



service.

value.

convenience.

2012 Annual Report Contents

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YEAR IN REVIEW

As a financial cooperative, member participation is essential to the energy and success of Corporate America Family Credit Union. With nearly 66,000 members, we continually strive to make a meaningful difference in the financial lives of our members, and we have been doing so for over 73 years. We are not only dedicated to being our members' primary financial institution, but thankful for all our loyal members that take advantage of the financial services offered by Corporate America Family Credit Union.

Safe, Sound and Growing

Though the economy remains unpredictable, Corporate America Family Credit Union remains financially strong. We uphold the highest standards of business ethics and conduct and are dedicated to sustaining the highest level of safety, soundness and security for our members' assets. As a strong interdependent organization, we collaborate to achieve common goals, such as providing our members with the best possible products and services.

As a result, we continue to build our membership through multiple channels, including online, phone and in-person at our branch locations and sponsor companies. Over the past couple of years, with accelerated technological enhancements, we are helping our members increase their participation with Corporate America Family Credit Union. Since our launch of Online Membership Enrollment in 2011, over 2,600 memberships and nearly 500 checking accounts have been opened online. While we continue to enhance member experiences through technology, our focus on value, service and convenience continues to be the foundation for ongoing growth.

Our Members Matter Most

Our members are our first priority and the core of our organization. We provide financial products and educational support that address their direct needs. In efforts to improve our

members' finances, whether they are in need of financial strategies or looking to become self-sufficient, we can help by offering financial guidance through BALANCESM.

We are pleased members continue to depend on BALANCE for financial education. Within the last couple of years, nearly 5,000 members contacted BALANCE for financial advice over the phone or by selecting online educational modules. The top three categories for which members utilized BALANCE were Debt Management, Credit Reports and Budgeting. We are delighted members can receive guidance from BALANCE, at no cost, no matter where they are on their financial path. Our members truly matter most, and we are grateful that we can make a difference in their financial lives by continually delivering high value and quality products and services.

Evolving for You

Enhancements are constantly being made so that we can stay ahead of the industry with innovative technology and the best products and services. With even more enhancements possibly on the horizon, we are confident that we will continue to keep up with the latest technology. No matter how you prefer to access your accounts, we are always here to provide exceptional service to our members.

Corporate America Family Credit Union's growth and overall success are directly attributable to you, the members. Your loyalty and support are instrumental to our continued success. On behalf of Corporate America Family Credit Union's employees and volunteer Board of Directors, we would like to thank you for supporting our financial cooperative.

We would also like to thank you, as a member and owner, for referring your friends, family and co-workers to our credit union.

Peter Paulson
President & CEO

Costanzo Maestranzi
Chairman of the Board

2012 Highlights

We continually offer additional products and services customized to our members' financial needs and lifestyles.

Notable Growth:

- Membership grew by over 2,300 members.
- Loans grew by over 18 million dollars.

Making a Meaningful Difference:

- Nearly 2,000 members took advantage of BALANCE.

Loan Protection Statistics — easing financial burden for our members during difficult times:

- Over \$86,000 in disability benefits were disbursed to members.
- Members collected more than \$100,000 in unemployment benefits.
- Our members' families received over \$115,000 in life benefits.



The Supervisory Committee's responsibility is to serve Corporate America Family Credit Union members by ensuring that all credit union records are accurately and properly reported.

This committee fulfills its obligation to members by monitoring and auditing the activity of each credit union branch office and department for adherence to internal control procedures and Board Policy. This committee receives and reviews member inquiries and resolves any problems that may exist.

The committee also recommends policy changes to the Board of Directors for approval. In addition, the financial statements of all merging credit unions are reviewed and special audits performed, as required, prior to merge dates.

