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**To:** Member CEOs  
**Copy:** Member CFOs  
**From:** Douglas C. Wolf, President/CEO  
**Subj:** June 30, 2009 Financial Reports  
**Date:** August 6, 2009

*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 % 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 monthly financial statements, investment portfolio report, including details on any marketable securities we own, and our most recent NEV analysis results.

*Financial Statements*

Net income from operations to date for 2009 is significantly lower than for the same period in 2008 as lower asset levels, tighter margins, 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 over \$61,000), have all led to lower income and higher expenses.

We have purposefully managed the balance sheet to handle anticipated member seasonal liquidity demands during the third quarter to 2009. By doing so, we have forgone some incremental investment income, however, insuring member liquidity at this time is our prime objective. As we approach the end of the third quarter of 2009, we will explore investment opportunities that will improve incremental income without significantly increasing credit risk and that will continue to enable us to meet future liquidity demands.

In May 2009 we recognized the write-down of a significant portion of our capital investments at U.S. Central FCU in the amount of \$5.6 million. The effect of this write-down was a reportable year-to-date net loss of \$5.6 million on our income statement as of June 30, 2009. This reduced our net equity to \$630,288. Member MCSD accounts were not affected, but, our primary capital ratio was reduced to 0.31% and our total capital ratio was reduced to 3.57%. Further U.S. Central FCU losses was expected and on July 31, 2009 an additional loss of \$3.1 million was recognized by Midwest Corporate from further capital investment losses at U.S. Central (this will be reflected in our July 2009 financial statements). This additional loss will cause an offset to Midwest Corporate member capital accounts in the coming months.

Midwest Corporate has always been run as efficiently as possible, however, with these extraordinary events, Midwest Corporate's management staff is reviewing all areas for any potential cost savings or income enhancements. We will communicate our findings in these areas on an on-going basis as this process unfolds.

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

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

The release of our audited 2008 financial statements have been delayed by our accounting firm until U.S. Central FCU releases their 2008 audited financial statements and they can be reviewed. We will notify members when our audited 2008 financial statements are released and posted on our website.

### ***Member Meetings to be Scheduled***

Several members meetings are being scheduled around North Dakota to review issues surrounding the NCUA Corporate Credit Union Stabilization Program; the U.S. Central FCU Conservatorship; the eminent write-down of member MCSD accounts; and the importance of our Capital Restorations Pan. Members will receive invitations by mid-August 2009.

### ***Questions***

If you have any questions on these reports, or, would like additional information, we will make every effort to provide that directly to you.

As always, please feel free to contact me at any time at 701/250-3990 or at [doug@midwestcorporatfcu.org](mailto:doug@midwestcorporatfcu.org).

