



CORPORATE CENTRAL CREDIT UNION FINANCIAL SOUNDNESS REPORT

October 2021

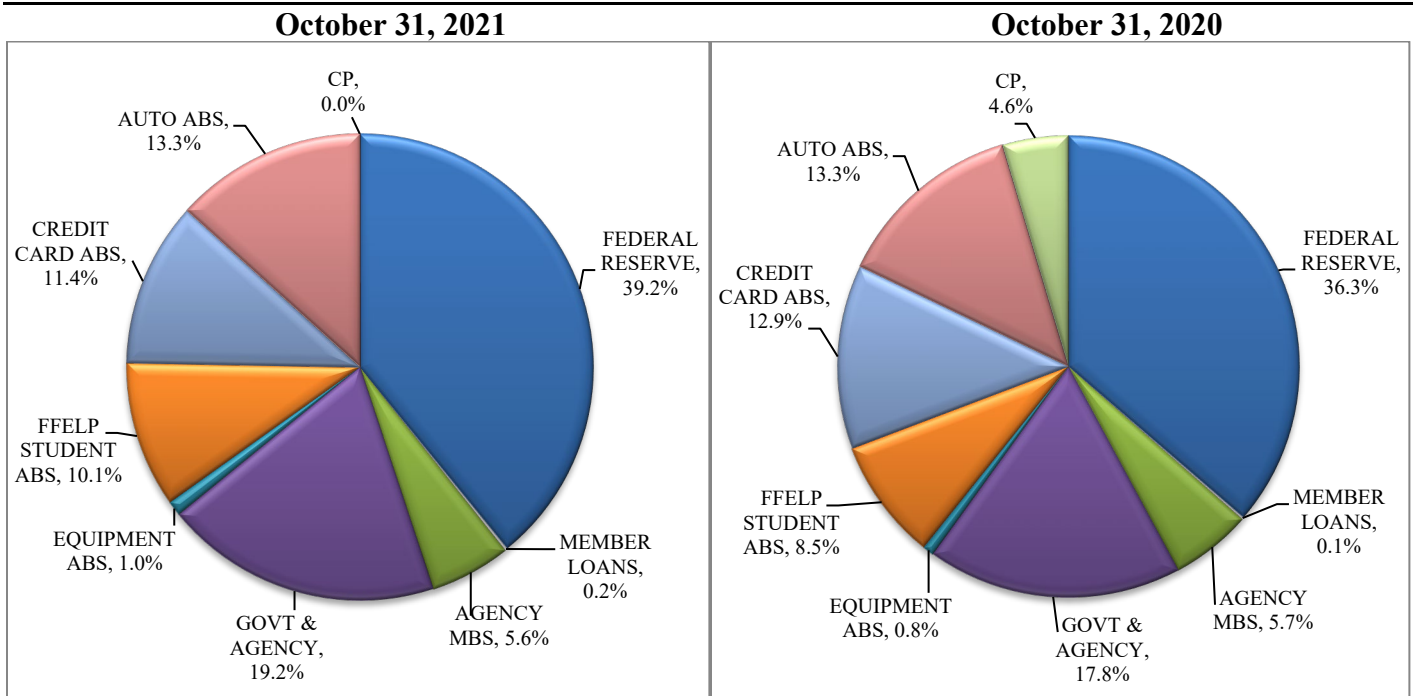
This monthly report is intended to provide transparency regarding Corporate Central Credit Union's key financial measurements. The report is a supplement to the monthly financial statements and other due diligence material that can be found in the Due Diligence Center of our website – corpcu.com.