The Supervisory Committee contracted Nearman, Maynard, Vallez, CPAs to perform an annual audit of credit union accounts. Their latest report dated June 27, 2012 states that their examination was made in accordance with generally accepted auditing standards. Nearman, Maynard, Vallez, CPAs concluded that the financial statements present fairly the financial position

of Corporate America Family Credit Union as of March 31, 2012, and the results of its operations and the changes in its financial position for the year then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Corporate America Family Credit Union contracted RSM McGladrey, Inc for quarterly compliance assessments and CliftonLarsonAllen, LLP for information technology assessments. These voluntary, proactive assessments demonstrate our dedication to address emerging compliance expectations and protect our members. The Supervisory Committee continues its devotion to addressing compliance and internal controls.



Thomas Rieck
Chairman
Supervisory Committee

"Everyone is courteous and will go to every length to help."
~ Lottie H.

"I like the variety of products and services that are offered. I also like that they have Fresh Start Checking for those who want another chance to establish a checking account."
~ Sharita J.

"I have recommended the credit union to a few people, including my company."
~ Michelle S.

"I have received the best service ever."
~ Daniel W.

"I choose Corporate America Family Credit Union because the banks in California do not offer these rates."
~ Yasmin N.

BALANCE SHEETS

| Assets | 2012 | | 2011 | |
|---------------------------------------|-------------|----------------|-------------|----------------|
| Cash in Banks | \$ | 2,147 | \$ | 2,148 |
| Loans to Members (Note 1) | | 283,922 | | 273,340 |
| Allowance for Loan Loss | | (5,600) | | (5,098) |
| Investments (Note 1) | | 274,698 | | 272,492 |
| Other Assets | | 12,976 | | 13,286 |
| Total Assets | \$ | 568,143 | \$ | 556,168 |
| Liabilities & Equity | | | | |
| Members' Shares (Note 2) | \$ | 340,413 | \$ | 329,194 |
| Share Certificates (Note 1 & 2) | | 139,543 | | 142,779 |
| Other Liabilities | | 4,745 | | 4,422 |
| Reserves | | 83,442 | | 79,773 |
| Total Liabilities & Equity | \$ | 568,143 | \$ | 556,168 |

INCOME STATEMENTS

| Revenues | 2012 | | 2011 | |
|---------------------------------|-------------|---------------|-------------|---------------|
| Interest on Loans | \$ | 18,243 | \$ | 19,602 |
| Investment Income | | 4,092 | | 4,255 |
| Fee Income | | 6,779 | | 6,405 |
| Total Revenues | \$ | 29,114 | \$ | 30,262 |
| Expenses | | | | |
| Dividends on Share Accounts | \$ | 799 | \$ | 1,052 |
| Dividends on Share Certificates | | 1,563 | | 2,002 |
| Loan Loss Provision Expense | | 3,288 | | 1,112 |
| Compensation & Benefits | | 11,546 | | 11,305 |
| Office Expenses | | 6,291 | | 6,120 |
| Membership Benefits | | 1,576 | | 1,402 |
| Other Expenses | | 926 | | 1,536 |
| Total Expenses | \$ | 25,989 | \$ | 24,529 |
| Net Income | \$ | 3,125 | \$ | 5,733 |

NOTES: FAIR VALUE OF FINANCIAL INSTRUMENTS

(1) Fair market value has been estimated using the discounted cash flow method for any class of financial instruments with a maturity or repricing term of greater than 12 months. The book value and fair market value of loans, investments, and share certificates with a maturity or repricing terms greater than 12 months were as follows:

| | | Book Value | Fair Market Value |
|-----------------|---------------------------|------------|-------------------|
| Dec. 31, 2012 - | Loans | 257.0 | 274.2 |
| | Investments | 204.7 | 208.2 |
| | 2 Year Share Certificates | 41.4 | 40.3 |
| Dec. 31, 2011 - | Loans | 245.6 | 261.7 |
| | Investments | 171.6 | 174.3 |
| | 2 Year Share Certificates | 48.8 | 47.2 |

(2) For member shares and one-year share certificates, book value represents fair market value. Member shares reprice monthly and constitute member ownership equity in the credit union.

