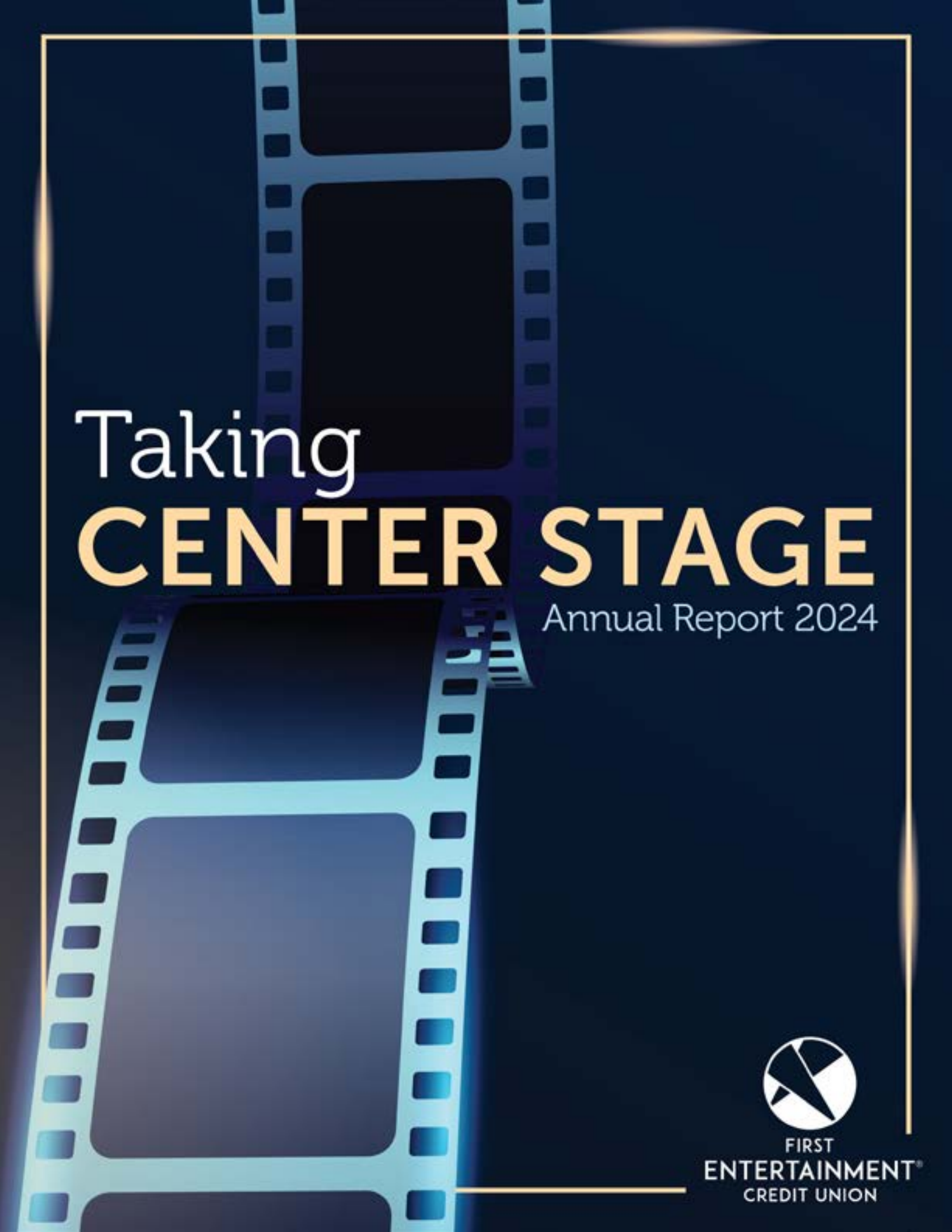


Taking CENTER STAGE

Annual Report 2024

FIRST ENTERTAINMENT® CREDIT UNION

Stephen Owen

A Message from the PRESIDENT

Despite the year's challenges, our industry partners demonstrated tenacity and true creative spirit. The First Entertainment team also rose to meet the moment, redoubling their dedication to our members.

The creative community demonstrated extraordinary resilience in 2024, as the entertainment industry incrementally rebooted film production in Los Angeles County. Responding to our members' needs during this recovery period, First Entertainment Credit Union enhanced its offerings by focusing on more robust entertainment-centric products, services, and financial education.