<b>MIDWEST CORPORATE FCU</b>	<b>JUNE</b>	<b>MAY</b>	<b>JUNE</b>
<b>FINANCIAL STATEMENTS</b>	<b>2009</b>	<b>2009</b>	<b>2008</b>
<b>STMT. OF FINANCIAL CONDITION</b>			
<b>ASSETS</b>			
Cash & Cash Equivalents	\$ 4,235,660	\$ 3,073,533	\$ 4,498,346
Loans - net	15,226,258	1,000,000	5,453,145
Investments in USCCU	107,944,174	150,770,377	222,457,937
Other Investments - net	11,913,694	12,020,732	16,679,599
Sec. Purchased Under Agreement to Resell	-	-	-
Investments in Corporate CUSO's	556,736	556,736	289,980
NCUSIF Deposit	56,363	17,472	54,071
Interest Receivable	339,038	510,279	1,408,171
Future Dated ACH	-	-	-
Fixed Assets - net	77,618	80,231	279,019
Other Assets	103,895	110,725	348,984
<b>TOTAL ASSETS</b>	<b>\$ 140,453,436</b>	<b>\$ 168,140,086</b>	<b>\$ 251,469,254</b>
<b>LIABILITIES, SHARES &amp; EQUITY</b>			
<b>LIABILITIES</b>			
Notes Payable	\$ -	\$ -	\$ -
Dividend & Loan Interest Payables	26,301	292,169	605,336
Future Dated ACH	-	-	-
Sec. Sold Under Agreement to Repurchase	-	-	-
Accrued Expenses and Other Liabilities	115,492	115,292	108,115
<b>Total Liabilities</b>	<b>\$ 141,793</b>	<b>\$ 407,461</b>	<b>\$ 713,451</b>
<b>SHARES</b>			
Share Accounts	\$ 81,620,335	\$ 103,974,292	\$ 123,020,569
Certificate Accounts	51,399,000	56,497,000	113,277,000
Membership Capital Share Deposits	6,764,195	6,764,195	6,764,195
<b>Total Shares</b>	<b>\$ 139,783,530</b>	<b>\$ 167,235,487</b>	<b>\$ 243,061,764</b>
<b>Member's Equity</b>			
Regular Reserve	\$ 1,423,918	\$ 1,423,918	\$ 3,087,718
Reserve for Contingencies	-	-	-
Undivided Earnings	4,791,015	4,791,015	4,376,408
Accumulated Unrealized Gain(Loss)			
on Available for Sale Investments	(102,175)	(93,496)	(57,573)
Accumulated Net Income(loss)	(5,584,644)	(5,624,299)	287,487
<b>Total Primary Capital</b>	<b>\$ 528,113</b>	<b>\$ 497,138</b>	<b>\$ 7,694,040</b>
<b>TOTAL LIAB., SHARES &amp; EQUITY</b>	<b>\$ 140,453,436</b>	<b>\$ 168,140,086</b>	<b>\$ 251,469,254</b>
Daily Average Net Assets - 12 Months	\$ 206,366,928	\$ 215,809,193	\$ 290,235,179
Daily Average Net Assets - For Month	\$ 149,245,157	\$ 178,311,255	\$ 264,126,041
Primary Capital to Total Assets	0.45%	0.35%	3.08%
Total Capital to Total Assets	5.26%	4.37%	5.77%
Primary Capital to 12 Month DANA	0.31%	0.27%	2.67%
Total Capital to 12 Month DANA	3.57%	3.40%	5.00%
Primary Capital to Monthly DANA	0.42%	0.33%	2.93%
Total Capital to Monthly DANA	4.95%	4.12%	5.50%

<b>MIDWEST CORPORATE FCU</b>			
<b>FINANCIAL STATEMENTS</b>		<b>YEAR-TO-DATE</b>	<b>YEAR-TO-DATE</b>
		<b>2009</b>	<b>2008</b>
<b>STATEMENT OF INCOME</b>			
<b>INTEREST INCOME</b>			
Interest on Loans		\$ 18,930.10	\$ 8,212.16
Income from Investments		1,316,194.31	5,894,538.80
<b>Total Interest Income</b>		<b>\$ 1,335,124.41</b>	<b>\$ 5,902,750.96</b>
<b>INTEREST EXPENSE</b>			
Dividends		\$ 1,034,648.41	\$ 5,315,347.81
Interest on Borrowed Money		9.10	363.51
<b>Total Interest Expense</b>		<b>\$ 1,034,657.51</b>	<b>\$ 5,315,711.32</b>
<b>NET INTEREST INCOME</b>		<b>\$ 300,466.90</b>	<b>\$ 587,039.64</b>
Less: Provision for Loan Losses		-	-
<b>NET INT. INCOME AFTER PLL</b>		<b>\$ 300,466.90</b>	<b>\$ 587,039.64</b>
<b>NON-INTEREST INCOME</b>			
Service Fees		\$ 295,344.23	\$ 235,534.15
Other		116,876.13	104,262.86
<b>Total Non-Interest Income</b>		<b>\$ 412,220.36</b>	<b>\$ 339,797.01</b>
<b>NON-INTEREST EXPENSES</b>			
Employee Compensation & Benefits		\$ 259,510.29	\$ 240,679.30
Travel, Conferences & Meeting		16,851.03	24,066.68
Association Dues		4,804.72	4,404.76
Office Occupancy		14,598.00	12,676.80
Office Operations		278,140.01	296,094.70
Marketing		26,625.40	19,075.77
Professional & Consulting Fees		28,064.50	20,734.98
Insurances		2,998.50	3,048.11
Operating Fees		29,053.56	12,293.42
Cash Over(Short)		46.86	(7.64)
Annual Meeting		5,475.00	4,474.98
Miscellaneous		4,013.01	1,807.90
<b>Total Non-Interest Expenses</b>		<b>\$ 670,180.88</b>	<b>\$ 639,349.76</b>
<b>NET INCOME FROM OPERATIONS</b>		<b>\$ 42,506.38</b>	<b>\$ 287,486.89</b>
<b>NON-OPERATING INCOME(LOSS)</b>			
Gain(Loss) on Investments		\$ (5,627,150.27)	\$ -
Gain(Loss) on Disposition of Assets		-	-
Other Non-Operating Gain(Loss)		-	-
<b>Total Non-Operating Income(Loss)</b>		<b>\$ (5,627,150.27)</b>	<b>\$ -</b>
<b>NET INCOME</b>		<b>\$ (5,584,643.89)</b>	<b>\$ 287,486.89</b>
<b>Less: Reserve Transfer</b>		<b>-</b>	<b>-</b>
<b>NET INCOME AFTER RES. TRANS.</b>		<b>\$ (5,584,643.89)</b>	<b>\$ 287,486.89</b>
Yield on Average Earning Assets		1.389%	3.807%
Cost of Funds		1.072%	3.445%
Operating Expenses to Gross Income		38.354%	10.242%
Net Interest Income to DANA		0.297%	0.359%
Operating Expenses to DANA		0.621%	0.441%
Net Income from Ops to DANA		0.042%	0.176%
Dividends to Interest Income		77.495%	90.049%
Dividends to Gross Income		59.213%	85.147%
Net Income from Ops to RUDE		1.088%	7.724%
Net Interest Income to Avg. Shares & RUDE		0.305%	0.374%
<i>Ratios are annualized</i>			

