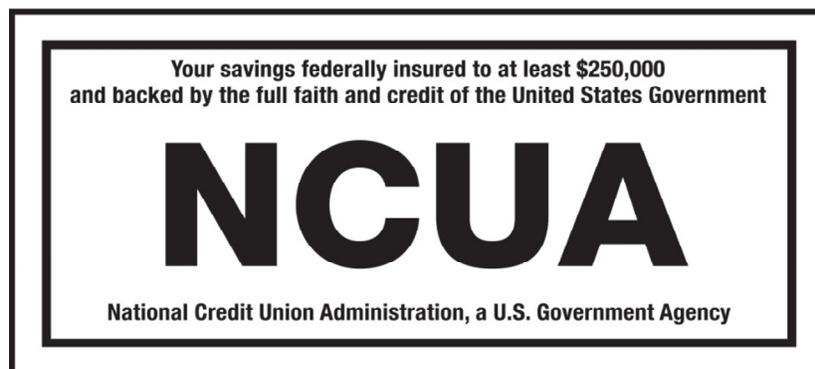


# **NATIONAL CREDIT UNION SHARE INSURANCE FUND**



## **PRELIMINARY FINANCIAL HIGHLIGHTS APRIL 30, 2010**

**MARY ANN WOODSON  
CHIEF FINANCIAL OFFICER**

**NCUSIF FINANCIAL HIGHLIGHTS**  
**April 30, 2010**

**Balance Sheet:**

Advances to Credit Unions: Share Deposits and Loans – \$10.0 billion represents liquidity loans to two problem credit unions.

Other Receivables: Due from Credit Unions – \$3.9 million represents the amount of 1% deposit adjustments due from credit unions on April 15, 2010 based on their 12/31/09 level of insured shares.

Other Receivables: Insurance Premium – \$0.9 million represents the outstanding premium assessments that were due on December 15, 2009.

Notes Payable - CLF – \$10.0 billion represents the loan the CLF made to the NCUSIF in March 2009 to provide liquidity loans to two problem credit unions.

Provision for Credit Union Losses (Reserves) - NPCU – of \$896.3 million includes an increase of \$170.3 million in specific reserves for problem natural person credit unions.

**Statement of Revenue and Expense:**

Insurance Loss Expense – \$170.3 million was expensed for specific natural person credit union reserves.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**  
**BALANCE SHEET**  
**APRIL 30, 2010**

**ASSETS:**

Investments:

U.S. Government Securities

Advances to Credit Unions:

Capital Notes

Allowance for loss - Capital Notes

NCUSIF Subordinated Notes

Share Deposits & Loans

*Total Advances to Credit Unions*

Other Receivables:

Due from Credit Unions

Insurance Premium Receivable

Loans due to NCUSIF

Recoveries from Liq. CU

*Total Other Receivables*

Cash

Interest Receivable

Prepaid & Deferred Charges

Leased Assets

Interest on Loan Receivable

Other

**TOTAL ASSETS**

**LIABILITIES:**

Accounts Payable:

