



**2009 Audited Financial Statements
&
Related Notes**

AUDIT COMMITTEE REPORT

Corporate Central Credit Union's Audit Committee is a committee of the Board of Directors. Its primary function is to "assist the Board in fulfilling its responsibilities by reviewing the financial information which will be provided to the members, regulators and others; the systems of internal controls which management and the Board of Directors have established; and the audit process". As such, it is the responsibility of the Audit Committee to ensure that Corporate Central Credit Union complies with all applicable regulations, state and federal law, and that the financial records provide a true reflection of its financial condition.

Corporate Central Credit Union's financial statements were audited by McGladrey & Pullen, LLP, independent public accountants. The report of independent public accountants on Corporate Central Credit Union's financial statements is in accordance with generally accepted accounting principles and is included in this report.

An examination was performed by the Wisconsin Department of Financial Institution's - Office of Credit Unions and the National Credit Union Administration - Office of Corporate Credit Unions. All reports from regulatory agencies confirm Corporate Central Credit Union's financial strength and reveal no material deficiencies.

To ensure that Corporate Central Credit Union develops, maintains and adheres to the highest standards of quality and internal control, internal audits are performed throughout the year. Internal audits were completed by Crowe Horwath LLP in the areas of Domestic Wire Transfers, International Wire Transfers, ACH Transactions, Bank Secrecy Act, Investments, Lending, Accounting, Member Relations, Business Development, and Business Continuity. TraceSecurity performed the internal audit of Information Technology. These internal audits revealed some minor findings but no material internal control deficiencies.

Based on these reviews and audits, as well as Corporate Central Credit Union's continued strengthening of capital and asset quality, the Audit Committee is confident that Corporate Central Credit Union has been thoroughly examined and is successfully functioning as a strong financial cooperative dedicated to meeting and exceeding the needs of its members.

Respectfully submitted,



Brian J. Prunty
Committee Chairman

Eric Chrisinger
Committee Member

Ronald Vogel
Committee Member

James Schrimpf
Committee Member

Daniel Ige
Board Chairman - (ex-officio)

INDEPENDENT AUDITOR'S REPORT

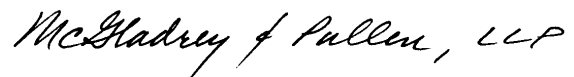
Audit Committee
Corporate Central Credit Union
Muskego, Wisconsin

We have audited the accompanying statements of financial condition of Corporate Central Credit Union (a state-chartered credit union) as of December 31, 2009 and 2008, and the related statements of operations, members' equity, comprehensive income and cash flows for the years then ended. These financial statements are the responsibility of the Credit Union's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audits provide a reasonable basis for our opinion.

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of Corporate Central Credit Union as of December 31, 2009 and 2008, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Minneapolis, Minnesota
April 22, 2010



STATEMENTS OF FINANCIAL CONDITION

	2009	2008
Assets		
Cash and due from banks	\$681,060,957	\$279,174,640
Interest-bearing accounts with U.S. Central Credit Union	357,575,721	631,963,832
Investment securities available-for-sale, at fair value	657,367,946	428,370,957
Investment securities held-to-maturity, at amortized cost	-	35,811,982
Other investments	110,000	110,000
Loans to members	167,923,803	430,484,661
Other assets:		
Land and building	2,723,499	2,813,214
Furniture and equipment	103,810	134,047
Accrued interest receivable	2,631,985	5,674,412
National Credit Union Share Insurance Fund deposit	805,777	163,429
Asset for pensions	1,413,224	386,913
Prepaid and other assets	733,707	704,213
Total other assets	8,412,002	9,876,228
Total assets	\$1,872,450,429	\$1,815,792,300
Liabilities and members' equity		
Members' deposits:		
Plateau daily shares	\$360,655,694	\$373,590,054
Premier daily shares	519,115,052	209,784,758
LIBOR investment shares	71,476,602	137,962,387
Money market shares	39,500,000	5,000,000
Variable rate shares	43,414,351	5,089,737
Variable plus shares	56,366,876	40,836,647
Fixed rate shares	501,305,345	511,290,265
Membership Capital Share Deposits	97,541,371	131,479,944
Total members' deposits	1,689,375,291	1,415,033,792
Notes payable	117,227,806	424,751,358
Accrued interest payable	403,826	792,606
Accrued interest on deposits	872,100	2,627,017
Other liabilities	2,724,244	1,989,479
Total other liabilities	121,227,976	430,160,460
Total liabilities	1,810,603,267	1,845,194,252
Retained earnings	12,483,347	2,958,105
Member paid in capital	47,363,996	-
Accumulated other comprehensive income (loss)	1,999,819	(32,360,057)
Total members' equity	61,847,162	(29,401,952)
Total liabilities and members' equity	\$1,872,450,429	\$1,815,792,300

The notes to financial statements are an integral part of these statements.

