658,202,157 | \$628,194,866 |
| MEMBERS' EQUITY | | |
| Undivided Earnings | 54,584,513 | 53,097,033 |
| Accumulated Other Comprehensive Loss | (1,956,807) | (3,842,775) |
| Total Members' Equity | \$52,627,706 | \$49,254,258 |
| Total Liabilities and Members' Equity | \$710,829,863 | \$677,449,124 |

CONDENSED STATEMENT OF INCOME

December 31

| | 2025 | 2024 |
|------------------------------|---------------------|---------------------|
| INTEREST INCOME | | |
| Loans to Members | 32,661,901 | 30,361,765 |
| Investment Securities | 3,977,045 | 4,065,156 |
| Total Interest Income | \$36,638,946 | \$34,426,921 |

| | | |
|---|---------------------|---------------------|
| INTEREST EXPENSE | | |
| Dividends on Members' Shares & Savings Accounts | 8,996,666 | 9,287,122 |
| Interest on Borrowed Funds | - | 661,862 |
| Total Interest Expense | \$8,996,666 | \$9,948,984 |
| Net Interest Income | \$27,642,280 | \$24,477,937 |
| Provision for Credit Losses | 5,966,539 | 3,386,004 |
| Net Interest Income After Provision | \$21,675,741 | \$21,091,933 |

These condensed financial statements do not constitute a complete presentation. The complete set of audited financial statements, including the statements of cash flows and changes in members' equity, and notes to the financial statements, are available at the Silver Lake Headquarters office during normal hours of operation.

December 31

| | 2025 | 2024 |
|----------------------------------|---------------------|--------------------|
| NON-INTEREST INCOME | | |
| Fees and Charges | 3,870,033 | 3,877,540 |
| Interchange Income | 3,827,551 | 3,720,146 |
| Other Operating Income | 2,546,602 | 1,456,705 |
| Total Non-Interest Income | \$10,244,186 | \$9,054,391 |

| | | |
|------------------------------------|---------------------|---------------------|
| NON-INTEREST EXPENSES | | |
| Compensation and Benefits | 14,437,733 | 13,988,190 |
| Office Operations | 4,422,953 | 4,110,005 |
| Educational and Promotional | 776,127 | 618,498 |
| Office Occupancy | 1,492,514 | 1,339,185 |
| Loan Servicing | 2,649,622 | 2,492,785 |
| Professional and Outside Services | 4,836,282 | 4,410,941 |
| Miscellaneous | 1,817,216 | 1,930,398 |
| Total Non-Interest Expenses | \$30,432,447 | \$28,890,002 |
| NET INCOME | \$1,487,480 | \$1,256,322 |



Proudly Serving Our Community for Over 68 Years