Liquidation Claims

Notes Payable - CLF

Deferred Revenue

Interest Payable - CLF

Check Clearing Accounts

Other

*Total Current Liabilities*

Provision for CU Losses (Reserves) - NPCU

Provision for CU Losses (Reserves) - CCU

Lease Liabilities

**TOTAL LIABILITIES (3)**

**EQUITY:**

CU Contributed Capital

Retained Earnings

Unrealized Gain/Loss on A-F-S Securities

**TOTAL EQUITY**

**TOTAL LIABILITIES & EQUITY**

	April 2010 (1)	March 2010 (1)	April 2009 (2)
Investments:			
U.S. Government Securities	\$9,796,333,375.09	\$9,563,908,375.47	\$7,119,349,124.89
Advances to Credit Unions:			
Capital Notes	0.00	0.00	1,000,000,000.00
Allowance for loss - Capital Notes	0.00	0.00	(1,000,000,000.00)
NCUSIF Subordinated Notes	0.00	0.00	0.00
Share Deposits & Loans	10,000,000,000.00	10,000,000,000.00	10,000,000,000.00
<i>Total Advances to Credit Unions</i>	10,000,000,000.00	10,000,000,000.00	10,000,000,000.00
Other Receivables:			
Due from Credit Unions	3,878,434.74	267,170,244.69	8,681,002.47
Insurance Premium Receivable	908,582.01	2,441,789.94	6,240,728,724.00
Loans due to NCUSIF	0.00	0.00	0.00
Recoveries from Liq. CU	200,949,867.35	202,950,297.31	102,933,072.12
<i>Total Other Receivables</i>	205,736,884.10	472,562,331.94	6,352,342,798.59
Cash	100,716.03	100,494.97	100,002.16
Interest Receivable	68,203,619.45	65,305,772.33	51,393,312.24
Prepaid & Deferred Charges	5,383,235.24	0.00	(3,191,805.47)
Leased Assets	0.00	0.00	0.00
Interest on Loan Receivable	18,660,821.92	14,321,095.90	3,602,191.78
Other	18,042,578.65	18,155,990.11	19,528,673.17
<b>TOTAL ASSETS</b>	<b>\$20,112,461,230.48</b>	<b>\$20,134,354,060.72</b>	<b>\$23,543,124,297.36</b>
<b>LIABILITIES:</b>			
Accounts Payable:			
Liquidation Claims	\$42,198,101.40	\$44,832,296.15	\$10,537,519.83
Notes Payable - CLF	10,000,000,000.00	10,000,000,000.00	10,000,000,000.00
Deferred Revenue	0.00	0.00	13,236,985.96
Interest Payable - CLF	18,660,821.90	14,321,095.88	3,602,191.78
Check Clearing Accounts	585,297.36	(115.19)	(38,456.48)
Other	141,523.97	64,593,741.92	3,421,028.74
<i>Total Current Liabilities</i>	10,061,585,744.63	10,123,747,018.76	10,030,759,269.83
Provision for CU Losses (Reserves) - NPCU	896,269,309.14	726,718,069.33	422,997,967.31
Provision for CU Losses (Reserves) - CCU	0.00	0.00	4,976,870,000.00
Lease Liabilities	0.00	0.00	0.00
<b>TOTAL LIABILITIES (3)</b>	<b>10,957,855,053.77</b>	<b>10,850,465,088.09</b>	<b>15,430,627,237.14</b>
<b>EQUITY:</b>			
CU Contributed Capital	7,270,811,833.26	7,270,442,878.58	6,114,328,848.32
Retained Earnings	1,753,023,964.80	1,913,978,430.05	1,835,931,270.90
Unrealized Gain/Loss on A-F-S Securities	130,770,378.65	99,467,664.00	162,236,941.00
<b>TOTAL EQUITY</b>	<b>9,154,606,176.71</b>	<b>9,283,888,972.63</b>	<b>8,112,497,060.22</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$20,112,461,230.48</b>	<b>\$20,134,354,060.72</b>	<b>\$23,543,124,297.36</b>

(1) Data for March and April 2010 includes assets and liabilities for natural person credit unions only.

(2) Data for April 2009 included assets and liabilities related to Corporate Stabilization efforts. These were moved to the Corporate Stabilization Fund in June 2009.

(3) Does not include unreserved contingent liabilities of \$37 thousand in an indemnification expiring in Dec 2010.

COMPARATIVE ANALYSIS OF BALANCE SHEET RATIOS			
for Period Ending April 30, 2010			
	APR 10	MAR 10	APR 09
Investments/Total Assets	48.71%	47.50%	30.24%
Total Equity/Insured Shares	1.24%	1.26%	1.30%
Prov. for Losses/CU Capital	12.33%	10.00%	88.31%
Non-Earning/Total Assets	1.48%	1.30%	27.54%
Available Asset Ratio	1.18%	1.22%	0.28%

2010 Equity ratios are based on an insured share level of \$726.9 billion at December 31, 2009.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND  
STATEMENT OF REVENUE AND EXPENSE  
FOR THE PERIOD ENDING APRIL 30, 2010**

