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## Midwest Corporate Federal Credit Union

### Quarterly Financial Statements

#### *Deposits at Midwest Corporate are Guaranteed*

Midwest Corporate is a participant in the NCUSIF Temporary Corporate Credit Union Share Guarantee Program. This program guarantees 100 % of all deposits in Midwest Corporate in excess of NCUSIF limits (except for capital accounts and term deposits with maturities in excess of two years). For details on this program please go to NCUA's website at <http://www.ncua.gov/Resources/CorporateStabilization/index.aspx>.

#### *Transparency*

As part of our on-going member information program relating to Midwest Corporate's financial condition and transparency of its investment portfolio, attached are the most recent quarterly financial statements, investment portfolio report, including details on any marketable securities we own, and the results of our most recent NEV analysis. These reports and the following narrative should be reviewed together in order to make an assessment on Midwest Corporate's overall financial position.

#### *Financial Statements*

Net income from operations to date for 2009 is significantly lower than for the same period in 2008 due to much lower asset levels, margins being much tighter, the costs related to the spinoff of the ProDraft Check Services Division into a CUSO, and the loss of income from U.S. Central FCU capital accounts (estimated at approximately \$91,500 to date). All of these items has led to lower income and higher than anticipated expenses.

We have purposefully managed the balance sheet to handle anticipated member seasonal liquidity demands during the third quarter of 2009. By doing so, we have forgone significant incremental investment income, however, insuring member liquidity at this time is our prime objective. As we move forward, we are investing in short-term investments that should improve incremental income without significantly increasing credit risk and that will continue to enable us to meet future liquidity demands. It is also worth noting that U.S. Central FCU has recently renewed our line of credit at \$75 million, which will assist us in meeting any unforeseen member liquidity needs.

In May 2009 we recognized the write-down of our capital investments at U.S. Central FCU in the amount of \$5.6 million. The effect of this write-down was a reduction in our net equity to \$630,288. Member MCS D accounts were not affected at that time. As expected, further capital account losses at U.S. Central FCU occurred in July 2009 and October 2009 for a total of \$5.2 million in additional losses. These additional losses exhausted all remaining retained earnings and forced Midwest Corporate to write-down member capital accounts in September 2009 in the amount of \$2.7 million and an additional write-down of \$2.1 million in November 2009 (after the September 2009 Financial Statements included below). The effect of these write-downs has been an exhaustion of member capital accounts in 2009 of \$4.9 million or 71.9%. Future losses from U.S. Central FCU are impossible to predict, however, Midwest Corporate's exposure to such losses is limited to the remaining capital accounts at U.S. Central FCU, or \$948,775. Until such time as Midwest Corporate builds

retained earnings that exceed its exposure to U.S. Central capital accounts, member capital accounts will be exposed to further write-downs.

In order to minimize any likely hood of operating losses for Midwest Corporate due to the current economic conditions and rate environment, Midwest Corporate is implementing cost cutting measures whenever possible a long as it does not affect member services. Midwest Corporate has always been run as efficiently as possible, which makes any cost cutting a daunting task, however, we are committed to finding savings that will keep net income from operations positive in 2010.

We continue to closely monitor the NCUA conservatorship of U.S. Central FCU.

In November 2009, Midwest Corporate was informed by the Federal Reserve Bank of Minneapolis that we would be required to prefund ACH transactions and post marketable investment securities in excess of those noted in this report. The prefunding is being addressed and we do not expect any effect on our members at this time. However, in order to comply with the collateral posting requirement, Midwest Corporate has purchased additional credit card asset-backed securities with a total face value of \$9,331,000. These securities, like the ones we already own, are AAA rated and are from what is considered "top tier" issuers. In addition, all of these new investments are short-term with expected maturity dates between 9/15/10 and 1/11/11.

### ***NEV Analysis***

The September 2009 Net Economic Value (NEV) included in this report indicates a significant change in the base ratio and the plus 300 rate shock effect. This change is due to the decrease of our capital due to the U.S. Central losses. Despite this effect, the results of the analysis are still within regulatory and Midwest Corporate FCU Policy limits.

