It's *different here.*

2014 Annual Report

Farmers Insurance Group
Federal Credit Union

It's *different here.*

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Federal Credit Union

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Financial Highlights 2011-2014

Retained Earnings

Net Income

Total Net Loans

Member Shares

Letter from the Chairman

The theme for this year's report, *It's Different Here*, is a testament to the Credit Union staff and the Farmers Family that make banking at FIGFCU a unique and rewarding experience. I am proud to say that the Credit Union experienced another successful year in all areas of growth, quality, productivity, and profitability. On behalf of the Board of Directors, I want to thank management and staff for their dedication and service.

The Credit Union achieved gross income of $40,165,000, and net income of $6,898,640. We continued to grow net worth to its highest level in our history, at 13.4% of record-high assets of $653,489,671. As a result, the Credit Union was able to return an extra $1.4 million to members in the form of cash dividends, loan rebates and higher dividend rates. These earnings would normally go back to stockholders at a for-profit institution, but because FIGFCU is not-for-profit, we were able to give it back to our valued members. *It's Different Here.*

In addition, the Credit Union achieved its highest Member Service Satisfaction Score ever—members are happy with the service provided in the branch, on the phone and in lending. Our score is a reflection of the dedication Credit Union staff has to ensuring that our members feel valued and appreciated. *It's Different Here.*

On behalf of the Board of Directors, I would like to thank you for your membership and support. Our Board is most grateful and appreciative to retiring Director, Ken Carroll, for his service and many contributions over the years. We exist solely to serve our membership and to enhance our members' financial lives. Share your experiences with family and co-workers. Growth will continue with your active membership. We will never lose sight of that—our commitment is to you, our valued member-owners. *It's Different Here.*

Scott Lindquist

Scott Lindquist, Chairman of the Board

Credit Union Highlights 2011-2014

Total Members

Total Assets

Member Satisfaction

Letter from the CEO

First things first. I want to thank our members for making our Credit Union so successful. Clearly, our member-owners make FIGFCU go, and grow. 2014 was a great year in myriad ways. Net income was historically strong, and net worth (the reserves we retain for unforeseen economic hardships such as what happened in 2008 – 2010 in the general economy) reached its historic high, of almost $100 million. Our member service satisfaction, as measured in thousands of member surveys sent out every year, was the best ever. We are very proud of the fact that almost 92% of our members think highly of our service.

Our pricing is always highly competitive across the full range of our products and services. But in addition to our excellent "regular" rates, we also returned an extra $1.43 million to you, our active members, last year. We hope to do even better there in 2015. The many productive and rewarding relationships that the Credit Union has with our 47,000 members are testimonies to the clear conclusion that things overall are going well. Very well.

So, what are some of FIGFCU's challenges? First, like every other credit union and bank, we need our members' help in fighting fraud. One new service we are adding in 2015 is the delivery of your FICO® Scores on your quarterly statement, but you have to opt in for this service. Contact our Call Center or any Branch to sign up. It will cost you nothing. Keeping tabs on your FICO® Score is not only the best way to make sure your credit profile is where it should be, but that also helps us fight fraud if you notice a material change in your score that you weren't expecting.

Change is afoot in our Credit Union. We are now working on our biggest operations project ever, converting our legacy core software to a new and more effective system. You will see some changes after February 2016, such as statement format, and the look and feel of Online Banking, etc., but in terms of how all your accounts operate and interact with other players in the economy, the conversion will be largely transparent. We are all working hard to make it a success.

Thank you for allowing us to serve your personal and agency business financial needs. FIGFCU exists to enhance your financial life. We do that by maximizing, not minimizing, the return of economic values to you.

Mark Herter

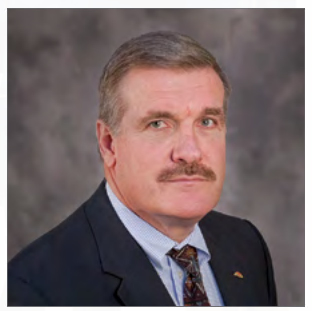
Mark Herter, Chief Executive Officer

Board of Directors








From Top Left to Right

Scott Lindquist, Chairman
Executive Vice President and Chief Financial Officer

Michael Ashe
Agent, Las Vegas, NV

Frank Ceglar
Retired

Danny Davison
District Manager, Portland, OR

Marilyn Huntamer
Agent, San Diego, CA

Ed McMahan
District Manager, Phoenix, AZ

Andy Reser
Head of Sales and Agency Management

Jim Snikeris
Retired

Rudy Trevino
Chief Compliance Officer, FGI

Management Team







From Top Left to Right

Mark Herter
Chief Executive Officer

Laura Campbell
President

Harland Bengs
Chief Financial Officer

Kathy Chicas
Vice President, Operations

Brian Leonard
Chief Lending Officer

Yusef Mustafa
Chief Information Officer

Beth Rodgers
Chief Marketing Officer

Supervisory Committee

(Not Pictured)

Lewis Williams, Chairman
ZFUS Director of IT Finance

Karen Jenkins
Head of Distribution Compliance

Katherine P. Cody
Head of Distribution, Finance, Analytics and Operations

As we approach our 80th year serving the Farmers Family, we look forward to continuing to build better financial futures for all of our member-owners. Your Credit Union steadily moved forward and grew income, member services, and financial products.