Our commitment to helping members with their finances took a variety of forms. First Entertainment produced a webinar every other week, including, "Crafting Your Future," which focused on resume building and navigating career changes. As members regained their financial footing, we enhanced the Value Checking account with benefits including getting paid up to three days early and enjoying ATM fee rebates of up to $180 per year. We also provided a secure financial future with our term certificate promotions that helped members build wealth in the face of economic uncertainty. For everyday savers, we increased the rate on our First500 account to 5% APY, giving members yet another way to bolster their financial picture. Finally, First Entertainment did its part in rewarding banking with us and supporting the entertainment industry reboot. We gave new and existing direct deposit accounts movie tickets and thousands of dollars in prizes. Putting First Entertainment center stage in your wallet was and continues to be a truly rewarding experience for new and existing members!

First Entertainment launched several successful initiatives to better serve the entertainment community, most notably opening the "Branch of the Future," our first cashless branch on the site where we began nearly 60 years ago, the Warner Bros. Discovery studio

lot. Through our Member Stories campaign, we were able to directly connect with new individuals, achieving a 10% increase in year-over-year brand awareness thanks to you, our members, sharing their journey into entertainment in this award-winning campaign. We ushered in many new partnerships with entertainment influencers, which generated a buzz with today's creative community. We continue to grow, evolve, and embrace the ever-expanding universe that is entertainment.

We welcomed new Select Employee Groups (SEG) to First Entertainment, including Lionsgate and the MBS Group, expanding our financial support to more than 6,000 entertainment professionals. First Entertainment activated at more SEG events than ever before - a constant presence on studio lots, including the Warner Fit Nation Friends and Family 5K, which allowed us to connect directly with more than 2,500 employees and their families. We also hosted nearly 100 studio lot socials where ice cream, donuts, and more treats were passed out, alongside financial knowledge and product offerings.

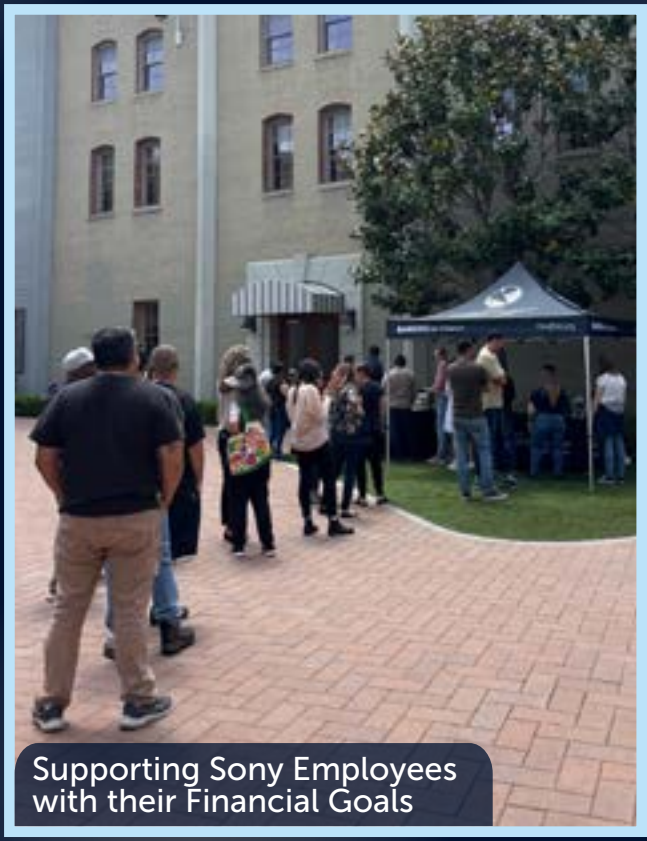
Despite the year's challenges, our industry partners demonstrated tenacity and true creative spirit. The First Entertainment team also rose to meet the moment, redoubling their dedication to our members. **We ended the year with financial earnings of $6.4M**, a true reflection of the magic that occurs when our teammates and members work together.

Thank you for continuing to choose First Entertainment as your financial partner.