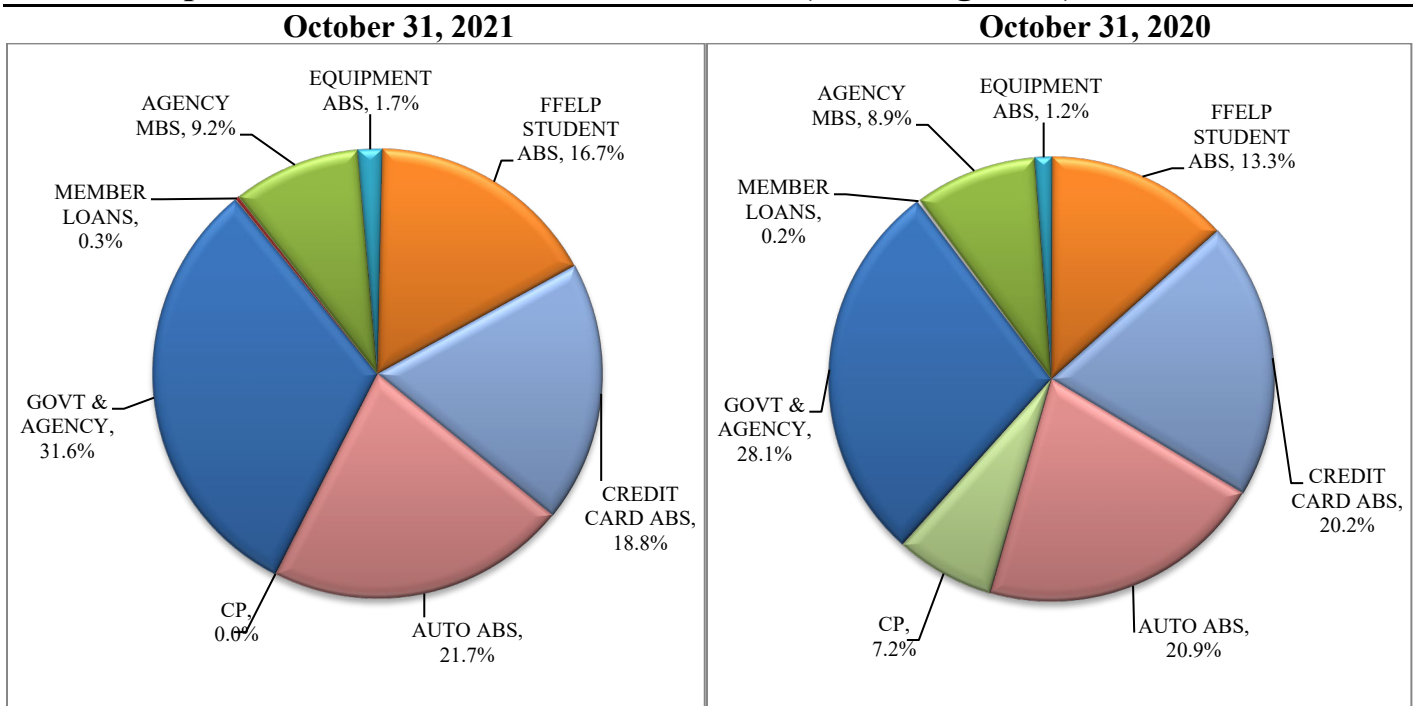
Diversification

As of October 31, 2021, Corporate Central had 39.2% of the investment and loan portfolio in deposits at the Federal Reserve. Investments in credit card asset-backed securities (ABS) represented 11.4%, FFELP student loan ABS, which are comprised of student loan-backed securities that are at least 97.0% guaranteed by the Department of Education, accounted for 10.1%, auto loan/lease ABS represented 13.3%, and equipment ABS represented 1.0% of the portfolio. Commercial Paper (CP) represented 0.0%, agency mortgage-backed securities, including agency commercial mortgage-backed securities (MBS) represented 5.6%, government & agency debentures represented 19.2%, member loans comprised 0.2%, and Home Equity ABS accounted for less than 0.01% of the total portfolio.

Corporate Central's Portfolio Breakdown Year over Year



Corporate Central's Portfolio Breakdown (Excluding Cash) Year over Year



The risk rating breakdown and unrealized gain of \$2,734,790 on our investment portfolio can be seen below.

Marketable Securities as of October 31, 2021

	Book Value	Market Value	Unrealized G/L
U.S. Gov't/Agency	\$820,532,124	\$819,054,486	(\$1,477,638)
Minimal Amount of Credit Risk	\$1,183,236,594	\$1,187,453,386	\$4,216,792
More than a Minimal Amount of Credit Risk	\$246,869	\$242,505	(\$4,364)
Totals	\$2,004,015,587	\$2,006,750,377	\$2,734,790

Corporate Central's Capital Position as of October 31, 2021

	10/31/21 Capital	Capital Ratios*	Risk-Based Capital**	Regulatory Requirements—Well Capitalized Levels	
				Current	Benchmark
Retained Earnings	\$115,759,683	3.40%	9.38%	1.50% RE	2.50% RE
Perpetual Contributed Capital (PCC)	\$117,326,118	3.44%	9.51%		
Tier 1 (Core) Capital*	\$233,085,801	6.84%	18.89%	5% Core & 6% (RB)	
Tier 2 Capital	\$47,365,524	1.39%	3.83%		
Total Capital**	\$280,451,325	8.23%	22.72%	10% (RB)	

*Capital ratios are capital divided by 12-month moving Daily Average Net Assets (DANA).