STATEMENTS OF OPERATIONS

	2009	2008
Interest income		
Interest on U.S. Central Credit Union deposits	\$9,347,326	\$38,204,077
Interest on asset backed securities	7,826,265	13,476,002
Interest on U.S. Government Agency MBS	5,067,505	5,777,221
Interest on other investments	1,508,284	126,216
Interest on member loans	7,316,217	12,458,461
Total interest income	31,065,597	70,041,977
Interest expense		
Plateau daily shares	265,702	2,716,938
Premier daily shares	1,206,127	5,861,762
LIBOR investment shares	519,214	3,285,018
Money market shares	135,510	756,576
Variable rate shares	87,282	182,344
Variable plus shares	98,679	1,904,015
Fixed rate shares	9,897,839	22,250,230
Membership Capital Share Deposits	1,105,630	5,527,286
Notes payable	6,909,745	14,781,371
Total interest expense	20,225,728	57,265,540
Net interest income	10,839,869	12,776,437
Non-interest income		
Service charges and other fees	7,552,984	6,586,555
Other non-interest income	528,047	153,876
Gain (loss) on investments	412,172	(272,494)
Impairment loss recognized on U.S. Central Credit Union	-	(73,020,550)
Total non-interest income (expense)	8,493,203	(66,552,613)
Non-interest expenses		
Salaries and employee benefits	3,299,158	2,908,803
Occupancy and equipment expenses	345,753	352,993
Marketing and training expenses	221,409	379,649
Contracted expense	4,534,459	4,216,147
Depreciation expense	79,702	121,317
Other expenses	933,191	1,156,184
Total non-interest expense	9,413,672	9,135,093
Net income (loss)	\$9,919,400	\$(62,911,269)

The notes to financial statements are an integral part of these statements.

STATEMENTS OF CASH FLOWS

	2009	2008
Operating activities		
Net income (loss)	\$9,919,400	\$(62,911,269)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	(3,251,415)	(2,011,301)
(Gain) loss on sale of investments	(412,172)	272,494
Impairment loss on U.S. Central Credit Union	-	73,020,550
Dividends on member paid in capital	(394,159)	-
Net decrease in accrued interest on investments	2,493,392	5,827,567
Net (increase) decrease in prepaid, NCUSIF, and other assets	(794,607)	555,000
Net (decrease) increase in interest payable	(388,780)	10,717
Net increase in other liabilities	734,766	171,659
Net cash provided by operating activities	7,906,425	14,935,417
Investing activities		
Net decrease (increase) in loans to members	263,109,892	(163,594,804)
Net decrease in accounts with U. S. Central Credit Union	274,388,111	439,383,106
Proceeds from sale or maturity of securities	255,975,992	175,690,663
Purchase of investment securities	(411,878,231)	(308,729,517)
Purchase of other investments	-	65,489
Expenditures for property and equipment	(42,898)	(277,670)
Net cash provided by investing activities	381,552,866	142,537,267
Financing activities		
Net (decrease) increase in borrowed funds	(307,523,552)	1,733,849
Net increase (decrease) in members' shares	272,586,582	(25,522,417)
Net increase in member paid in capital	47,363,996	-
Net cash provided by (used in) financing activities	12,427,026	(23,788,568)
Net increase in cash and cash equivalents	401,886,317	133,684,116
Cash and cash equivalents at beginning of year	279,174,640	145,490,524
Cash and cash equivalents at end of year	\$681,060,957	\$279,174,640
Supplemental cash flow information		
Interest received on loans and investments	\$34,108,025	\$75,756,105
Interest paid on deposits and borrowed funds	\$22,369,425	\$58,976,954

The notes to financial statements are an integral part of these statements.

STATEMENTS OF CHANGES IN MEMBERS' EQUITY

	Regular reserve	Undivided earnings	Total retained earnings	Member paid in capital	Accumulated other comprehensive income (loss)	Total members' equity	Comprehensive income
Balance, January 1, 2008	\$17,636,836	\$48,232,538	\$65,869,374	\$ -	\$(1,369,702)	\$64,499,672	
Net income	(14,678,731)	(48,232,538)	(62,911,269)	-	-	(62,911,269)	\$(62,911,269)
Change in unrealized gain (loss) on investments	-	-	-	-	(30,022,971)	(30,022,971)	(30,022,971)
Change in unrecognized loss in pension plan	-	-	-	-	(1,172,908)	(1,172,908)	(1,172,908)
OPEB gain	-	-	-	-	205,524	205,524	205,524
Comprehensive income							\$(93,901,624)
Balance, December 31, 2008	\$2,958,105	\$ -	\$2,958,105	\$ -	\$(32,360,057)	\$(29,401,952)	
Net income	-	9,919,400	9,919,400	-	-	9,919,400	\$9,919,400
Paid in capital dividends	-	(394,158)	(394,158)	-	-	(394,158)	
Change in member paid in capital	-	-	-	47,363,996	-	47,363,996	
Change in unrealized gain (loss) on investments	-	-	-	-	33,456,328	33,456,328	33,456,328
Change in unrecognized loss in pension plan	-	-	-	-	903,548	903,548	903,548
Comprehensive income							\$44,279,276
Balance, December 31, 2009	\$2,958,105	\$9,525,242	\$12,483,347	\$ 47,363,996	\$1,999,819	\$61,847,162	

The notes to financial statements are an integral part of these statements.