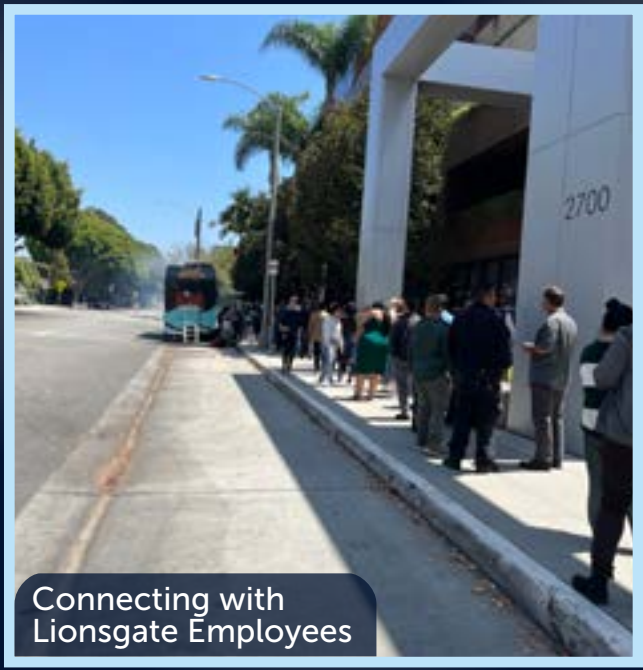
Alex R., The First Sweepstakes Winner

On the Lot

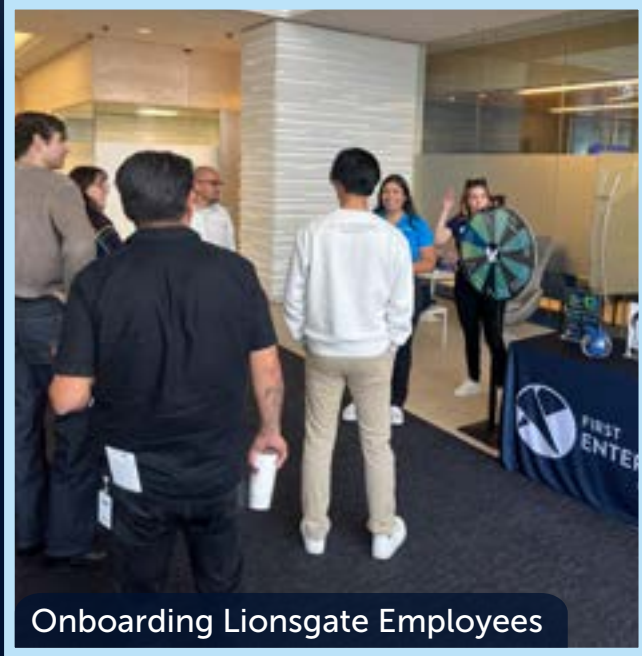
Warner Bros. Discovery Fit Nation 5K



Supporting Sony Employees with their Financial Goals



Connecting with Lionsgate Employees



Onboarding Lionsgate Employees

Providing Financial Opportunities to Paramount Employees

Patrick Walters

A Message from the CHAIRMAN

No matter the challenges the year threw our way, our priority never wavered: ensuring you had the financial tools and guidance to navigate an evolving industry.

As we stepped into 2024, the entertainment industry was filled with both hope and uncertainty. Production was picking up but not as quickly as many had hoped. There were fewer opportunities, shorter filming days, and a lingering sense of unpredictability. Through it all, First Entertainment Credit Union remained right where we've always been—by your side, ready to support you with financial solutions designed specifically for your needs.

Our **President and CEO, Stephen Owen**, led with a vision that kept our focus where it belongs—on you, our members. No matter the challenges the year threw our way, our priority never wavered: ensuring you had the financial tools and guidance to navigate an evolving industry. We didn't just react to the changes—we listened, adapted, and found new ways to empower you.

Partnership was at the heart of everything we did in 2024. Whether through our sponsorships with the **Motion Picture & Television Fund's Day at the Ranch, the American Film Institute, or the Burbank and Pasadena Film Festivals**, we made it our mission to deepen our connection with the entertainment community. These moments weren't just about giving back—they helped us understand you better, refine our services, and offer financial solutions that truly make a difference in your life.

At the same time, we were committed to keeping our credit union strong and competitive for you. We took a close look at our expenses and found ways to **save over $1 million** compared to 2023, allowing us to offer better rates and benefits to our member-owners. That's what being part of a financial cooperative is all about: when we do well, you do well.

Member Sally V.


Member Michelle G.

One of the most meaningful initiatives this past year was our **Member Stories campaign**. Hearing your experiences—your struggles, triumphs, and dreams—shaped how we improved our account offerings. The surge in direct deposit accounts showed us something powerful: Entertainment professionals like you are not just recovering from challenges—you're rebuilding, thriving, and securing your financial future.

We also made sure you had easier, faster access to your finances. With innovations like sending your debit or credit card to a digital device, viewing full card details within digital banking, scheduling virtual video appointments, and chatting with **"Emmi"**, our online assistant, we ensured you could bank with us anytime, anywhere.