**Risk-based (RB) capital ratios are capital divided by 12-month average, month-end Risk-Based Assets (RBA).

*12-Month DANA - \$3,407,007,113

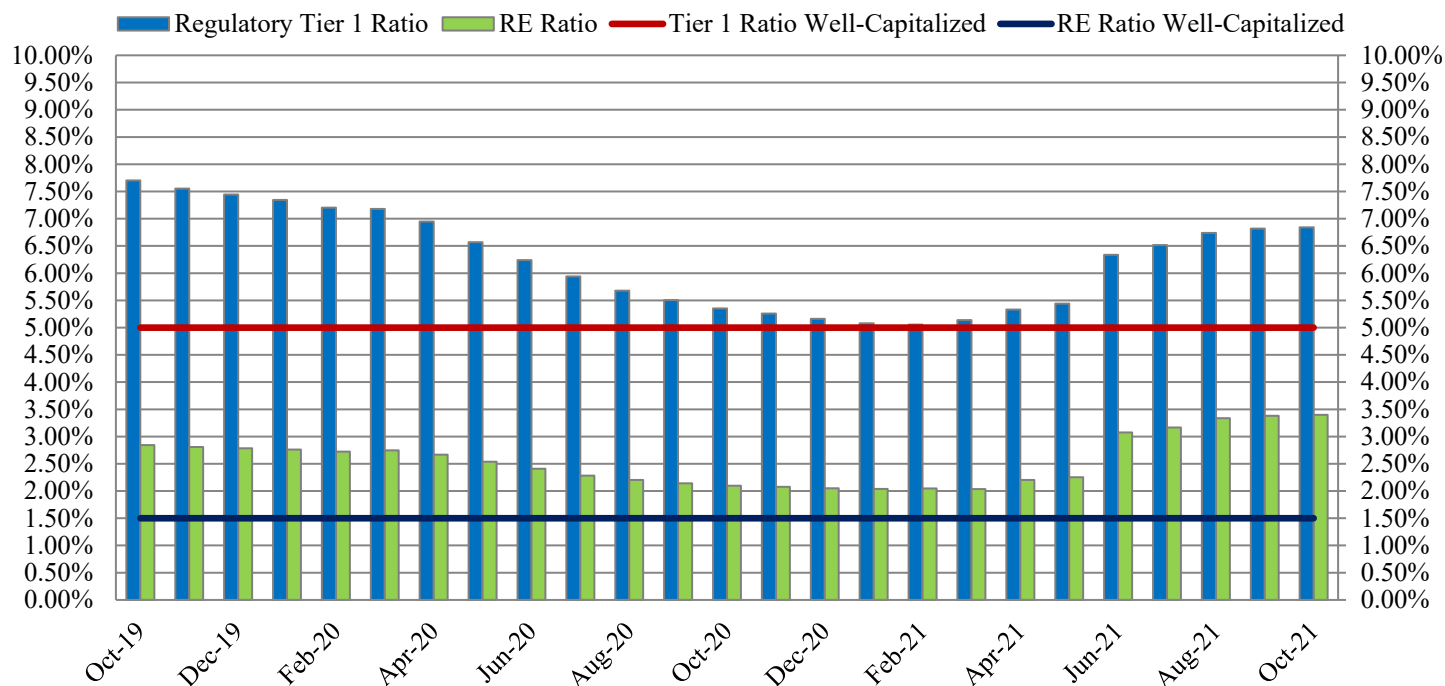
**12-Month Average RBA - \$1,234,168,763

The graph below includes the Tier-1 Capital Ratios and RE Ratios and the regulatory well-capitalized requirements for each measurement.

Beginning in 2020, Corporate Central launched a multidimensional strategy to support our capital ratios during this period of unprecedented deposit and asset growth driven by the pandemic. This strategy has resulted in a total increase in Tier 1 capital of \$67.5 million, or 36.6%, since the beginning of 2020 in addition to redirecting \$4.5 billion in deposits into off-balance sheet products over that same timeframe, which has allowed Corporate Central to remain well-capitalized throughout this extraordinary period. Substantial deposit growth due to the pandemic continues to be a challenge. Corporate Central will continue to work hard to ensure that it is solidly positioned in relation to requirements.