Note 1: Description of Business and Summary of Significant Accounting Policies

Business: Corporate Central Credit Union (Corporate Central) is incorporated under Wisconsin law to provide a vehicle for its member credit unions to invest funds at a competitive return and to create a source of credit for these members at a reasonable rate of interest, under a national field of membership. This is accomplished primarily by accepting deposits from members and lending to members or making other investments.

Additionally, Corporate Central obtains service fee revenue through fees that it charges members for providing a variety of correspondent services.

As a state chartered credit union, Corporate Central derives its authority to operate from Chapter 186 of the Wisconsin Statutes. The Department of Financial Institution's (DFI) Wisconsin Office of Credit Unions (OCU) regulates Corporate Central. The member accounts at Corporate Central are federally insured. As a federally insured Corporate, the National Credit Union Administration (NCUA) also performs an annual exam of Corporate Central.

Significant accounting policies: Corporate Central follows the accounting standards set by the Financial Accounting Standards Board (FASB). The FASB establishes generally accepted accounting principles (GAAP) that are followed to ensure consistent reporting of the financial condition, results of operations, and cash flows of Corporate Central. References to GAAP issued by the FASB in these footnotes are to the FASB Accounting Standards Codification™ commonly referred to as the Codification or Accounting Standards Codification (ASC). The FASB finalized the Codification effective for periods ended on or after September 15, 2009. As such, Corporate Central has adopted the Codification in these financial statements; the Codification does not change how Corporate Central accounts for its transactions nor does it change the nature of the associated disclosures. Prior FASB standards like FASB Statement No. 5, *Accounting for Contingencies*, are no longer being issued by the FASB. Because the FASB encourages the use of plain English to describe broad topical references, these financial statements will generally no longer include references to specific technical guidance. For example, citations of the accounting requirements for contingencies would include a reference similar to "as required by the Contingencies Topic of the Codification".

Risks and uncertainties: Corporate Central is subject to certain risks and uncertainties including, but not limited to, interest rate, prepayment, market, geographic concentration, regulatory and credit risk. Net interest income and dividends result from the difference between the interest income and dividends earned on interest-earning assets and the interest and dividend expense incurred on interest-bearing liabilities and shares. Net interest income and dividends can be significantly affected by changes in the relative amounts of, and the interest rates and dividend rates associated with these assets, liabilities and shares. Additionally, during periods of falling interest rates, the loans underlying Corporate Central's securities portfolio are more likely to prepay, and Corporate Central may not be able to reinvest the proceeds from prepayments in securities and other financial assets with yields similar to those of the prepaying securities. Moreover, Corporate Central's assets, liabilities and shares are primarily interest and credit sensitive financial instruments and, as such, are subject to a degree of market risk, which may affect their fair value. This has resulted in significant declines in fair values during 2008, although fair values have improved throughout 2009.

Use of estimates in the preparation of financial statements: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates. Specifically, management has made assumptions in estimating the fair value of investments and principal and interest cash flows when evaluating investment securities for other-than-temporary impairment. Actual results could differ from those estimates.

Subsequent events: The Credit Union has evaluated subsequent events through April 22, 2010, the date on which the financial statements were available to be issued.

Cash and due from banks: Cash and cash equivalents include cash, amounts due from banks and uncollected cash items. For purposes of reporting cash flows, loans to members, accounts with U.S. Central Credit Union, members' shares, and borrowed funds are reported net. Certain cash balances represent deposits made by Corporate Central's members that have not cleared various depository institutions. On December 31, 2009 and 2008, the uncollected cash balances totaled \$104,323,000 and \$234,905,000, respectively. Such amounts generally become available for investment or withdrawal within one to three business days.

U.S. Central Credit Union accounts: U.S. Central Credit Union (U.S. Central) is the credit union in which corporate credit unions are members. Under the corporate credit union structure, U.S. Central acts as a liquidity facility and source of investment for corporate credit unions. As investments with U.S. Central are not readily marketable and typically certificate accounts cannot be redeemed at an amount in excess of their face value, such accounts are not subject to the provisions of The Accounting for Certain Investments in Debt and Equity Securities Topic of the Codification. See also Note 2.

Investment securities: Securities are designated at purchase as held-to-maturity or available-for-sale and remain in that category until they mature or are sold. Investment securities held-to-maturity are recorded at amortized cost. During 2009, Corporate Central transferred all held-to-maturity investments to available-for-sale for liquidity purposes, therefore tainting their ability to classify investments as held-to-maturity in the future. Investment securities available-for-sale are carried at fair value with unrealized holding gains and losses excluded from earnings and reported separately as a component of comprehensive income in members' equity. Amortization of premiums and discounts are recognized in interest income over the period to maturity. Declines in the fair value of individual available-for-sale securities below their cost that are deemed to be other-than-temporary are allocated to either (1) credit losses (which are reflected in earnings as realized losses) or (2) noncredit losses (which are recorded in other comprehensive income). In determining whether other-than-temporary impairment exists, management considers many factors, including (1) the length of time and the extent to which the fair value has been less than cost, (2) the financial condition and near-term prospects of the issuer; (3) the current liquidity and volatility of the market for each of the individual security categories, (4) the projected cash flows from the specific security type, (5) the financial guarantee and financial rating of the issuer, and (6) the intent of the Credit Union to not sell its investment prior to recovery in fair value and it is more likely than not that it will not have to sell the investment prior to recovery. Gains and losses on the sale of securities are recorded on the trade date and are determined using the specific identification method. Other investments are classified separately and are stated at cost.