## Midwest Corporate Federal Credit Union

### Investment Portfolio Report by Type

For the Month of June 2009

Description	Unmatched	Percent of Total	Matched	Total	Percent of Total	Fair Value	Unrealized Gain(loss)
<b>Member Loans</b>							
Settlement	\$ 13,226,258.02	19.45%	\$ -	\$ 13,226,258.02	9.56%	\$ 13,226,258.02	\$ -
Variable-Rate Term	-	0.00%	-	-	0.00%	-	-
Fixed-Rate Term	2,000,000.00	2.94%	-	2,000,000.00	1.45%	2,000,000.00	-
<b>Total Member Loans</b>	<b>\$ 15,226,258.02</b>	<b>22.40%</b>	<b>\$ -</b>	<b>\$ 15,226,258.02</b>	<b>11.00%</b>	<b>\$ 15,226,258.02</b>	<b>\$ -</b>
<b>U.S. Central CU Investments</b>							
Overnight	\$ -	0.00%	\$ 18,976,800.48	\$ 18,976,800.48	13.71%	18,976,790.00	\$ (10.48)
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	6,457,373.68	9.50%	-	6,457,373.68	4.67%	6,457,373.68	-
PIC	-	0.00%	-	-	0.00%	-	-
Central Liquidity Facility Funding Account	-	0.00%	-	-	0.00%	-	-
Fixed-Rate CDs	10,600,000.00	15.59%	48,500,000.00	59,100,000.00	42.71%	59,673,927.00	573,927.00
Floating Rate CDs (FRAPs) - FFE	16,000,000.00	23.53%	-	16,000,000.00	11.56%	15,900,109.00	(99,891.00)
LIBOR	7,000,000.00	10.30%	-	7,000,000.00	5.06%	6,987,438.00	(12,562.00)
Callable CDs - Fixed-Rate	-	0.00%	400,000.00	400,000.00	0.29%	396,686.00	(3,314.00)
Step-Up	-	0.00%	-	-	0.00%	-	-
Amortizing Certificates (ACP)	-	0.00%	-	-	0.00%	-	-
<b>Total U.S. Central CU</b>	<b>\$ 40,057,373.68</b>	<b>58.92%</b>	<b>\$ 67,886,800.48</b>	<b>\$ 107,944,174.16</b>	<b>78.01%</b>	<b>\$ 108,402,323.68</b>	<b>\$ 458,149.52</b>
<b>Other Investments</b>							
SimpliCD	\$ 1,849,000.00	2.72%	\$ 2,500,000.00	\$ 4,349,000.00	3.14%	4,377,294.39	\$ 28,294.39
Dakotaland FCU-Secondary Capital Deposit	500,000.00	0.74%	-	500,000.00	0.36%	561,266.50	61,266.50
U.S. Government Agency Securities	-	0.00%	-	-	0.00%	-	-
Asset-Backed Securities - FFE based	-	0.00%	-	-	0.00%	-	-
LIBOR based	7,064,694.00	10.39%	-	7,064,694.00	5.11%	7,064,694.00	-
Member Repos	-	0.00%	-	-	0.00%	-	-
Missouri Corporate & CR Com Share Account	2,734,783.45	4.02%	-	2,734,783.45	1.98%	2,734,783.45	-
Investments in CUSOs	556,736.26	0.82%	-	556,736.26	0.40%	528,973.26	(27,763.00)
<b>Total Other Investments</b>	<b>\$ 12,705,213.71</b>	<b>18.69%</b>	<b>\$ 2,500,000.00</b>	<b>\$ 15,205,213.71</b>	<b>10.99%</b>	<b>\$ 15,267,011.60</b>	<b>\$ 61,797.89</b>
<b>Total Investments</b>	<b>\$ 67,988,845.41</b>	<b>100.00%</b>	<b>\$ 70,386,800.48</b>	<b>\$ 138,375,645.89</b>	<b>100.00%</b>	<b>\$ 138,895,593.30</b>	<b>\$ 519,947.41</b>