Corporate America Family Credit Union ended 2012 in a very strong financial position. The credit union finished the year with a Net Worth to Total Asset Ratio of 14.1%. In addition, Corporate America Family Credit Union earned a respectable 0.56% Return on Average Assets. When compared to other financial institutions, Corporate America Family Credit Union maintains a strong financial position in these challenging times.

During 2012, Corporate America Family Credit Union earned \$3.1 million. Net income decreased \$2.6 million. While loan revenue decreased \$1.4 million, interest and non-interest expenses were managed. Provision expense increased \$2.2 million, dividend expense decreased \$0.7 million and operating expenses, which includes the National Credit Union Administration (NCUA) deposit insurance assessments of \$0.5 million, remained consistent with 2011 levels. Lower revenues are primarily due to decreases in discontinued indirect loan programs and lower rates on consumer and mortgage related loans. The favorable dividend expense reflects the overall lower rates in the market place.

Total equity increased by \$3.7 million, or 4.6%. The increase in total equity resulted primarily from a strong net income for the year and also includes the favorable market value adjustment on investments. The strong equity position underscores the credit

union's position as an exceptionally safe depository for members' savings.

Total assets of \$568.1 million increased by \$12.0 million, or 2.2%, in 2012. This increase was due to greater member share balances, strong net income and favorable market value of investments. Corporate America Family Credit Union experienced growth in consumer and mortgage-related loan balances.

Overall, Corporate America Family Credit Union had strong financial results in 2012. The respectable net income and growth in reserves helps position the credit union for challenges in 2013. We look forward to serving our membership in the upcoming year.



John Blozis
Treasurer

"Great products, great service, and good rates."
~ Crystal R.

"Very happy and impressed with the ease and how quickly I was able to secure all my loans. Plus, you have great customer service!"
~Lori D.

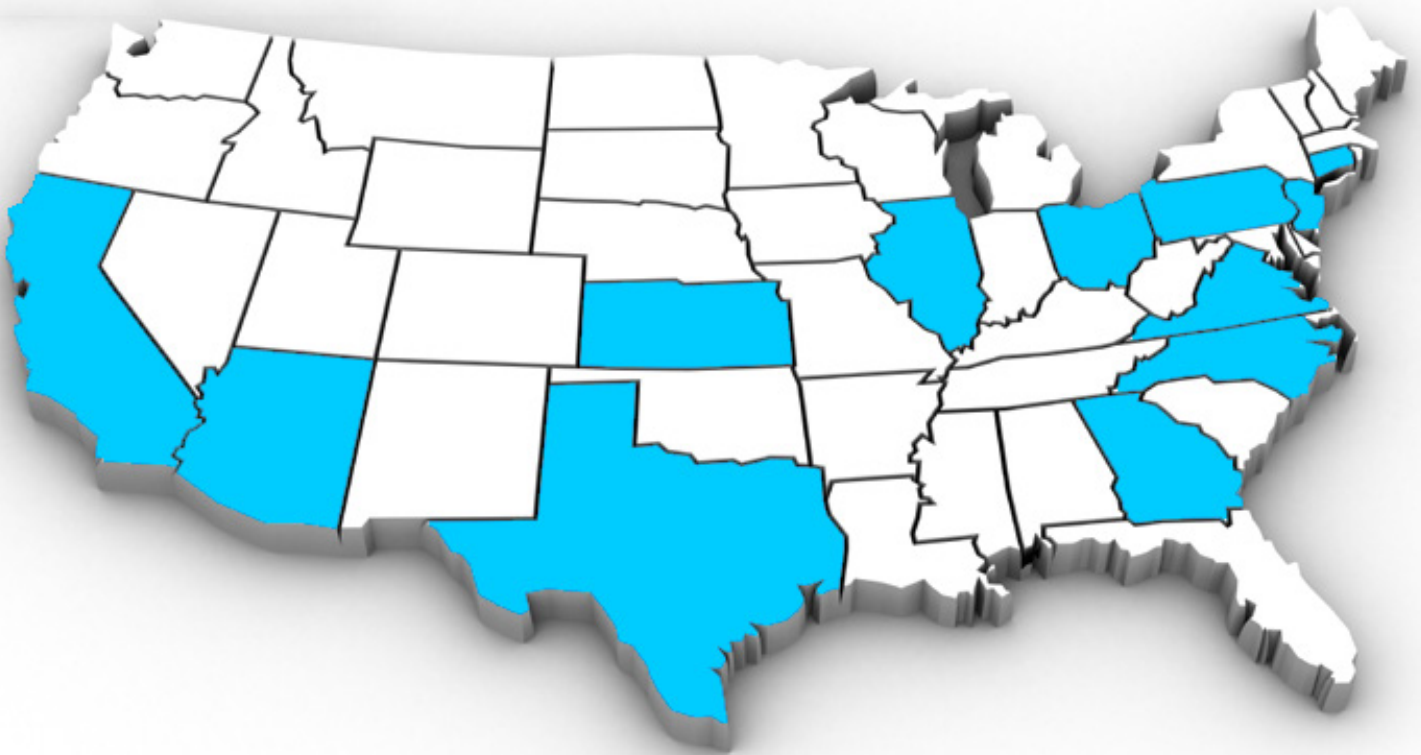
"Low fees, great rates, great online banking."
~ Ross P.