Loans to members: Loans are made to members that meet established credit requirements. The loans are used by members to meet short-term and long-term liquidity needs. Loans are stated at the amount of unpaid principal. Loans are for outstanding balances on revolving lines of credit granted to member credit unions. Interest on loans to members is recognized over the terms of the loans and is calculated using the simple interest method on principal amounts outstanding. As of December 31, 2009, all loans were performing in accordance with the contractual terms. Management believes that no loan loss reserve is necessary due to the loans being generally short-term in nature, secured by the members' assets, and because Corporate Central has not historically incurred loan losses.

Building, furniture and equipment: Land is carried at cost. Building, furniture and equipment are carried at cost, less accumulated depreciation and amortization. Depreciation is computed using the straight-line method, with estimated lives of fifty years for the building and two - ten years for specific classes of furniture and equipment. As of December 31, 2009 and 2008, accumulated depreciation was \$1,170,217 and \$1,039,680, respectively.

National Credit Union Share Insurance Fund deposit: Member credit union share accounts are insured by the National Credit Union Share Insurance Fund (NCUSIF). Membership in the NCUSIF requires that Corporate Central place on deposit an amount equivalent to one percent of insured member shares. The deposit is refundable to Corporate Central if its insurance coverage is terminated, or Corporate Central converted to insurance coverage from another source, or the operations of the fund were transferred from the NCUA board.

**CORPORATE CENTRAL CREDIT UNION
FINANCIAL STATEMENTS AND RELATED NOTES**

Members' deposits: Corporate Central offers various types of shares to members, from daily shares to fixed-term certificates with interest rates which are fixed or variable. In case of dissolution, after assets are liquidated and debts paid, members would be paid a liquidating dividend in proportion to their deposits. The maturities of fixed-rate shares are as follows:

2010	\$425,100,445	2013	750,000
2011	53,932,000	2014 and thereafter	7,722,900
2012	13,800,000	Total	\$501,305,345

The remainder of members' deposits have no contractual maturity.

Membership Capital Share Deposits (MCSD) are investments by member credit unions and denote their ownership interest in Corporate Central. MCSD accounts earn a preferential yield and MCSD members also receive preferential rates on loans and other services. Notice of intent to redeem is required and once notification is given, the deposit will be redeemed in three years.

Under the definitions of membership capital and paid in capital (PIC) in Part 704.2 of Rules and Regulations of the NCUA (Part 704.2), capital is available to cover losses that exceed retained earnings. In May 2009, the NCUA published Letter to Credit Unions 09-CU-10, reinforcing the regulatory requirement in Part 704.2 that PIC and MCSD are available to cover losses that exceed retained earnings and stating that when there is an accumulated deficit (retained earnings deficit) at a corporate credit union, PIC and membership capital must be depleted to the extent necessary to eliminate the accumulated deficit. As of December 31, 2009 and 2008, Corporate Central was not required to deplete membership capital as retained earnings exceeded the current year net loss.

In addition, all credit union deposits, other than permanent and paid in capital accounts, in Corporate Central are further guaranteed by the NCUSIF through September 30, 2011. The NCUA has also extended that guarantee to accommodate a two year rolling expiration date with the option of quarterly extensions through March 2012. If the option to extend each quarter is fully utilized, the final guarantee would expire December 31, 2014.

The Credit Union's ability to pay the interest or dividends contractually due its members may be restricted in the event it has an undivided earnings deficit. The Credit Union is operating with a Prior Undivided Earnings Deficit guaranteed by the NCUSIF.

In the event claims were placed on Corporate Central's assets to satisfy its liabilities, member shares would be satisfied after creditors, but before paid in and permanent capital.

Members' equity: Members' equity is restricted for specific purposes by Corporate Central's Bylaws, Board directive or regulation. During 2009, Corporate Central issued member paid in capital (PIC) to participating members. Corporate Central's PIC is a wholly at risk investment for those members who subscribed, with neither the dividends nor the repayment of principal guaranteed by any share or deposit insurance fund. Dividends and principal on PIC are subordinate to payment of dividends and principal on members' deposits. There is no maturity on the PIC and the funds are callable at the option of Corporate Central only. There is no public or private market on PIC. The terms of the PIC are such that the amounts qualify as equity for both regulatory capital purposes and under GAAP.

Income taxes: Corporate Central is exempt, by statute, from federal income taxes. However, Corporate Central is subject to unrelated business income tax as further discussed in Note 11.

