MARCH 2020
FINANCIAL CONDITION REPORT

Corporate America
CREDIT UNION
DIFFERENT STARTS HERE™

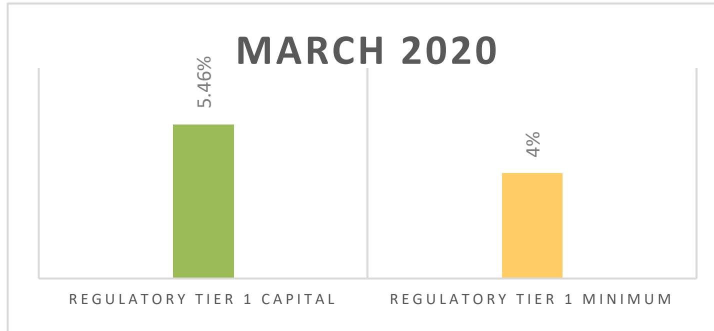
Measurement	March 2020	December 2019	Policy/Regulation Limit
Tier 1 Capital (Regulatory)	5.46%	5.86%	4.00%
Tier 1 Risk-Based Capital Ratio	14.38%	15.78%	4.00%
Total Risk-Based Capital Ratio	14.79%	16.24%	8.00%

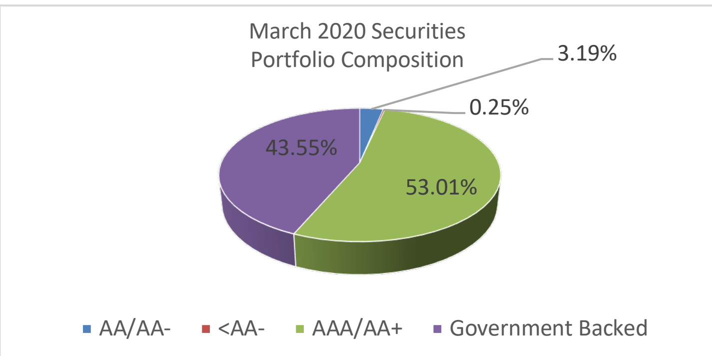
Capital

As of March 2020, Corporate America Credit Union ("CACU") continues to exceed the minimum capital requirements. As of March 31, our Tier 1 Capital Ratio is 5.46% and remains well above the regulatory requirement of 4.00%. Both the Tier 1 Risked-Based Capital Ratio and Total Risk-Based Capital Ratio greatly exceed the minimum requirements. This is primarily due to the higher concentration of government and agency holdings within the investment portfolio that carry a 0% to 20% risk weighting. Regulatory provisions for corporate credit unions place CACU in the "well capitalized" category.

Tier 1 Capital Calculation

The 704 regulatory definition of Tier 1 capital requires corporates to "deduct any amount of PCC received from federally insured credit unions that causes PCC minus retained earnings, all divided by moving daily average net assets, to exceed two percent when a corporate credit union's retained earnings ratio is less than two and a half percent." As of March 2020, CACU is not required to reallocate from Tier 1 to Tier 2 capital as a result of the calculation.





Asset Quality

Corporate America's investment strategy is one of purchasing high quality permissible securities with senior cash flow structures to provide competitive returns. CACU conducts detailed due diligence in assessing credit risk in non-government guaranteed positions. At the end of March, 43.55% of the portfolio is government backed, 53.01% is rated AAA/AA +, 3.19% is rated AA/AA-, and less than 1% is rated below AA-.

Net Economic Value (NEV)

The Corporate's interest rate risk exposure is measured by using net economic value (NEV) and a NEV ratio. The primary risk measurement is the decline of net economic value in the up 300 basis point scenario. As of March 31, CACU breached the regulatory limits for NEV and max % decline of NEV in the up 300 bps scenario due to suffering bond prices at the trough of the market. Each of these ratios was cured mid-April as a result of improving market conditions positively impacting unrealized losses.

Measurement	March 2020	December 2019	Policy/Regulation Limit
Max % Decline NEV (up 300 bp)	-21.06%	-13.12%	-20.00%
Base NEV	2.70%	4.94%	3.00%
Minimum NEV Ratio	2.14%	4.33%	2.00%

Measurement	March 2020	December 2019	Policy/Regulation Limit
WAL Financial Assets	1.65	1.91	2.00
AWAL Financial Assets	1.98	2.26	2.25

Weighted Average Life (WAL)

Weighted Average Life (WAL) of Financial Assets measures the life of all assets including investment, loans and cash. Adjusted Weighted Average Life (AWAL) is adjusted for a 50% slowdown in prepayments on investments. As of March 2020, we remain within policy/regulatory limit as shown in the table to the left.

Liquidity

As of March 2020, total advised lines of credit to member credit unions were approximately $2.4 billion. Combining cash held, tested sources of liquidity and liquid marketable securities, over $3.3 billion could be raised in a short period of time, if needed, to address a severe liquidity event.