## Midwest Corporate FCU - Marketable Security Listing

**Issuer:** MBNA Credit Card Master Trust  
**Issue:** Class A (2005 - A8 A8) certificates  
**Type:** Asset-Backed Security  
**CUSIP #:** 55264TDH1  
**Coupon Rate:** 1 Month LIBOR + .0002  
**Effective Coupon Rate:** 1 Month LIBOR + .00165  
**Purchased Face Amount:** \$ 2,000,000  
**Settlement Date:** 10/17/2007  
**Expected Final Maturity:** 9/15/2009  
**Credit Enhancements:** Class B & C Certs & Reserve A/C  
**Original Issue:** \$ 850,000,000  
**Original Issue Date:** 10/12/2005  
**Legal Final Maturity:** 2/15/2012  
**Current Credit Rating:** AAA  
**Accounting Classification:** Available for Sale

**Issuer:** MBNA Credit Card Master Trust  
**Issue:** Class A (2005 - A9 A9) certificates  
**Type:** Asset-Backed Security  
**CUSIP #:** 55264TDL2  
**Coupon Rate:** 1 Month LIBOR + .0004  
**Effective Coupon Rate:** 1 Month LIBOR + .0042  
**Purchased Face Amount:** \$ 2,000,000  
**Settlement Date:** 1/15/2008  
**Expected Final Maturity:** 11/15/2010  
**Credit Enhancements:** Class B & C Certs & Reserve A/C  
**Original Issue:** \$ 1,000,000,000  
**Original Issue Date:** 11/17/2005  
**Legal Final Maturity:** 4/13/2013  
**Current Credit Rating:** AAA  
**Accounting Classification:** Available for Sale

**Issuer:** Chase Issuance Trust  
**Issue:** Class A (2005 - A6) certificates  
**Type:** Asset-Backed Security  
**CUSIP #:** 161571AN4  
**Coupon Rate:** 1 Month LIBOR + .0007  
**Effective Coupon Rate:** 1 Month LIBOR + .0028  
**Purchased Face Amount:** \$ 1,200,000  
**Settlement Date:** 10/17/2007  
**Expected Final Maturity:** 7/16/2012  
**Credit Enhancements:** Class B & C Certs & Reserve A/C  
**Original Issue:** \$ 825,000,000  
**Original Issue Date:** 8/2/2005  
**Legal Final Maturity:** 7/15/2014  
**Current Credit Rating:** AAA  
**Accounting Classification:** Available for Sale