2024 had its hurdles, but one thing remained constant: our unwavering commitment to you. As I wrap up my second year as **Chairman of the Board**, I couldn't be more proud of this community—the resilience, the creativity, the passion that drives everything we do. I'm grateful to the incredible **First Entertainment team**, our dedicated trustees, and most of all, **you—our members.**

Your dreams fuel this industry. And we're honored to be your financial partner, every step of the way.

Here's to another year of growth, opportunity, and success—together.

Serving the Community

First Entertainment Credit Union, the premier financial partner to creators in the entertainment community, has successfully raised $28,962 in its recent fundraising efforts for Children's Miracle Network partner Children's Hospital Los Angeles (CHLA), reflecting the credit union's support to the life changing work undertaken by one of the nation's most well-regarded children's hospitals.

Children's Hospital Los Angeles

Children's Hospital Los Angeles

Children's Hospital Los Angeles

Irwin Jacobson

A Message from the TREASURER

Our net worth ratio increased from 8.94% at year-end 2023 to 9.69% at the end of 2024.

Since opening our first branch nearly 60 years ago as Warner Seven Federal Credit Union on the Warner Bros. Lot, we have been proud champions of the creative Hollywood community, developing resources to support your financial well-being, enhance the banking experience, and maximize your savings. In 2024, **we distributed $25.3M in interest on deposits, a notable increase from 2023's $19.3M**. We also introduced ATM fee rebates of up to $180 to better serve our members.

Our **net worth ratio increased from 8.94% at year-end 2023 to 9.69% at the end of 2024**. This is the result of $6.4M in net income in 2024 and is one aspect of our financial picture that exemplifies how the credit union is positioned for future growth.

Last year, **we added 3,454 new members and increased our dividend to the membership**. To reward our members for their continued trust and growing direct deposits, we provided higher dividends on their checking and savings accounts. These indicators showcased the resilience of the entertainment community and the benefits provided by our competitive loan and interest rates - proving once again that investing in you, our members, works. Our dedication to best-in-class member services is allowing us to achieve our goal to be the best partner for individuals in the entertainment industry.

Investing in our member-owners is at the heart of everything we do and every decision we make.

We look forward to continuing our partnership with members of the creative community and helping solidify your financial footing as you pursue your dreams!

Mitch Nedick

A Message from the
SUPERVISORY COMMITTEE

First Entertainment is focused on sustaining our strong financial position, maintaining compliance with laws and regulations, and acting as a sound financial partner for our members as we help them achieve their goals.

The Supervisory Committee oversees First Entertainment Credit Union's operations and works independently from the Board of Directors and employees of the credit union. We ensure records are maintained accurately and internal controls are observed.

In 2024, as is done every year, the Supervisory Committee hired an external auditor to ensure the Credit Union is in accordance with the rules and regulations set by the California Department of Financial Protection and Innovation (DFPI) and the National Credit Union Administration (NCUA).

During the year, the Supervisory Committee reviewed 25 audit reports. Based on the results, the Supervisory Committee believes First Entertainment maintains accurate and timely records, is in a robust financial position, and complies with all laws and regulations.

The Committee also believes the Credit Union's commitment to consistently providing a best-in-class banking experience, investing in technology to keep information secure, and assessing and improving internal controls will continue to be keys to maintaining growth and stability.

First Entertainment is focused on sustaining our strong financial position, maintaining compliance with laws and regulations, and acting as a sound financial partner for our members as we help them achieve their goals.

Supporting Young Creators

Reed Martin
Best Documentary Film

Christina Wu
Best Animated Film

Giovanna Molina
Best Narrative Film

Kayla Sun
Jack Larson Award

PBS SoCal honored the 33 student finalists and their short films selected as participants for the 25th season of the FINE CUT Festival of Films. After 25 years of being founded by Jack Larson, who may be best known for his portrayal of photographer/reporter Jimmy Olsen in the 1952-1958 television series "Adventures of Superman," FINE CUT continues to showcase a collection of short films from hundreds of student filmmakers across Southern California through a series of broadcast episodes and an in-person Awards event. First Entertainment sponsored four $2,500 prizes for the winners.

Supporting Industry Celebrations

Burbank International Film Festival

Make-Up Artists and Hair Stylists Awards

Art Directors Guild Awards

Preston Kevin Lewis

A Message from the MEDIA BENEFITS CORPORATION

...last year we brought our total number of policies to 3,550, generating $957,000 in revenue - a 14% increase over 2023.