	Apr-10 Actual (1)	Apr-10 Budget	CY to Date 2010 Actual (1)	CY to Date 2010 Budget	CY to Date 2009 (2)
<b>INCOME:</b>					
Investment Income	\$18,076,085.15	\$18,000,000.00	\$70,851,501.23	\$72,000,000.00	\$65,556,157.60
Interest revenue on Loans	4,339,726.02	4,500,000.00	17,358,904.10	18,000,000.00	0.00
Accrued Recapitalization & Premium Income	-	-	-	-	6,240,728,724.00
Other Income	34,304.22	70,000.00	131,994.28	280,000.00	6,269,395.41
<b>TOTAL INCOME</b>	<b>22,450,115.39</b>	<b>22,570,000.00</b>	<b>88,342,399.61</b>	<b>90,280,000.00</b>	<b>6,312,554,277.01</b>
<b>EXPENSE:</b>					
Employee Pay	5,023,649.35	5,465,135.80	18,905,421.09	21,363,712.66	17,501,290.25
Employee Benefits	1,325,086.20	1,580,273.85	5,127,041.02	6,177,434.14	4,628,160.41
Employee Travel	916,959.05	1,108,713.90	2,934,749.53	4,434,855.60	2,578,998.18
Rent/Communications/Utilities	164,393.42	223,937.00	420,908.99	895,748.00	632,136.57
Administrative Costs	683,123.56	558,105.94	2,006,100.62	2,232,423.76	2,161,354.37
Contracted Services	503,553.18	721,249.04	1,341,520.24	2,884,996.16	1,276,256.77
<i>Subtotal NCUA Operating Exp.</i>	8,616,764.76	9,657,415.53	30,735,741.49	37,989,170.32	28,778,196.55
AMAC Expense	3,431.12	15,000.00	14,170.83	60,000.00	1,273.70
Training Expense	182,760.67	125,000.00	502,161.65	500,000.00	449,784.44
Leasing Expense	1,666.67	6,000.00	6,666.68	24,000.00	79,727.08
Accrued Insurance Interest Expense	4,339,726.02	4,700,000.00	17,358,904.10	18,800,000.00	3,602,191.78
Other Insurance Expense	11,055.28	271,000.00	518,287.70	1,084,000.00	384,273.26
<i>Total Operating Exp.</i>	13,155,404.52	14,774,415.53	49,135,932.45	58,457,170.32	33,295,446.81
<i>Loss on Investments</i>	-	-	-	-	1,000,000,000.00
Insurance Loss Exp.	170,289,176.12	62,500,000.00	177,318,832.12	250,000,000.00	5,143,330,374.00
<b>TOTAL EXPENSE</b>	<b>183,444,580.64</b>	<b>77,274,415.53</b>	<b>226,454,764.57</b>	<b>308,457,170.32</b>	<b>6,176,625,820.81</b>
<b>NET INCOME:</b>	<b>(\$160,994,465.25)</b>	<b>(\$54,704,415.53)</b>	<b>(\$138,112,364.96)</b>	<b>(\$218,177,170.32)</b>	<b>\$135,928,456.20</b>
Retained Earnings, Beginning of Year			\$1,891,136,329.76		\$1,700,002,814.70
Prior Year Adjustment			0.00		0.00
As Restated			1,891,136,329.76		1,700,002,814.70
Net Income			(138,112,364.96)		135,928,456.20
			1,753,023,964.80		1,835,931,270.90
Dividends			0.00		0.00
<b>Retained Earnings, Year To Date</b>			<b>\$1,753,023,964.80</b>		<b>\$1,835,931,270.90</b>

Comparative Analysis of NCUSIF Ratios for April 30, 2010

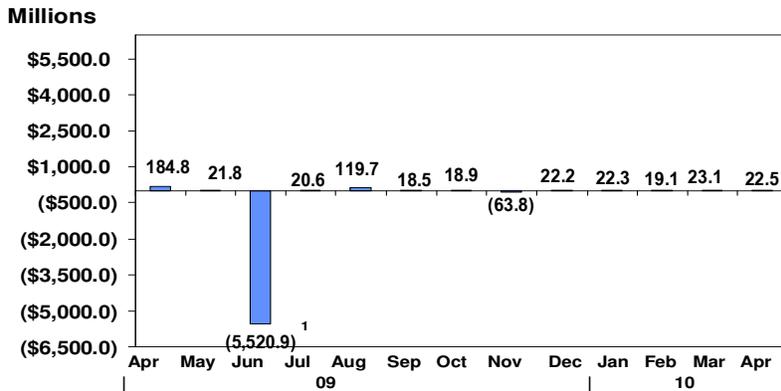
INCOME STATEMENT RATIOS	LAST MONTH	THIS MONTH	CURRENT CYTD	PRIOR CYTD
1. Oper. Exp./Total Income	61.77%	58.60%	55.62%	0.53%
2. Ins. Loss Exp./Total Income	24.25%	758.52%	200.72%	81.48%
3. Total Exp./Total Income	86.02%	817.12%	256.34%	97.85%
4. Net Income/Total Income	13.98%	-717.12%	-156.34%	2.15%
5. Ins. Loss Exp./Insured Shares	0.00%	0.02%	0.02%	0.61%

(1) Data for 2010 includes income and expenses for natural person credit unions only.