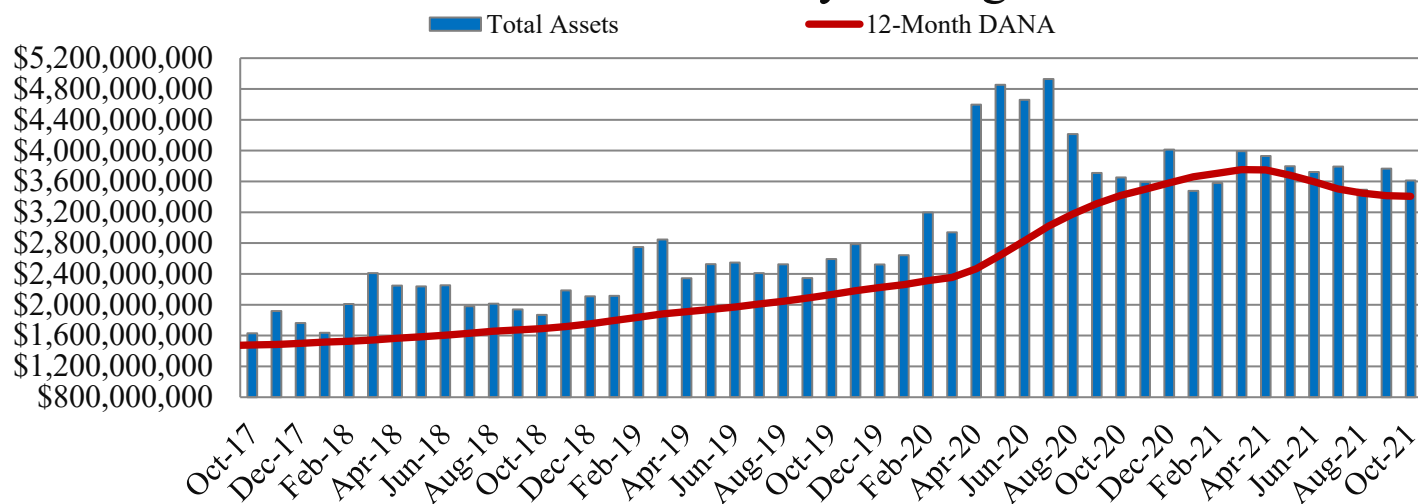
Tier 1 Capital & Retained Earnings Ratios

Including Regulatory Well-Capitalized Requirements



In addition to growth in retained earnings and PCC, much of the change in the Tier 1 Capital Ratio over the previous few years can be attributed to growth in Corporate Central's 12-month DANA, which is the denominator in the capital ratio calculations. These changes, as can be seen below, have mainly been the result of membership growth and the changing liquidity cycle driven by the pandemic and economic environment, which has impacted our members' liquidity levels. Corporate Central has had extraordinary asset growth as member deposits surged due to significant government stimulus payments and a substantial drop in consumer borrowing and spending due to the pandemic, and deposits have remained abnormally high in recent months. As mentioned earlier, Corporate Central has redirected over \$4.5 billion in deposits into off-balance sheet products over the past year allowing for a very significant reduction in our assets and 12-Month DANA.

Total Assets & 12-Month Daily Average Net Assets



Corporate Central's interest rate risk levels and economic value of capital as measured by Net Economic Value (NEV) and NEV Ratio remain well within regulatory limits as can be seen below.

Corporate Central's Net Economic Value (NEV) as of September 30, 2021

	Net Economic Value (NEV)*	% Change	Regulatory Limit	NEV Ratio	Regulatory Minimum
+300 Basis Points	\$257,948,109	-7.54%	-20.00%	6.96%	2.00%
Base Case	\$278,974,113	0.00%	0.00%	7.41%	2.00%
-100 Basis Points	N/A	N/A	N/A	N/A	N/A

*NEV is the fair value (FV) of assets in each scenario minus the FV of liabilities in that scenario and is considered the economic value of capital. Perpetual Contributed Capital (PCC) and Non-perpetual Capital (NCA) are considered capital in the NEV calculation.

Additionally, Corporate Central's liquidity position remains strong. The majority of available liquidity is in the form of cash and marketable securities. However, Corporate Central has external lines of credit that can be used as required.

Liquidity Sources as of October 31, 2021

	Total	Available
Cash	\$1,295,024,008	\$1,295,024,008
Marketable Securities*	\$1,200,643,979	\$1,080,579,581
External Lines of Credit	\$843,664,457	\$843,664,457
Totals	\$3,339,332,444	\$3,219,268,046

*Market value of securities not pledged for other borrowings/lines of credit. Available amount is assumed to be 90% of market value.

View our latest financial information and critical due diligence material on our Due Diligence Center of our website (corpccu.com). Please do not hesitate to contact us with any questions or to request additional information.

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SVP/Chief Financial Officer