Comprehensive income: Accounting principles generally require that recognized revenue, expenses, gains, and losses be included in net income. Certain changes in assets and liabilities, such as unrealized gains and losses on available-for-sale securities, are reported as a separate component of the members' equity section of the statement(s) of financial condition. Accumulated comprehensive income consists of the following:

	December 31, 2009	December 31, 2008
Unrealized gain (loss) on investments	\$3,543,436	\$(29,912,893)
Unrecognized loss in pension plan	(1,749,141)	(2,652,688)
OPEB gain	205,524	205,524
	\$1,999,819	\$(32,360,057)

Regulatory requirements: NCUA Regulation 704 is the federal regulation governing corporate credit unions. Maintaining a minimum capital ratio of 4.0% and a retained earnings ratio of 2.0% are two of the provisions within the regulation. See Note 11 for additional discussion of regulatory requirements.

Service fee income: Service fee income consists of fees related to item processing, Automated Clearing House (ACH) processing, cash orders, ATM servicing, wire transfers, settlement services, depository services, and other correspondent services that Corporate Central provides to its members.

Reclassifications: Certain amounts from the prior year have been reclassified to conform with their current classifications.

Recently issued accounting pronouncements: On January 21, 2010, FASB issued Accounting Standards Update (ASU) 2010-06, *Fair Value Measurements and Disclosures (FASB ASC Topic 820): Improving Disclosures about Fair Value Measurements*. The ASU describes amendments that require new disclosures and clarify existing disclosure requirements about fair value measurement, originally issued as FASB Statement No. 157, *Fair Value Measurements*. The ASU is effective for interim and annual reporting periods beginning after December 15, 2009, except for disclosures about purchases, sales, issuances, and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years.

Note 2: U.S. Central Credit Union Accounts

	December 31, 2009	December 31, 2008
Daily and overnight share accounts	\$3,690,862	\$9,407,355
Term certificates	180,011,000	258,140,000
Structured certificates	173,873,859	364,416,477
	\$357,575,721	\$631,963,832

U.S. Central acts as a central credit union for the mutual benefit of twenty-six corporate credit unions. Its principal activity is to provide wholesale financial and payment services to members and their credit union constituencies and to act as an intermediary between corporate credit unions and the financial community.

**CORPORATE CENTRAL CREDIT UNION
FINANCIAL STATEMENTS AND RELATED NOTES**

Note 3: Investment Securities

Investment securities classified as available-for-sale are summarized below:

December 31, 2009	Amortized cost	Unrealized gains	Unrealized losses	Fair value
Asset backed securities	\$425,872,810	\$2,466,344	\$(1,935,354)	\$426,403,800
U.S. Government Agency MBS Agency Security	217,951,701 10,000,000	3,524,431 13,100	(525,086) -	220,951,046 10,013,100
Total	\$653,824,511	\$6,003,875	\$(2,460,440)	\$657,367,946

December 31, 2008	Amortized cost	Unrealized gains	Unrealized losses	Fair value
Asset backed securities	\$357,934,251	\$286,191	\$(32,346,694)	\$325,873,748
U.S. Government Agency MBS	100,349,599	2,638,429	(490,819)	102,497,209
Total	\$458,283,850	\$2,924,620	\$(32,837,513)	\$428,370,957

Investment securities classified as held-to-maturity are summarized below:

December 31, 2008	Amortized cost	Unrealized gains	Unrealized losses	Fair value
U.S. Government Agency MBS	\$35,811,982	\$108,095	\$(134,620)	\$35,785,457

The following table shows our investments' gross unrealized losses and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position at December 31, 2009 and 2008, respectively.

Investment securities classified as available-for-sale at December 31, 2009 are summarized below:

Description of securities	Less than 12 months		12 months or more		Total	
	Fair value	Unrealized loss	Fair value	Unrealized loss	Fair value	Unrealized loss
Asset backed securities	\$59,655,471	\$(525,135)	\$123,780,054	\$(1,410,219)	\$183,435,525	\$(1,935,354)
U.S. Government Agency MBS	72,470,281	(406,664)	16,293,558	(118,422)	88,763,839	(525,086)
Total temporarily impaired securities	\$132,125,752	\$(931,799)	\$140,073,612	\$(1,528,641)	\$272,199,364	\$(2,460,440)

Investment securities classified as available-for-sale at December 31, 2008 are summarized below:

Description of securities	Less than 12 months		12 months or more		Total	
	Fair value	Unrealized loss	Fair value	Unrealized loss	Fair value	Unrealized loss
Asset backed securities	\$226,926,011	\$(24,229,968)	\$69,874,608	\$(8,116,726)	\$296,800,619	\$(32,346,694)
U.S. Government Agency MBS	21,619,335	(490,819)	-	-	21,619,335	(490,819)
Total temporarily impaired securities	\$248,545,346	\$(24,720,787)	\$69,874,608	\$(8,116,726)	\$318,419,954	\$(32,837,513)

Investment securities classified as held-to-maturity at December 31, 2008 are summarized below:

Description of securities	Less than 12 months		12 months or more		Total	
	Fair value	Unrealized loss	Fair value	Unrealized loss	Fair value	Unrealized loss
U.S. Government Agency MBS	\$15,690,354	\$(134,620)	-	-	\$15,690,354	\$(134,620)

The investments in the table above include both fixed-rate and variable-rate securities. These securities either matured or were reclassified as available-for-sale in 2009.