2024 brought a fresh set of challenges for creative professionals seeking compotitive and affordable insurance options throughout California. Our Media Benefits Insurance Services (MBIS) experts proudly assisted in finding the coverage you needed with the best rates and policies. We were able to help reduce annual insurance costs, increase coverage limits, or assist with the purchase of a new policy that suited your specific situation.

For more than a decade, MBIS has been a part of the First Entertainment family, providing quality coverage, including auto, home, renters, RV, boat, and pet insurance. Last year, Californians were faced with the challenges of securing coverage as insurance carriers reduced the number of home and auto policies they offered throughout the state.

As an independent agency, MBIS was able to match members to policies across multiple carriers, connecting you to the best rates and policies while helping protect your assets in the face of economic uncertainty. We are excited to report that **last year we brought our total number of policies to 3,550, generating $957,000 in revenue - a 14% increase over 2023**. Our success in 2024 exemplifies the trust our members place in us and the value of our products.

In 2025, we're more excited than ever about continuing our partnership wtih the resilient members of the creative community providing the insurance services you need to pursue your financial dreams. Our agents are ready to offer personalized options, competitive pricing, and provide exceptional service.

Consolidated Statement of Income

For the years-ended, December 31, 2024 and 2023 (Unaudited)

	2024	2023
INTEREST INCOME		
Interest on Loans	$ 79,024,900	$ 69,577,499
Interest on Cash and Investments	12,724,667	13,376,249
Total Interest Income	**91,749,567**	**82,953,748**
INTEREST EXPENSE		
Members' Share Accounts	25,309,788	19,255,124
Interest on Borrowed Funds	10,510,602	4,990,961
Total Interest Expense	**35,820,390**	**24,246,085**
Net Interest Income	**55,929,177**	**58,707,663**
Provision for Credit Losses	9,378,504	4,469,735
Net Interest Income After Provision for Credit Losses	46,550,673	54,237,928
NON-INTEREST INCOME		
Fees, Charges, and Other Income	16,622,109	16,469,285
Real Estate Loan Sales/Servicing	530,130	462,599
Gain/(Loss) on Property and Equipment/Foreclosed Assets	138,015	(6,826)
Gain/(Loss) on Securities	(337,611)	-
Gain/(Loss) on Insurance and Investments	472,484	369,282
Total Non-Interest Income	17,425,127	17,294,341
NON-INTEREST EXPENSE		
Compensation and Benefits	32,909,324	34,363,508
Office Occupancy	2,142,956	2,672,823
Office Operations	2,260,411	2,392,884
Other	20,323,651	19,459,560
Total Non-Interest Expense	57,545,342	58,888,775
NET INCOME	**$ 6,430,458**	**$ 12,643,493**

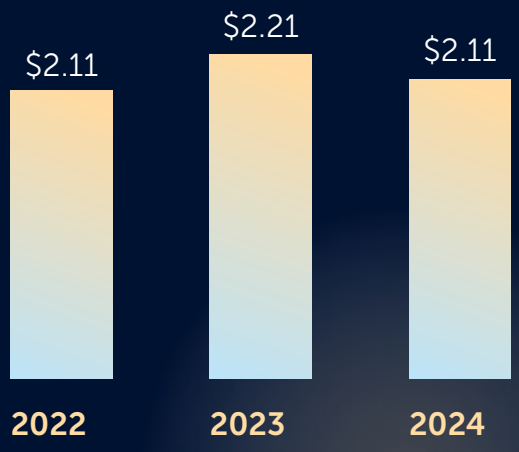
Net Income ($ in Millions)

Membership Dividend ($ in Millions)

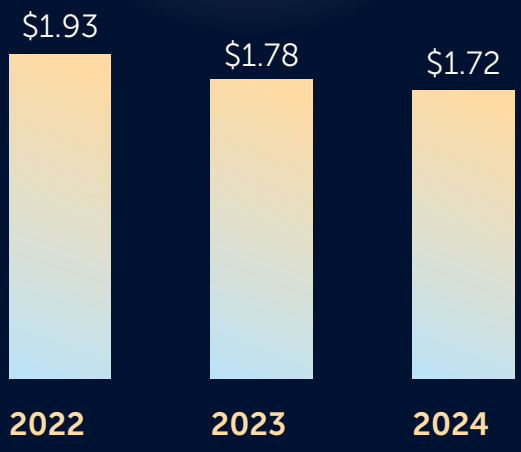
Consolidated Balance Sheet

As of December 31, 2024 and 2023 (Unaudited)