(2) Data for April 2009 included income and expenses related to Corporate Stabilization efforts. These were moved to the Corporate Stabilization Fund in June 2009.

Figure 1

## GROSS INCOME APRIL 09 – APRIL 10



<sup>1</sup> This was a result of the Board action taken on 6/18/09 to move liabilities from the NCUSIF to the TCCUSF eliminating the requirement to recapitalize the Fund in 2009.

Figure 2

## OPERATING EXPENSE APRIL 09 – APRIL 10

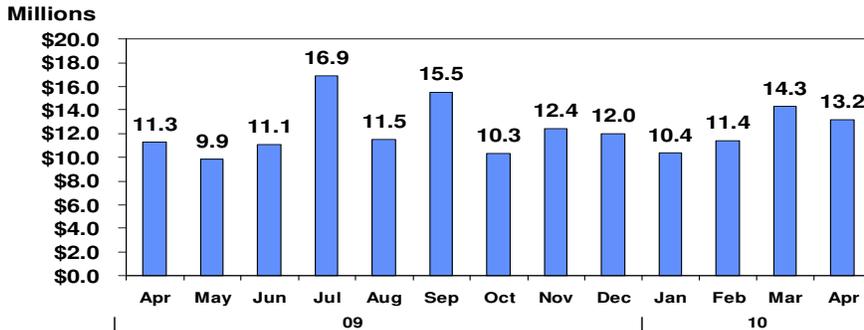
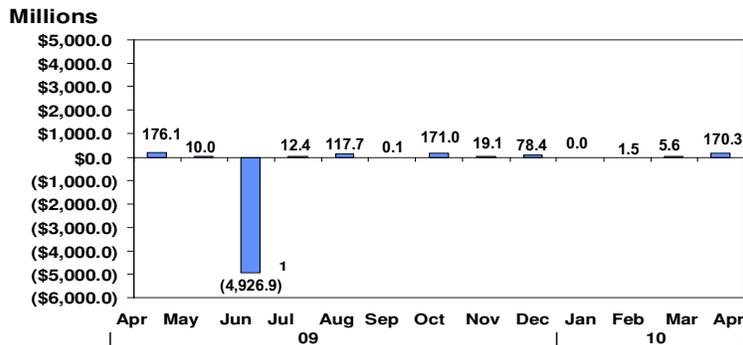


Figure 3

## INSURANCE LOSS EXPENSE APRIL 09 – APRIL 10



<sup>1</sup> This was the result of the Board action taken on 6/18/09 to move the guarantee of all uninsured shares in the corporate credit union system from the NCUSIF to the TCCUSF.

Figure 4

# REVENUE AND EXPENSE

## APRIL 30, 2010

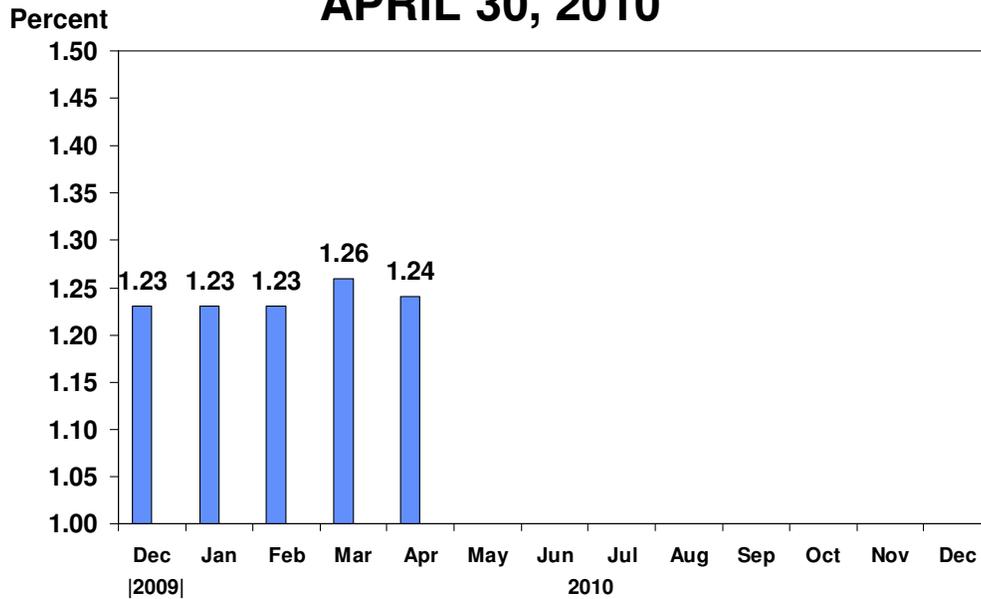
(In Millions)