At December 31, 2009, the investment portfolio included 220 securities, 48 of which have current unrealized losses which have existed for longer than one year. At December 31, 2008, the investment portfolio included 172 securities, 24 of which have current unrealized losses which have existed for longer than one year. All of these securities are considered to be acceptable credit risks. Based upon an evaluation of the available evidence, including recent changes in market rates, credit rating information and information obtained from regulatory filings, management believes the decline in fair value for these securities is temporary.

Should the impairment of any of these securities become other-than-temporary, the cost basis of the investment will be reduced and the resulting loss recognized in net income in the period in which the other-than-temporary impairment is identified.

Proceeds from sale of investments in available-for-sale securities were approximately \$16.9 million and \$15 million during 2009 and 2008, respectively. Gross realized gains and losses on sales of investments available-for-sale were \$412,172 and \$0 in 2009, respectively and \$0 and \$11,184 in 2008, respectively.

The contractual maturities of investment securities at December 31, 2009 are shown in the following tables. Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations.

	Available-for-sale	
	Amortized cost	Fair value
No contractual maturity	\$ -	\$ -
Less than 1 year maturity	592,572,613	594,431,298
1 - 5 years maturity	27,172,715	27,865,040
Greater than 5 years maturity	34,079,183	35,071,608
	\$653,824,511	\$657,367,946

**CORPORATE CENTRAL CREDIT UNION
FINANCIAL STATEMENTS AND RELATED NOTES**

Note 4: Loans to Members

Loans to members consist of the following:

	December 31, 2009	December 31, 2008
Variable-rate term loans	\$ -	\$20,000,000
Fixed-rate term loans	151,757,647	235,699,092
Line of credit	12,166,156	112,785,569
Demand loans	4,000,000	24,500,000
Central Liquidity Facility loans	-	37,500,000
	\$167,923,803	\$430,484,661

There are no past due or impaired loans at December 31, 2009 or 2008.

Note 5: Fair Value of Financial Instruments

The book values and estimated fair values for financial instruments as of December 31, 2009 and 2008 are summarized in the following table:

	2009		2008	
	Book value	Fair value	Book value	Fair value
Financial assets:				
Cash and due from banks	\$681,060,957	\$681,060,957	\$279,174,640	\$279,174,640
Interest-bearing accounts with U.S. Central Credit Union	357,575,721	359,672,666	631,963,832	654,980,924
Investment securities available-for-sale	657,367,946	657,367,946	428,370,957	428,370,957
Investment securities held-to-maturity	-	-	35,811,982	35,785,457
Other investments	110,000	110,000	110,000	110,000
Loans to members	167,923,803	172,087,406	430,484,661	438,870,972
Accrued interest	2,631,985	2,631,985	5,674,412	5,674,412
Financial liabilities:				
Members' deposits	1,689,375,291	1,691,409,116	1,415,033,792	1,419,379,927
Notes payable	117,227,806	117,227,806	424,751,358	424,751,358
Interest and dividends payable	1,275,926	1,275,926	3,419,623	3,419,623

The following methods and assumptions were used in estimating the fair value of financial instruments:

Cash and due from banks: The carrying amounts reported approximate the fair values for these assets as they are primarily due on demand.

Interest-bearing accounts with U.S. Central Credit Union and investment securities: Fair value is based on quoted market prices or dealer quotes.

Loans to members: Fair values of member loans have been estimated using discounted cash flow methodology as of December 31, 2009 and 2008.

Members' deposits: Fair values of member deposits have been estimated using discounted cash flow methodology as of December 31, 2009 and 2008.

Notes payable: Fair values of notes payable that are short-term in nature or have variable interest rates approximate their book value. Fair values of fixed-rate notes payable due in one year or greater have been estimated using current market interest rates as of December 31, 2009 and 2008. Refer to Note 7 for additional information.

Note 6: Fair Value

The Codification defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurement. Fair value is a market-based measurement, not an entity-specific measurement, and the hierarchy gives the highest priority to quoted prices in active markets. Fair value measurements are disclosed by level within the fair value hierarchy.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Valuation techniques are to be consistent with the market approach, the income approach and/or the cost approach. Inputs to valuation techniques refer to the assumptions that market participants would use in pricing the asset or liability. Inputs may be observable, meaning those that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from independent sources, or unobservable, meaning those that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. In that regard, the fair value hierarchy establishes valuation inputs that give the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The following is a description of the valuation methodologies used for instruments measured and/or disclosed at fair value:

Investment Securities

The fair value of investment securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers. If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of the instrument.

In determining the appropriate application of the levels of the valuation hierarchy, Corporate Central performs a detailed analysis of the assets and liabilities that are subject to the Fair Value Topic of the Codification.