### ***2008 Audited Financial Statements***

Our audited 2008 financial statements were delayed by our accounting firm until U.S. Central FCU released their 2008 audited financial statements and they could be reviewed. U.S. Central's audited statements have been released and can be viewed on their website. Our 2008 Audited Financial Statements has been posted on our website.

### ***NCUA Releases Proposed Corporate Regulation***

On November 19, 2009, the NCUA Board approved for comment a major revision to the corporate regulation that will significantly impact how corporate credit unions will operate in the future. We are in the process of reviewing and analyzing this 253 page document. Once our review and analysis is done, we will share with our members the results and highlight the impact on Midwest Corporate.

### ***Future Structures Being Analyzed***

Due to the financial impact that the losses at U.S. Central FCU has had on Midwest Corporate, and the limitations proposed in the new corporate regulation, Midwest Corporate's Board and management has been exploring various options on the future structure of Midwest Corporate and how we will deliver services in the future. The Board and management reviewed many options and have already narrowed them down to a few that are being further researched with the objective of brining the viable options to our members in the latter half of the first quarter of 2010.

### ***Questions***

If you have any questions on these reports, or, would like additional information, please contact Doug Wolf at 701/250-3990 or at [doug@midwestcorporatefcu.org](mailto:doug@midwestcorporatefcu.org).

<b>MCFCU STMT. OF FINANCIAL CONDITION</b>	<b>SEPTEMBER</b>	<b>AUGUST</b>	<b>SEPTEMBER</b>
	2009	2009	2008
<b>ASSETS</b>			
Cash & Cash Equivalents	\$ 4,735,716	\$ 4,430,962	\$ 3,203,153
Loans - net	\$ 2,706,806	\$ 10,815,785	\$ 5,941,348
Investments in USCCU	\$ 101,972,147	\$ 87,223,158	\$ 161,046,750
Other Investments - net	\$ 10,335,972	\$ 12,317,764	\$ 17,522,716
Sec. Purchased Under Agreement to Resell	\$ -	\$ -	\$ -
Investments in Corporate CUSO's	\$ 556,736	\$ 556,736	\$ 289,980
NCUSIF Deposit	\$ 56,363	\$ 56,363	\$ 54,071
Interest Receivable	\$ 415,616	\$ 351,182	\$ 1,224,599
Future Dated ACH	\$ -	\$ -	\$ -
Fixed Assets - net	\$ 70,703	\$ 73,008	\$ 242,987
Other Assets	\$ 72,284	\$ 78,234	\$ 281,699
<b>TOTAL ASSETS</b>	<b>\$ 120,922,343</b>	<b>\$ 115,903,193</b>	<b>\$ 189,807,303</b>
<b>LIABILITIES, SHARES &amp; EQUITY</b>			
<b>LIABILITIES</b>			
Notes Payable	\$ -	\$ -	\$ -
Dividend & Loan Interest Payables	\$ 119,911	\$ 161,229	\$ 520,308
Future Dated ACH	\$ -	\$ -	\$ -
Sec. Sold Under Agreement to Repurchase	\$ -	\$ -	\$ -
Accrued Expenses and Other Liabilities	\$ 116,918	\$ 115,661	\$ 97,789
<b>Total Liabilities</b>	<b>\$ 236,829</b>	<b>\$ 276,890</b>	<b>\$ 618,097</b>
<b>SHARES</b>			
Share Accounts	\$ 68,670,552	\$ 64,628,150	\$ 71,334,377
Certificate Accounts	\$ 47,999,000	\$ 46,999,000	\$ 103,477,000
Membership Capital Share Deposits	\$ 4,043,541	\$ 6,759,565	\$ 6,764,195
<b>Total Shares</b>	<b>\$ 120,713,093</b>	<b>\$ 118,386,715</b>	<b>\$ 181,575,572</b>
<b>Member's Equity</b>			
Regular Reserve	\$ -	\$ 1,423,918	\$ 3,087,718
Reserve for Contingencies	\$ -	\$ -	\$ -
Undivided Earnings	\$ 8,930,957	\$ 4,791,015	\$ 4,376,408
Accumulated Unrealized Gain(Loss) on Available for Sale Investments	\$ (27,704)	\$ (44,388)	\$ (216,380)
Accumulated Net Income(loss)	\$ (8,930,832)	\$ (8,930,956)	\$ 365,889
<b>Total Primary Capital</b>	<b>\$ (27,580)</b>	<b>\$ (2,760,412)</b>	<b>\$ 7,613,634</b>
<b>TOTAL LIAB., SHARES &amp; EQUITY</b>	<b>\$ 120,922,343</b>	<b>\$ 115,903,193</b>	<b>\$ 189,807,303</b>
Daily Average Net Assets - 12 Months	\$ 186,936,470	\$ 192,797,959	\$ 285,928,125
Daily Average Net Assets - For Month	\$ 126,492,122	\$ 131,656,111	\$ 197,806,910
Primary Capital to Total Assets	0.00%	-2.34%	4.13%
Total Capital to Total Assets	3.34%	3.49%	7.69%
Primary Capital to 12 Month DANA	0.00%	-1.41%	2.74%
Total Capital to 12 Month DANA	2.11%	2.05%	5.10%
Primary Capital to Monthly DANA	0.00%	-2.06%	3.96%
Total Capital to Monthly DANA	3.20%	3.07%	7.38%

