

September 2023

FINANCIAL CONDITION REPORT



CorporateAmerica
CREDIT UNION

DIFFERENT STARTS HERE™

Measurement	September 2023	June 2023	Policy/Regulation Limit
Tier 1 Capital (Regulatory)	8.63%	8.16%	4.00%
Tier 1 Risk-Based Capital Ratio	31.87%	30.97%	4.00%
Total Risk-Based Capital Ratio	32.05%	31.15%	8.00%

Capital

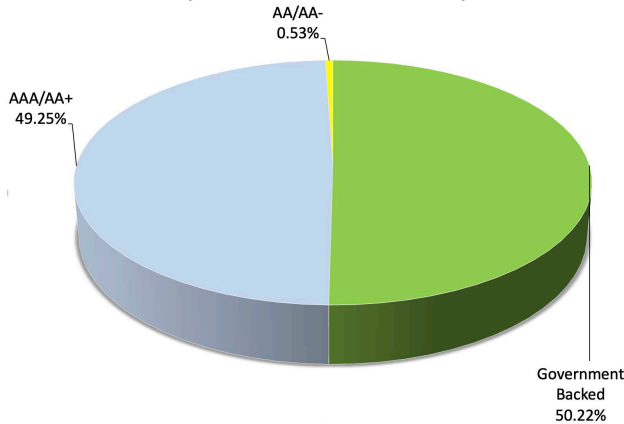
As of September 2023, Corporate America Credit Union (“CACU”) continues to exceed minimum capital requirements. As of September 30th, our Tier 1 Capital Ratio is 8.63% and remains above the regulatory requirement of 4.00%. Both the Tier 1 Risk-Based Capital Ratio and Total Risk-Based Capital Ratio exceed 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.

Tier 1 Capital Growth

During the third quarter of 2023, Corporate America grew Tier 1 Capital \$1.6mm ending September 2023 with \$255.8mm. The capital growth was accomplished while providing a month of free services for our members and a bonus dividend on member capital.



September 2023 Securities Portfolio Composition



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 September, 50.22% of the portfolio is government backed, 49.25% is rated AAA/AA+, and 0.53% is rated AA/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 September 30th, we remain within regulatory limits as evidenced in the table to the right. Interest Rate Risk is monitored and reported to the board on a monthly basis.

Measurement	September 2023	June 2023	Policy/Regulation Limit
Max % Decline NEV (up 300 bp)	-15.46%	-9.09%	-20.00%
Base NEV	7.40%	7.28%	3.00%
Minimum NEV Ratio	6.37%	6.72%	2.00%

Measurement	September 2023	June 2023	Policy/Regulation Limit
WAL Financial Assets	1.44	1.50	2.00
AWAL Financial Assets	1.77	1.87	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 September 2023, we remain within policy/regulatory limit as shown in the table to the left.

Liquidity

As of September 2023, total advised lines of credit to member credit unions were approximately \$3.4 billion. Combining cash held, tested sources of liquidity and liquid marketable securities, \$3.1 billion could be raised in a short period of time, if needed, to address a severe liquidity event.