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Fair Value on a Recurring Basis

The table below presents the balances of assets measured and presented in the statements of condition at fair value on a recurring basis:

	December 31, 2009			
	Total	Level 1	Level 2	Level 3
Available-for-sale securities	\$657,367,946	\$230,963,979	\$426,403,967	-

	December 31, 2008			
	Total	Level 1	Level 2	Level 3
Available-for-sale securities	\$428,370,957	\$102,497,190	\$325,873,767	-

Note 7: Notes Payable and Lines of Credit

At December 31, 2009 and 2008, notes payable consisted of the following:

	2009	2008
Commercial paper, weighted average interest rate of 3.04% in 2008, maturing in January 2009	-	98,797,336
Master note agreement, with variable interest rate adjusting weekly. Weighted average interest rate of 2.6699% in 2008 maturing in March 2009	-	40,000,000
Overnight loan with Chase at a rate of .50%, maturing in January 2009	-	25,000,000
Overnight loans with U.S. Central, weighted average interest rate of 2.35% in 2008, maturing in January 2009	-	19,170,000
Various term loans with U.S. Central with weighted average fixed interest rate of 4.056% in 2009 and weighted average fixed interest of 3.91% in 2008. \$36.4 million maturing in 2010, \$24.4 million maturing in 2011, \$24.7 million maturing in 2012, \$31.7 million maturing 2013-2018.	117,227,806	241,784,022
Total	\$117,227,806	\$424,751,358

Note 8: Pension Plan

Corporate Central sponsors a defined benefit pension plan for the benefit of its employees. The plan calls for benefits to be paid to eligible employees at retirement based primarily upon years of service with Corporate Central and compensation levels at retirement. Contributions to the plan reflect benefits attributed to employees' services to date, as well as services expected to be earned in the future.

	December 31, 2009	December 31, 2008
Benefit obligation	\$3,164,691	\$2,711,208
Fair value of plan assets	4,577,915	3,098,121
Funded status	\$1,413,224	\$386,913

	December 31, 2009	December 31, 2008
Net pension cost	\$377,237	\$122,064
Employer contribution	\$500,000	\$ -
Benefit payments	\$30,828	\$30,294

Amounts recognized in the statement of financial condition consist of:

	December 31, 2009	December 31, 2008
Assets	\$1,413,224	\$386,913
Liabilities	-	-
Net amount recognized	\$1,413,224	\$386,913

Amounts recognized in accumulated other comprehensive income consist of:

	December 31, 2009	December 31, 2008
Loss	\$1,670,832	\$2,560,376
Prior service cost	74,706	86,014
Transition asset	3,603	6,298
Total accumulated other comprehensive income	\$1,749,141	\$2,652,688

The following are the amounts in accumulated other comprehensive income expected to be recognized as components of net periodic pension cost over the next fiscal year ending 2010.

Loss	\$107,730
Prior service cost	\$11,309
Transition obligation	\$2,695

Assumptions used to determine benefit obligation:	December 31, 2009	December 31, 2008
Discount rate	6.00%	6.00%
Rate of compensation increase	3.00%	3.00%

Assumptions used to determine net pension cost:	December 31, 2009	December 31, 2008
Discount rate	6.00%	6.00%
Expected long-term return on plan assets	7.50%	7.50%
Rate of compensation increase	3.00%	3.00%

To develop the expected long-term return on plan assets assumption, Corporate Central considered the historical returns and the future expectations for returns for each asset class, as well as the target asset allocation of the pension portfolio. This resulted in the selection of the long-term return on plan assets assumption.

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Corporate Central's pension plan weighted-average asset allocations by asset category are as follows:

	December 31, 2009	December 31, 2008
	Equity securities	70.5%
Debt securities	29.5%	29.0%
	100.0%	100.0%

The major goal of the Plan is to achieve a stable return while providing a hedge against inflation. In order to best achieve the above objective, the Plan's assets are to be invested in a mixture of investment types. The bond portion of the portfolio invests in a laddered portfolio of high grade bonds and provides a relatively high and stable income flow. Bonds help protect the income return of the portfolio from sharp fluctuations in short-term rates and complement the more volatile long term return potential from the equity portfolio. The equity portion of the portfolio, over time, provides a hedge against inflation through an increase in capital value as well as an increase in dividend income.

Corporate Central's expected contribution to the plan in 2010 is unknown.

The following pension benefit payments, which reflect expected future service, as appropriate, are expected to be paid as follows:

Years ending December 31	2013	2014	2015-2020
2010	\$85,205	68,818	74,505
2011	56,370	2,325,445	
2012	124,430	\$2,734,773	

The fair values of Corporate Central's pension plan assets at December 31, 2009, by asset category are as follows (2009 is the initial year of disclosure for these fair value matters; and, therefore, no 2008 disclosures have been included below):

Asset Category	Total	Fair Value Measurements at December 31, 2009		
		Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Bond	\$1,107,855	\$1,107,855	\$ -	\$ -
Equity index	1,089,544	1,089,544	-	-
International growth	1,030,031	1,030,031	-	-
Large cap growth	352,499	352,499	-	-
Large cap value	444,058	444,058	-	-
Mid cap growth	553,928	553,928	-	-
Total	\$4,577,915	\$4,577,915	\$ -	\$ -

Note 9: Retiree Health Care

Corporate Central provides medical, dental, and life insurance benefits to eligible retired employees. In determining benefits, the plan has taken into consideration payments by Medicare and other coverages. The plan is not funded. Included in other liabilities are accrued benefits of \$205,524 and \$207,576 at December 31, 2009 and 2008, respectively.