	April		YTD	YTD
	Actual	Budgeted	Actual	Budget
<b>Gross Income:</b>				
Investment Income	18.1	18.0	70.9	72.0
Other Income	4.4	4.6	17.4	18.3
<b>Less Expenses:</b>				
Operating Expense	13.2	14.8	49.1	58.5
Insurance Loss Expense	170.3	62.5	177.3	250.0
<b>Net Income (Loss)</b>	<b>(161.0)</b>	<b>(54.7)</b>	<b>(138.1)</b>	<b>(218.2)</b>

Figure 5

# NCUSIF EQUITY RATIO

## APRIL 30, 2010



## INVESTMENT PORTFOLIO SUMMARY

April 30, 2010

<b>I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE</b>					
	<b>Book Value</b>	<b>Market Value</b>	<b>Gain or (Loss)</b>	<b>% Market to Book Value</b>	<b>Weighted Average Yield</b>
Daily Treasury Account	\$540,349,000	\$540,349,000	\$0	100.00%	0.15%
U.S. Treasury Notes	9,125,213,996	9,255,984,375	130,770,379	101.43%	2.43%
<b>TOTAL</b>	<b>\$9,665,562,996</b>	<b>\$9,796,333,375</b>	<b>\$130,770,379</b>	<b>101.35%</b>	<b>2.21%</b>
<b>II. INVESTMENT PORTFOLIO PERFORMANCE</b>					
	<b>Last Month</b>	<b>Current Month</b>	<b>CY To Date</b>	<b>CY10 Projections</b>	
Investment Yield	2.30%	2.21%	2.25%	2.27%	
Investment Income	\$18,573,307	\$18,076,085	\$70,851,501	\$216,000,000	
Income Budgeted (1/1/10)	\$18,000,000	\$18,000,000	\$72,000,000	\$216,000,000	
Income/Budgeted Ratio	103.2%	100.4%	98.4%		
Weighted Avg. Maturity in Days	1,053	1,085			
<b>III. MONTHLY ACTIVITY</b>					
<b>Purchased</b>	<b>Type</b>	<b>Amount</b>	<b>Maturity</b>	<b>Yield</b>	
4/19/2010	T-Note	300,000,000	5/15/2015	2.49%	
4/19/2010	T-Note	50,000,000	5/15/2020	3.77%	
<b>TOTAL</b>		<b>\$350,000,000</b>			
<b>IV. MATURITY SCHEDULE (par value in millions)</b>					
3 months or less	\$890.3				
3 months - 1 year	950.0				
1 year - 2 years	1,750.0				
2 years - 3 years	1,800.0				
3 years - 4 years	1,250.0				
4 years - 5 years	1,470.0				
5 years - 10 years	1,300.0				
<b>TOTAL</b>	<b>\$9,410.3</b>				