<b>MCFCU STATEMENT OF INCOME</b>			
<b>INTEREST INCOME</b>			
Interest on Loans		\$ 40,408.55	\$ 43,913.91
Income from Investments		\$ 1,673,215.63	\$ 7,357,322.16
<b>Total Interest Income</b>		<b>\$ 1,713,624.18</b>	<b>\$ 7,401,236.07</b>
<b>INTEREST EXPENSE</b>			
Dividends		\$ 1,291,832.45	\$ 6,576,815.11
Interest on Borrowed Money		\$ 41.29	\$ 363.51
<b>Total Interest Expense</b>		<b>\$ 1,291,873.74</b>	<b>\$ 6,577,178.62</b>
<b>NET INTEREST INCOME</b>		<b>\$ 421,750.44</b>	<b>\$ 824,057.45</b>
Less: Provision for Loan Losses		-	\$ -
<b>NET INT. INCOME AFTER PLL</b>		<b>\$ 421,750.44</b>	<b>\$ 824,057.45</b>
<b>NON-INTEREST INCOME</b>			
Service Fees		\$ 479,804.78	\$ 365,474.29
Other		\$ 116,876.13	\$ 182,331.49
<b>Total Non-Interest Income</b>		<b>\$ 596,680.91</b>	<b>\$ 547,805.78</b>
<b>NON-INTEREST EXPENSES</b>			
Employee Compensation & Benefits		\$ 389,054.07	\$ 372,674.41
Travel, Conferences & Meeting		\$ 20,626.12	\$ 37,766.69
Association Dues		\$ 7,208.17	\$ 6,604.33
Office Occupancy		\$ 19,773.00	\$ 20,171.48
Office Operations		\$ 396,437.37	\$ 468,725.09
Marketing		\$ 35,563.16	\$ 35,811.43
Professional & Consulting Fees		\$ 38,104.51	\$ 30,959.97
Insurances		\$ 4,497.75	\$ 4,572.11
Operating Fees		\$ 34,805.04	\$ 18,608.57
Cash Over(Short)		\$ 46.96	\$ (15.58)
Annual Meeting		\$ 10,103.01	\$ 7,424.29
Miscellaneous		\$ 5,138.01	\$ 2,671.30
<b>Total Non-Interest Expenses</b>		<b>\$ 961,357.17</b>	<b>\$ 1,005,974.09</b>
<b>NET INCOME FROM OPERATIONS</b>		<b>\$ 57,074.18</b>	<b>\$ 365,889.14</b>
<b>NON-OPERATING INCOME(LOSS)</b>			
Gain(Loss) on Investments		\$ (8,987,905.93)	\$ -
Gain(Loss) on Disposition of Assets		\$ -	\$ -
Other Non-Operating Gain(Loss)		\$ -	\$ -
<b>Total Non-Operating Income(Loss)</b>		<b>\$ (8,987,905.93)</b>	<b>\$ -</b>
<b>NET INCOME</b>		<b>\$ (8,930,831.75)</b>	<b>\$ 365,889.14</b>
<b>Less: Reserve Transfer</b>		<b>-</b>	<b>\$ -</b>
<b>NET INCOME AFTER RES. TRANS.</b>		<b>\$ (8,930,831.75)</b>	<b>\$ 365,889.14</b>
Yield on Average Earning Assets		1.350%	3.593%
Cost of Funds		1.001%	3.213%
Operating Expenses to Gross Income		41.612%	12.655%
Net Interest Income to DANA		0.313%	0.380%
Operating Expenses to DANA		0.665%	0.469%
Net Income from Ops to DANA		0.042%	0.169%
Dividends to Interest Income		75.386%	88.861%
Dividends to Gross Income		55.916%	82.737%
Net Income from Ops to RUDE		0.969%	6.530%
Net Interest Income to Avg. Shares & RUDE		0.321%	0.393%
<i>Ratios are annualized</i>			