**Issuer:** Chase Issuance Trust  
**Issue:** Class A (2006 - A4 A4) certificates  
**Type:** Asset-Backed Security  
**CUSIP #:** 161571BH6  
**Coupon Rate:** 1 Month LIBOR + .0002  
**Effective Coupon Rate:** 1 Month LIBOR + .0042  
**Purchased Face Amount:** \$ 2,000,000  
**Settlement Date:** 1/15/2008  
**Expected Final Maturity:** 8/15/2011  
**Credit Enhancements:** Class B & C Certs & Reserve A/C  
**Original Issue:** \$ 750,000,000  
**Original Issue Date:** 8/29/2006  
**Legal Final Maturity:** 10/15/2013  
**Current Credit Rating:** AAA  
**Accounting Classification:** Available for Sale

# Most Recent Net Economic Value Analysis

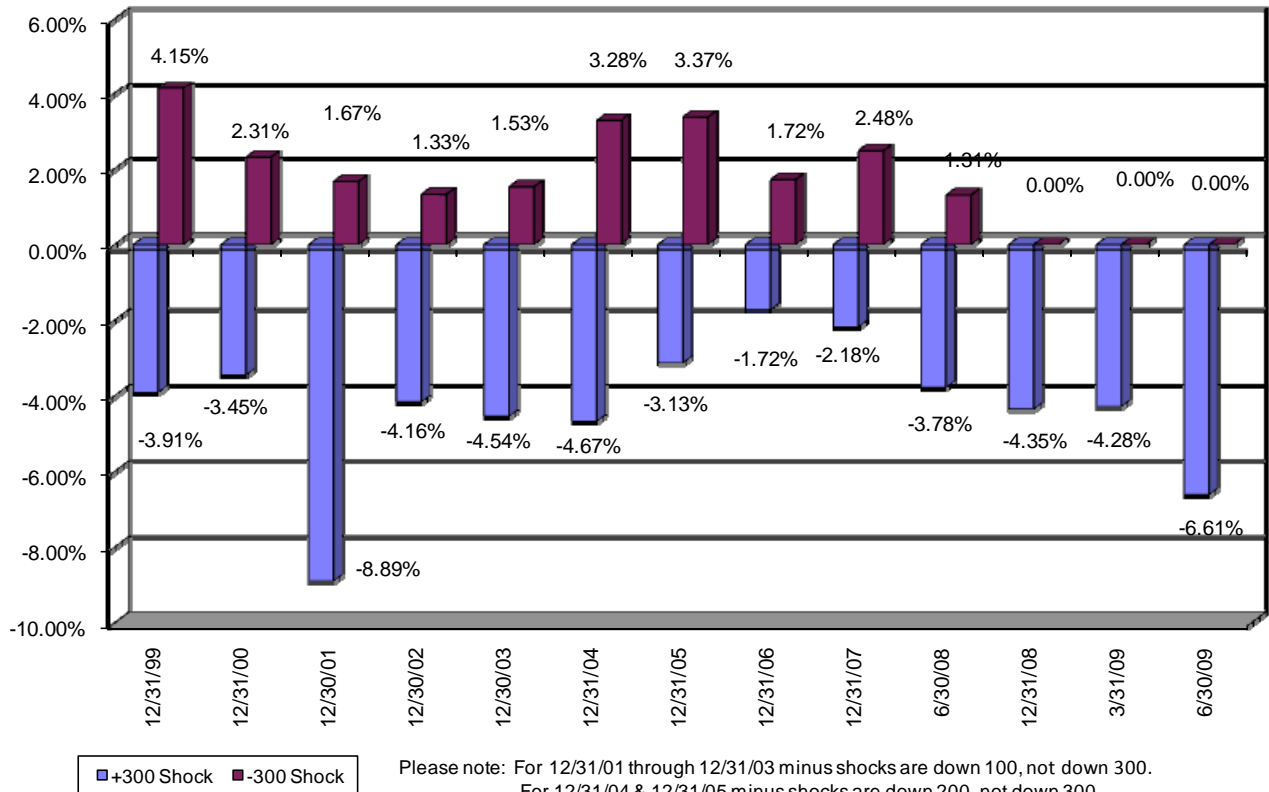
Percent change in NEV for instantaneous changes in Interest Rates

Rate Shock	6/09	12/08	12/07	12/06
+3.00%	-6.61%	-4.35%	-2.18%	-1.72%
Base Ratio	5.24%	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% and 2.00% downward movement was not done for 12/08 on due to the very low rate environment at that time.

*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 Percent 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 environment.  
 Also please note that beginning with 12/31/02, MCSD are treated as capital for NEV.