ASSETS	2024	2023
Cash and Investments	$ 541,522,718	$ 581,208,105
Loans, Net of Allowance for Credit Losses	1,480,936,685	1,556,930,969
Accounts Receivable	8,351,765	1,732,838
Property and Equipment	6,041,683	5,671,979
National Credit Union Share Insurance	16,697,000	18,470,100
Forcclosed Assets	-	105,217
Other Assets	51,603,441	45,592,073
TOTAL ASSETS	$ 2,105,153,292	$ 2,209,711,281
LIABILITIES AND EQUITY		
Members' Shares	$ 1,723,686,323	$ 1,778,714,776
Borrowed Funds	200,000,000	260,000,000
Accrued Expenses and Other Liabilities	13,783,195	20,073,069
Total Liabilities	**1,937,469,518**	**2,058,787,845**
MEMBERS' EQUITY		
Regular Reserve	3,515,665	3.515.665
Undivided Earnings	200,378,042	193,947,583
Unrealized Gain/Loss on Investments	(36,209,933)	(46,539,812)
Total Members' Equity	**167,683,774**	**150,923,436**
TOTAL LIABILITIES AND EQUITY	$ 2,105,153,292	$ 2,209,711,281



Asset Size ($ in Billions)



Member Shares ($ in Billions)

Officers

SENIOR MANAGEMENT

Stephen Owen	President & Chief Executive Officer
Addie Allison	SVP, Chief Experience Officer
Daniel Arita	SVP, Strategy
Janet Gaspard	SVP, Chief People Officer
Kitty Payne	SVP, Chief Financial Officer
Jeff Platt	SVP, Chief Information Officer
Irina Abramova	VP, Information Technology
Kat Cheng	VP, People Operations
Jorge Gonzales	VP, Digital Experience
Shannon Leitch	VP, Commercial & Real Estate Lending
Heather Lewis	VP, Sales
Donn Ogilvie	VP, Product
Paul Partida	VP, Enterprise Technology & Data
Lisa Rauda-Cook	VP, Member Experience Center
Kyle Reuter	VP, Marketing
Lily Terteryan	VP, Operations

BOARD OF DIRECTORS

Patrick Walters	Chair
Stephen Raynes	Vice Chair
Irwin Jacobson	Treasurer
Laura Valan	Secretary
Elena Campbell-Martínez	Director
Michael Edwards	Director
James Herr	Director
Sakae Manning	Director
Jeff Mirkin	Director
Ted Schilowitz	Director
Howard Welinsky	Director

SUPERVISORY/AUDIT COMMITTEE MEMBERS

Mitch Nedick	Supervisory Committee Chair
Frank Cannata	Committee Member
Heather Cochran	Committee Member
Dhiren Patel	Committee Member
Doug Regan	Committee Member
Corrie Rothbart	Committee Member
Michiko Shepherd	Committee Member

MEDIA BENEFITS CORPORATION BOARD OF DIRECTORS

Preston Kevin Lewis	Chair
Alan Saxe	Vice Chair
Charles "Tad" Marburg	Treasurer
Mark Newton	Secretary
Charles Bruen	Member
Allison Smartt	Member

Supporting the Industry

Cine Gear Expo


The Academy of Magical Arts Inc. Financial Webinar


Young Storytellers Step Challenge

International Make-Up Artist Trade Show

Supporting the Industry

Paramount Health Fair

Warner Bros. Discovery Earth Day Event

Meals for Members at Animation Guild

Direct Deposit Sweepstakes
Grand Prize Winner

Direct Deposit Sweepstakes
Grand Prize Winner

Warner Bros. Discovery
Pride Event

CULVER CITY
11502 Washington Blvd.
Culver City, CA 90232

HOLLYWOOD
6735 Forest Lawn Drive
Hollywood, CA 90068

PARAMOUNT STUDIOS*
5555 Melrose Ave.
Hollywood, CA 90038

SANTA CLARITA
25828 McBean Pkwy.
Santa Clarita, CA 91355

SONY PICTURES*
10202 Washington Blvd.
Culver City, CA 90232

STUDIO CITY
4067 Laurel Canyon Blvd.
Studio City, CA 91604

WARNER BROS. DISCOVERY*
4000 Warner Blvd., Bldg. 19
Burbank, CA 91522

FIRST ENTERTAINMENT CREDIT UNION
Your Story Matters®

*Branches only accessible for those cleared for access.