"The service is good, and we like that it's a credit union as opposed to a large bank."
~ Kari J.

service. value. convenience.

Nationwide.

BRANCH LOCATIONS



Arizona
Peoria

California
Santa Clara

Connecticut
Bristol

Georgia
Atlanta

Illinois
Burbank • Chicago •
Crystal Lake • Elgin •
Oak Brook • Rosemont •
Streamwood • Warrenville

Kansas
Kansas City

North Carolina
High Point

Ohio
Marion

Pennsylvania
Towanda

Texas
Dallas

Virginia
Herndon

QUICK FACTS

18 — Corporate America Family
Credit Union Branches in 11 states

6,700+ — Shared Branches

60,000+ — Surcharge-free ATMs

Visit our website at www.cafcu.org or
www.cafcu.mobi from your mobile device to
find branch locations and surcharge-free
ATMs nationwide.

MEET YOUR 2012 BOARD OF DIRECTORS

2012 BOARD OF DIRECTORS



Costanzo Maestranzi
Chairman of the Board
Investment Committee
Nominating Committee



Ron Kalisz
Vice Chairman
Membership Committee



John Blozis
Treasurer
Investment Committee
Nominating Committee



Kenneth Naatz
Secretary
Investment Committee



Glenn Brown
Director
Loan Committee



Maurice Thompson
Director
Nominating Committee
Supervisory Committee
Political Action Committee



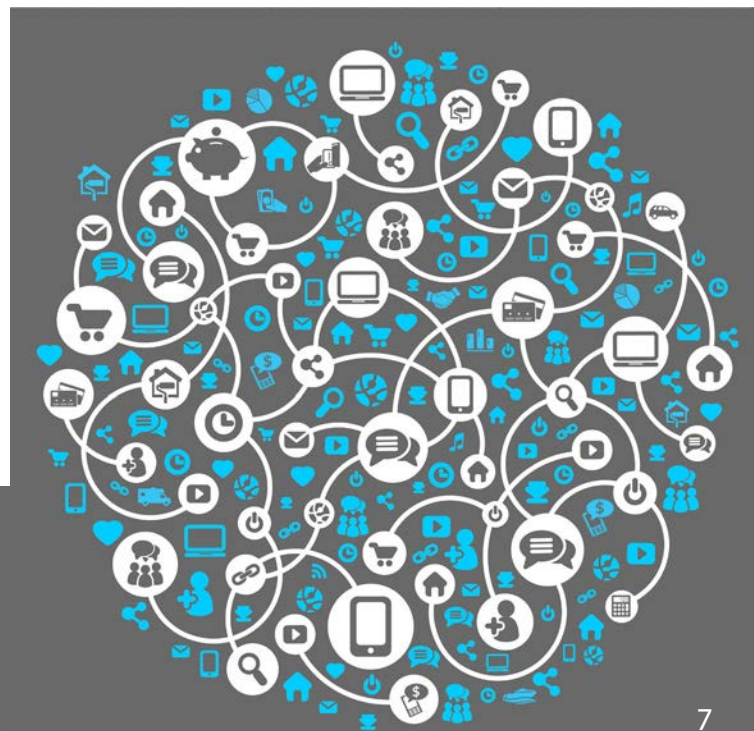
Paula Blonski
Director
Membership Committee
Supervisory Committee



