

**REGIONAL SUMMARY
COMMUNITY CHARTER EXPANSION
CITADEL FCU #2099
Thorndale, PA**

Current Members	113,338	Assets	\$1.2 billion
Potential Mbrs. (Current)	542,000	Loans	\$1.0 billion
Penetration	20.9%	Shares	\$1.1 billion
Community Pot. Mbrs.	*3,849,647	Earnings	0.68%
Date App Received	2/27/08	Delinquency	0.96%
Date of Last On-site	9/30/2008	Net C/Os	1.02%
CAMEL	(b)(8)	Net Worth	9.51%

Financial Data: December 31, 2008 FPR

** Source: 2000 U.S. Census*

1. GENERAL BACKGROUND

Citadel Federal Credit Union (CFCU) was chartered in 1937 as Lukens Employees FCU to serve employees of Lukens Steel Company in Coatesville, Pennsylvania. In 1983, the credit union converted to a community charter serving persons who reside or work in Coatesville, Pennsylvania, or in 15 townships and boroughs in Chester County, Pennsylvania, excluding persons eligible for primary membership in an occupational type credit union. At that time, the name was changed to Lukens Community FCU.

In 1986 the credit union changed its name to Citadel and began a series of community expansions (1986, 1987, and 1990) resulting in the following field of membership: persons who reside or work in Chester County, Pennsylvania, or in the townships of Birmingham, Concord, or Thornbury in Delaware County, Pennsylvania, or in Christiana Borough in Lancaster County. The 1990 expansion request also included Lancaster County, Pennsylvania; however, NCUA denied this portion of the proposed community. In 1992, Citadel again sought to add Lancaster County; however, NCUA advised earlier concerns remained and it was unlikely such a request would be approved.

Beginning in 1982 and throughout its history, Citadel added select groups directly and via merger or purchase and assumption. The credit union serves two low-income communities: Lancaster, Pennsylvania, and South Baltimore, Maryland. In 1999, all exclusionary language was removed.

In June 2004, Citadel requested a community expansion to serve Berks, Chester, Lancaster, and Montgomery counties, Pennsylvania, and Chadds Ford, Concord, and Thornbury Townships in Delaware County, Pennsylvania. The Region deferred action because the community common bond criteria had not been met, and the application was ultimately withdrawn.

In August 2005, the credit union submitted an application to expand its community to include Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties, Pennsylvania. The credit union was unable to provide a satisfactory business plan and the application was withdrawn.

The current application requests the same five-county area, and was prepared with the assistance of a consultant.