## Midwest Corporate Federal Credit Union

### Investment Portfolio Report by Type

as of September 30, 2009

Description	Unmatched	Percent of Total	Matched	Total	Percent of Total	Fair Value	Unrealized Gain(loss)
<b>Member Loans</b>							
Settlement	\$ 1,706,806.06	4.43%	\$ -	\$ 1,706,806.06	1.44%	\$ 1,706,806.06	\$ -
Variable-Rate Term	-	0.00%	-	-	0.00%	-	-
Fixed-Rate Term	1,000,000.00	2.60%	-	1,000,000.00	0.85%	1,000,000.00	-
<b>Total Member Loans</b>	<b>\$ 2,706,806.06</b>	<b>7.03%</b>	<b>\$ -</b>	<b>\$ 2,706,806.06</b>	<b>2.29%</b>	<b>\$ 2,706,806.06</b>	<b>\$ -</b>
<b>U.S. Central CU Investments</b>							
Overnight	\$ -	0.00%	\$ 31,765,528.79	\$ 31,765,528.79	26.86%	31,765,519.00	\$ (9.79)
90-day Notice account - variable rate	-	0.00%	10,000.00	10,000.00	0.01%	10,000.00	-
1-year Variable Rate CDs (no longer offered)	-	0.00%	-	-	0.00%	-	-
Capital Investments - MCSD	3,096,618.02	8.04%	-	3,096,618.02	2.62%	3,096,618.00	(0.02)
PIC	-	0.00%	-	-	0.00%	-	-
Central Liquidity Facility Funding Account	-	0.00%	-	-	0.00%	-	-
Fixed-Rate CDs	3,600,000.00	9.35%	44,000,000.00	47,600,000.00	40.25%	48,282,170.00	682,170.00
Floating Rate CDs (FRAPs) - FFE	12,000,000.00	31.17%	-	12,000,000.00	10.15%	12,012,636.00	12,636.00
LIBOR	7,000,000.00	18.18%	-	7,000,000.00	5.92%	7,015,010.00	15,010.00
Callable CDs - Fixed-Rate	-	0.00%	500,000.00	500,000.00	0.42%	499,801.00	(199.00)
Step-Up	-	0.00%	-	-	0.00%	-	-
Amortizing Certificates (ACP)	-	0.00%	-	-	0.00%	-	-
<b>Total U.S. Central CU</b>	<b>\$ 25,696,618.02</b>	<b>66.75%</b>	<b>\$ 76,275,528.79</b>	<b>\$ 101,972,146.81</b>	<b>86.22%</b>	<b>\$ 102,681,754.00</b>	<b>\$ 709,607.19</b>
<b>Other Investments</b>							
SimpliCD	\$ 1,192,000.00	3.10%	\$ 3,500,000.00	\$ 4,692,000.00	3.97%	4,707,379.33	\$ 15,379.33
Dakotaland FCU-Secondary Capital Deposit	500,000.00	1.30%	-	500,000.00	0.42%	567,935.00	67,935.00
U.S. Government Agency Securities	-	0.00%	-	-	0.00%	-	-
Asset-Backed Securities - FFE based	-	0.00%	-	-	0.00%	-	-
LIBOR based	5,143,972.00	13.36%	-	5,143,972.00	4.35%	5,143,972.00	-
Member Repos	-	0.00%	-	-	0.00%	-	-
Missouri Corp, CR Com & Fifth Third Share Account	3,256,258.63	8.46%	-	3,256,258.63	2.75%	3,256,258.63	-
Investments in CUSOs	-	0.00%	-	-	0.00%	-	-
<b>Total Other Investments</b>	<b>\$ 10,092,230.63</b>	<b>26.22%</b>	<b>\$ 3,500,000.00</b>	<b>\$ 13,592,230.63</b>	<b>11.49%</b>	<b>\$ 13,675,544.96</b>	<b>\$ 83,314.33</b>
<b>Total Investments</b>	<b>\$ 38,495,654.71</b>	<b>100.00%</b>	<b>\$ 79,775,528.79</b>	<b>\$ 118,271,183.50</b>	<b>100.00%</b>	<b>\$ 119,064,105.02</b>	<b>\$ 792,921.52</b>