Note 10: Transactions with Affiliated Organizations

Corporate Central's Board consists of presidents of member credit unions. Loans made to these credit unions are made in the ordinary course of business with normal credit terms including interest rates and collateral. The loans outstanding to these credit unions were \$17,200,000 and \$56,012,000 at December 31, 2009 and 2008, respectively.

Corporate Central is a member of U.S. Central Credit Union in which Corporate Central has significant investments and a concentration of credit risk. Corporate Central invests members' deposits with U.S. Central consistent with the maturity and interest rates of the deposits. At December 31, investments with U.S. Central consisted of:

	2009	2008
Fixed rate share certificates	\$203,884,859	\$394,056,478
Variable rate share certificates	150,000,000	226,000,000
Variable rate daily deposits	3,690,862	9,407,354
Step-Up certificates	-	2,500,000
Total	\$357,575,721	\$631,963,832

Note 11: Commitments and Contingencies

Corporate Central is a party to occasional lawsuits in the normal course of business. Management is not aware of any contingencies or commitments existing as of December 31, 2009 that could have a material effect on the financial statements.

Corporate Central is party to conditional commitments to lend funds in the normal course of business to meet the financing needs of its members. These commitments represent financial instruments to extend credit to varying degrees, elements of credit and interest rate risk in excess of amounts recognized in the financial statements.

Corporate Central's exposure to credit loss is represented by the contractual amount of these commitments. Corporate Central follows the same credit policies in making commitments as it does for those loans recorded in the financial statements.

As of December 31, 2009 Corporate Central had approximately \$59,100,000 in letters of credit extended to credit union members. The total lines of credit to members as of December 31, 2009 were \$2.4 billion, of which \$2.2 billion is available.

Commitments to extend credit are agreements to lend to a member as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Because many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. Corporate Central evaluates each member's credit worthiness on a case-by-case basis. The amount of collateral obtained to secure borrowing on the lines of credit is based on management's credit evaluation of the member.

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Unfunded commitments under commercial lines-of-credit, revolving credit lines and overdraft protection agreements are commitments for possible future extensions of credit to existing members. These lines-of-credit are uncollateralized and usually do not contain a specified maturity date and ultimately may not be drawn upon to the total extent to which Corporate Central is committed.

Corporate Central is a state-chartered credit union described in Internal Revenue Code ("IRC") Section 501(c) (14). As such, Corporate Central is exempt from federal taxation of income derived from the performance of activities that are in furtherance of its exempt purposes. However, IRC Section 511 imposes a tax on the unrelated business income (as defined in Section 512) derived by state-chartered credit unions. Many states have similar laws. The specific application of Section 512 to the various activities conducted by state-chartered credit unions has been at issue for many years. During 2007, the Internal Revenue Service ("IRS") issued a series of Technical Advice Memoranda ("TAM") to a number of state-chartered credit unions located throughout the country. In these TAMs the IRS ruled certain products and services to be subject to taxation as unrelated business income. In light of the TAMs, Corporate Central has assessed its activities during 2009 and 2008 and any potential federal or state income tax liability. In the opinion of management, any liability arising from federal or state taxation of activities deemed to be unrelated to its exempt purposes is not expected to have a material effect on Corporate Central's financial position or results of operation.

Part 704 of NCUA Rules and Regulations requires Corporate Central to maintain a minimum regulatory capital ratio of 4.0 percent and a minimum retained earnings ratio of 2.0 percent. The capital ratio is defined by the NCUA as capital, consisting of retained earnings, MCS and PIC, divided by 12-month moving daily average net assets (DANA) and the retained earnings ratio is defined as reserves and undivided earnings divided by 12-month DANA. In April 2009, the NCUA issued an order, under its authority in Part 704.1(b), permitting an alternative capital level for purposes of regulatory compliance outlined in Part 704. The order will remain in effect until modified or rescinded by the NCUA Board or until the effective date of the final rulemaking for Part 704 that is currently in the pre-rule stage. As a result of the order, Corporate Central is allowed to use capital levels reported in its November 2008 call report, for purposes of determining regulatory compliance with its capital ratio requirement and earnings retention requirement. At November 30, 2008, the capital ratio was 11.0 percent and the retained earnings ratio was 3.9 percent. The NCUA has the unilateral authority to change its position on reporting the November 2008 capital and retained earnings ratios and should that position change Corporate Central may be in regulatory noncompliance and subject to a variety of regulatory sanctions by the NCUA.

Capital information as of December 31, 2009 and 2008 is presented in the following table.

	December 31		Regulatory Limits
	2009	2008	
Capital ratio	7.86%	7.15%	4.0%
Retained earnings ratio	.63%	.17%	2.0%