Figure 6

# TREASURY YIELD CURVE

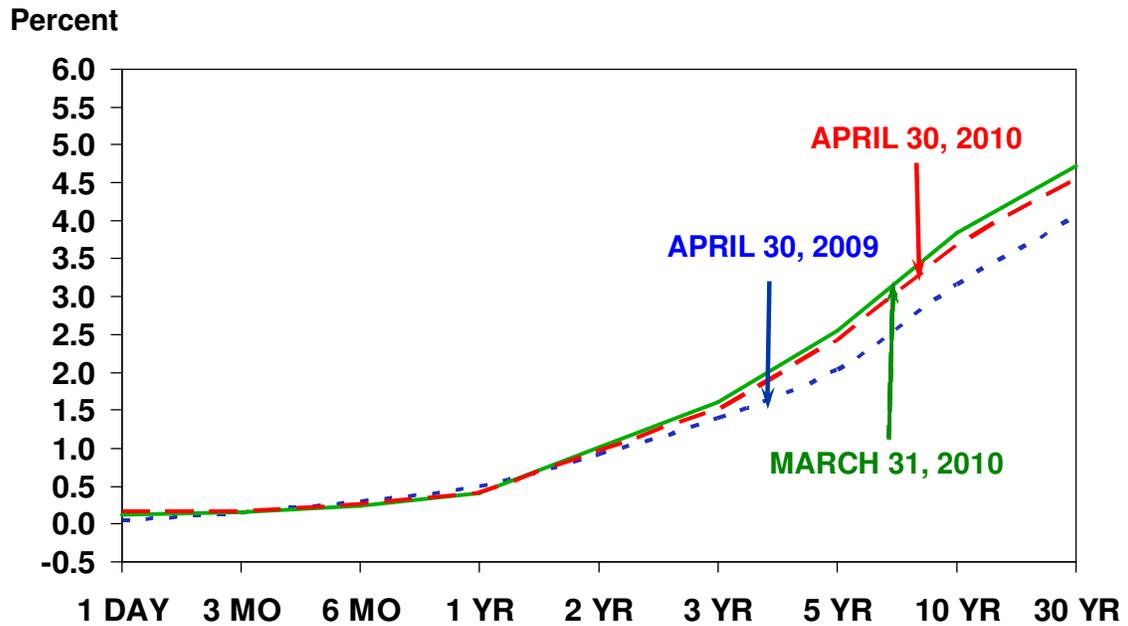
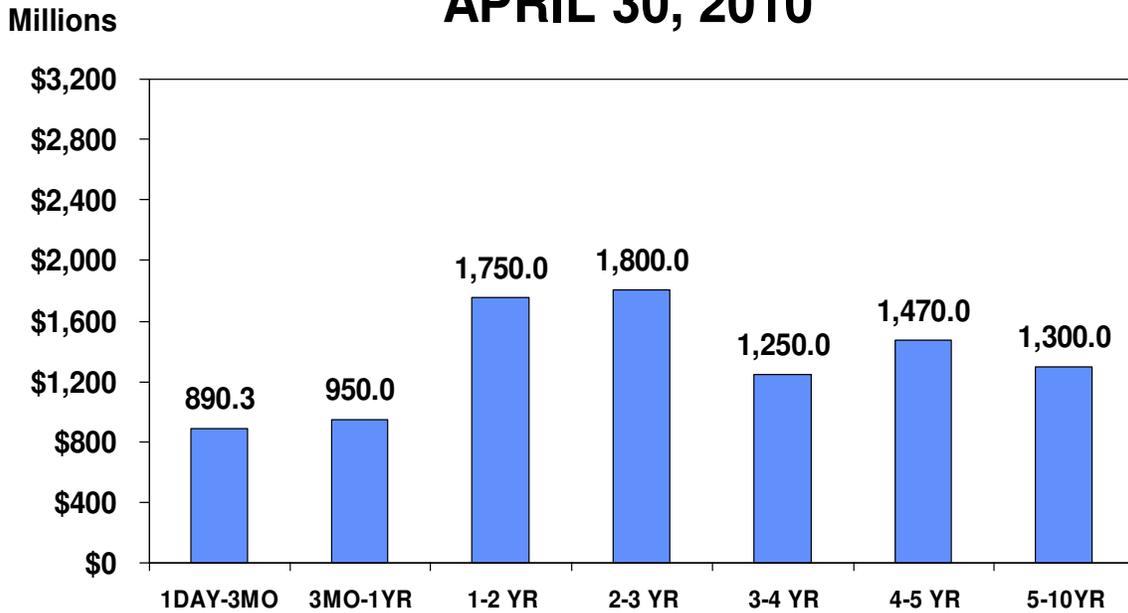


Figure 7

# MATURITY SCHEDULE

APRIL 30, 2010



**MONTH-END YIELD COMPARISONS**

**April 30, 2010**

YIELD COMPARISONS								
	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
NCUSIF Yield	2.30%	2.23%	2.20%	2.06%	2.21%	2.26%	2.30%	2.21%
90-day T-Bill	0.14%	0.05%	0.06%	0.20%	0.08%	0.13%	0.16%	0.16%
1-year T-Bill	0.40%	0.37%	0.26%	0.47%	0.30%	0.32%	0.41%	0.41%
2-year T-Note	0.95%	0.90%	0.67%	1.14%	0.82%	0.81%	1.02%	0.97%
30-year T-Note	4.03%	4.23%	4.19%	4.63%	4.51%	4.55%	4.72%	4.53%

Figure 8

**YIELD COMPARISONS  
APRIL 30, 2010**