Thomas Rieck
Director
Supervisory Committee
Political Action Committee



Peter Paulson
President
Investment Committee
Political Action Committee
Loan Committee



Corporate America Family Credit Union's Board of Directors are elected by members and serves voluntarily on behalf of the membership to oversee the operations of the credit union.

DID YOU KNOW?

In 1939, an ambitious group of 15 employees from Automatic Electric Company each deposited \$5 into the Automatic Credit Union. Automatic Electric was later purchased by GTE Corporation, and the credit union changed its name to GTE Employees Federal Credit Union.

In the early 1980s, the GTE Employees Federal Credit Union Board of Directors decided to safeguard the long-term security of the credit union by diversifying membership.

In 1986, the credit union appropriately changed its name to Corporate America Federal Credit Union.

To ensure our ability to serve a diverse membership, in 1997, we changed the charter from a federal charter to a state of Illinois charter. To better reflect the new standing, the name was changed to Corporate America Family Credit Union.

We now serve nearly 66,000 members nationwide with branch locations in small towns and major metropolitan areas.

"Corporate America Family Credit Union is a great credit union. Fees are lower than a regular bank. The people are great to work with."

~ Gloria L.

"Just recently switched from a bank. Very satisfied so far!"

~ Rebecca B.

"Easy to use online services, web chat, transfers, and deposits. And if I have difficulty, it has always been easy to reach someone for help. They are always professional, yet kind and helpful."

~ Ann T.

With over 2 million visits in 2012, Corporate America Family Credit Union's largest branch is our website at www.cafcu.org. We offer our members a variety of online services including account viewing, funds transfer, bill pay, loan applications, deposit and withdrawal capabilities, educational articles and more.

All online financial services are available from the comfort of your own home with the click of a mouse or on the go with your mobile device.

www.cafcu.org

www.cafcu.mobi

1-800-359-1939

26,258 - Online Account Users
22,363 - eStatement Users
11,130 - Registered Remote Deposit Users
3,311 - Alert Center Users
3,673 - Mobile Banking Users
2,721 - Bill Pay Users
20,680 - Open Transfers Completed
1,645 - Online Membership Enrollments
144 - Phone Membership Enrollments
913 - Online Account Enrollments
4,266 - Live Chats Initiated

Figures as of December 31, 2012

Making a **meaningful difference** in the financial lives of our members.

"I highly **recommend** Corporate America Family Credit Union because they **saved** me from financial hardship. They **consolidated** my high-interest rate loans and credit cards into one **low rate**. What is better than this?"
~ Seth A.

"Corporate America Family Credit Union is **superior** to major banks in **every way**."
~ Sandra C.

"The **personalized** service makes me feel **valued**. I would definitely **recommend** Corporate America Family Credit Union to anyone looking for a **financial relationship**."
~ Deborah T.

"I **love** this credit union. I **joined** because it was affiliated with the company I worked for. I only **wish** I had joined sooner. I now have a **loan** and credit card."
~Rosemary S.

"I would **love** for my **family** and **friends** to belong to this **wonderful** credit union!"
~ Shanita B.

"The **service** I received was **prompt**, friendly and they always have my **best interest** as the **primary goal**."
~Jonathan M.

"I would **recommend** Corporate America Family Credit Union, not only to my **friends** and **family**, but to **strangers** also. I have been literally treated like a **family member**. Switching from a bank was the **best decision** I made. Keep up the good work, Family!"
~ Beverly T.