<b>Midwest Corporate FCU - Marketabel Security Listing</b>			
<b>as of September 30, 2009</b>			
<b>Issuer:</b>	Chase Issuance Trust		
<b>Issue:</b>	Class A (2005 - A6) certificates		
<b>Type:</b>	Asset-Backed Security		
<b>CUSIP #:</b>	161571AN4		
<b>Coupon Rate:</b>	1 Month LIBOR + .0007		
<b>Effective Coupon Rate:</b>	1 Month LIBOR + .0028		
<b>Amount:</b>	\$ 1,200,000		
<b>Settlement Date:</b>	10/17/2007		
<b>Expected Final Maturity:</b>	7/16/2012		
<b>Credit Enhancements:</b>	Class B & C Certs & Reserve A/C		
<b>Original Issue:</b>	\$ 825,000,000		
<b>Original Issue Date:</b>	8/2/2005		
<b>Legal Final Maturity:</b>	7/15/2014		
<b>Curent Credit Rating:</b>	AAA		
<b>Accounting Calssification:</b>	Available for Sale		
<b>Issuer:</b>	MBNA Credit Card Master Trust		
<b>Issue:</b>	Class A (2005 - A9 A9) certificates		
<b>Type:</b>	Asset-Backed Security		
<b>CUSIP #:</b>	55264TDL2		
<b>Coupon Rate:</b>	1 Month LIBOR + .0004		
<b>Effective Coupon Rate:</b>	1 Month LIBOR + .0042		
<b>Amount:</b>	\$ 2,000,000		
<b>Settlement Date:</b>	1/15/2008		
<b>Expected Final Maturity:</b>	11/15/2010		
<b>Credit Enhancements:</b>	Class B & C Certs & Reserve A/C		
<b>Original Issue:</b>	\$ 1,000,000,000		
<b>Original Issue Date:</b>	11/17/2005		
<b>Legal Final Maturity:</b>	4/13/2013		
<b>Curent Credit Rating:</b>	AAA		
<b>Accounting Calssification:</b>	Available for Sale		
<b>Issuer:</b>	Chase Issuance Trust		
<b>Issue:</b>	Class A (2006 - A4 A4) certificates		
<b>Type:</b>	Asset-Backed Security		
<b>CUSIP #:</b>	161571BH6		
<b>Coupon Rate:</b>	1 Month LIBOR + .0002		
<b>Effective Coupon Rate:</b>	1 Month LIBOR + .0042		
<b>Amount:</b>	\$ 2,000,000		
<b>Settlement Date:</b>	1/15/2008		
<b>Expected Final Maturity:</b>	8/15/2011		
<b>Credit Enhancements:</b>	Class B & C Certs & Reserve A/C		
<b>Original Issue:</b>	\$ 750,000,000		
<b>Original Issue Date:</b>	8/29/2006		
<b>Legal Final Maturity:</b>	10/15/2013		
<b>Curent Credit Rating:</b>	AAA		
<b>Accounting Calssification:</b>	Available for Sale		

# Most Recent Net Economic Value Analysis

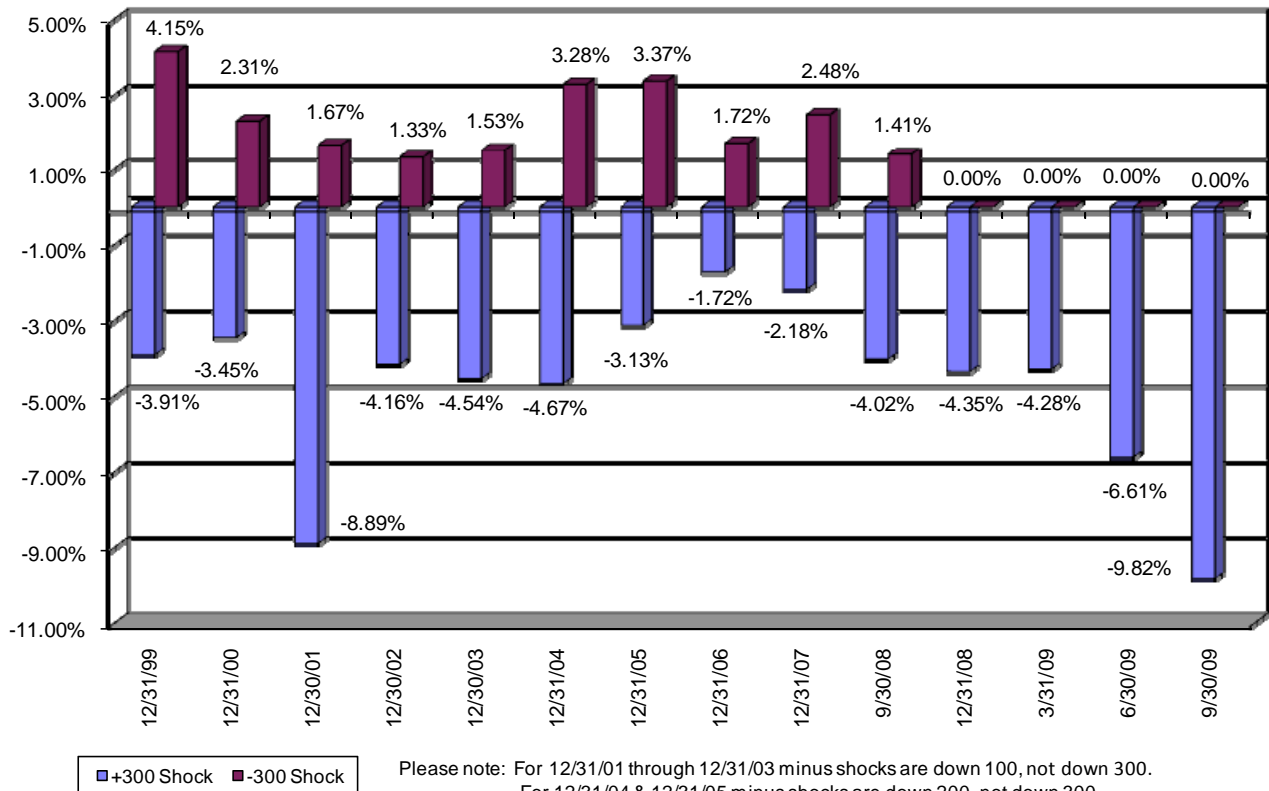
Percent change in NEV for instantaneous changes in Interest Rates

Rate Shock	9/09	12/08	12/07	12/06
+3.00%	-9.82%	-4.35%	-2.18%	-1.72%
Base Ratio	3.54%	7.05%	4.56%	5.81%
-1.00% *	N/A	N/A	+0.79%	+0.55%
-2.00% *	N/A	N/A	+1.62%	+1.12%
-3.00% *	N/A	N/A	+2.48%	+1.72%

\* Shocks for a 3.00%, 2.00%, and 1.00% downward movement was not done for 12/08 and later dates on due to the very low rate environment at the tiem of each analysis.

*Net Economic Value (NEV)* is the difference between the present value of our assets and our liabilities, divided by the present value of our assets. The percent change in different rate scenarios (i.e. +/- 300 basis points) indicates the interest rate sensitivity we currently maintain. For Base Level Operating Authority, NCUA Regulation Part 704 permits a percent change in a corporate credit union's NEV up to 15.00% and requires that the NEV ratio is maintained at a minimum of 2.00% during rate shock tests.

MCFCU Pervent Change in NEV



Please note: For 12/31/01 through 12/31/03 minus shocks are down 100, not down 300.  
 For 12/31/04 & 12/31/05 minus shocks are down 200, not down 300.  
 For 6/30/08 on - no down shock done due to low rate enviornment.  
 Also please note that beginning with 12/31/02, MCSD are treaded as capital for NEV.