2014 Highlights

- Served 46,768 members
- Achieved a net income of nearly $6.9 million
- Loan portfolio closed year-end at $565,105,000
- Checking accounts grew nearly 10%
- Savings accounts grew nearly 10%
- Mobile Banking increased users by nearly 115%
- Online Deposit increased enrollment by nearly 70%

FIGFCU Gives Back

Last year, your Credit Union gave back more than $1.4 million to you, our members. This took the form of lending promotions including 0% APR for 3 months on Signature Loans, 0% APR for 6 months on Home Equity Lines of Credit, 1% rebate on Commercial Real Estate Loans, up to 2% rebates on Auto Loans and Agency Secured Loans and Lines of Credit, a $300 rebate on Home Loans, and deposit promotions including up to 1.3% APY on 13 Month Term Certificates.

FIGFCU also rewarded Championship Agent members by awarding them with cash bonuses at the Championship Expo in San Antonio, Texas.

Additionally, over 88% of members were eligible for cash back during your Credit Union’s 2014 FIGFCU Gives Back campaign. Eligibility was based on the members’ relationship with FIGFCU. And, we’re proud to say, we gave back over $600,000 in cash to members during this campaign. Based on our strong financial condition, this is the third year in a row we have been able to give cash back to our members.

"The personal attention and speed at which FIGFCU turns around answers, small business lending decisions, and account transactions are always prompt, I've never waited longer than 24 hours. There have been times when issues have arisen or opportunities come up last minute, and they always make it happen."

Chad Geissler,
Farmers Insurance Agent,
Kellogg, ID

"With my recent commercial real estate loan, the service provided by FIGFCU far exceeded any expectations I had. I refinanced my office, as well as my father's building, as he was a 50-year Farmers agent. Our family is proud to be FIGFCU members and we could not be happier with their competitive rates and versatile agent products. As a proud member, I wish every agent knew about FIGFCU's exceptional services."

E. Bob White II,
Farmers Insurance Agent,
Bakersfield, CA

"As a 20 plus year Farmers agent, I know how hard it can be to access business loans for my agency office, as most financial institutions don't understand contract value. The Commercial Lending Department at FIGFCU was very easy to deal with. I refinanced with FIGFCU and was able to pay off all of my debt. Today, I have a beautiful building and a growing agency because of my relationship with FIGFCU and for that I will be forever thankful. FIGFCU is the oxygen that fuels my agency."

Dr. Keith M. Wagner, PhD,
Farmers Insurance Agent,
The Woodlands, TX

You Have More Choices

In 2014, we introduced several new products and services to help keep our members on a healthy financial track.

Credit Rewards

- An enhancement to the Credit Card Rewards program with better redemption options
- Visibility to your rewards balance on monthly statements

DocuSign

- A simpler way to submit documents to us
- Increases the speed of processing applications and forms

Prescription Savings Card

- Provides all members a discount to help save money on prescriptions and over-the-counter medicines as well as stay financially healthy
- Conveniently accepted at over 60,000 pharmacies nationwide

Car Buying Service, powered by TRUECar™

- Provides you with the opportunity to shop online for your next vehicle with confidence and at your convenience
- Offers exclusive member discounts on vehicles with a network of Certified Dealers for a hassle-free car buying experience

Giving Agents More

As the Farmers Agent model continues to evolve, FIGFCU evolves with it. This year, we launched two new loan products exclusively for Farmers Agents to meet changing demands – the *Smart Office Loan*, designed to help agents get financing to meet Farmers Smart Office requirements, and the *Retail Agent Loan*, designed to help new Retail agents get their businesses going.

Going Above and Beyond

Our philosophy of providing value, safety and service to enhance members' financial lives continues to inspire our daily work and sets FIGFCU apart from other financial institutions.

Today, we propel the personal and financial growth of our members by continually offering products and services that meet and exceed your ever growing and changing needs. Since we started reporting the Member Service Satisfaction Score in 2011 with a score of 85.31%, we have steadily achieved higher scores year after year. In 2014, we achieved a score of 92.40%, our highest ever.

And that is all because of you, our members, for your continued trust, loyalty and advocacy. We will continue to uphold your financial interests as our utmost priority in 2015 and beyond.

"GREAT credit union! Through FIGFCU's Give Back program, I've received cash back for just being a member and I can pay all my bills on time with auto pay through the FIGFCU Mobile Banking APP! I don't have to worry about a darn thing!"

Tara A.,
FIGFCU Member

"FIGFCU is professional and caring, and they have the best rates and best banking products. Been a member over 33 years and have never had a negative experience. FIGFCU is part of my financial future."

Jane O.,
FIGFCU Member

"I absolutely love this credit union. They have the best member service I've ever experienced. They know who I am when I walk in and are just great all around."

Paul H.,
FIGFCU Member

"Just wanted to say thank you to FIGFCU and Community Mortgage Funding (CMF) for helping make my dream home a reality. They were able to understand my unique financial situation as a Farmers Agent and help me find a mortgage loan that fits my needs. They were timely, efficient and great to work with. The loan process was smooth and I am happy I chose to do business with them. I definitely will use them again in the future for any mortgage needs and will be referring everyone to them!"

Soutsakhone S.,
FIGFCU Member

Our Community

As a member-owned financial institution, our priority is taking care of our members' needs first and foremost. While we mainly focus on financial needs, we also have the opportunity to give back in other ways, including donating our time and money to support charitable organizations in our communities. Thanks to the generosity and fundraising efforts of FIGFCU staff and members, in 2014, we gave back over $15,000 to worthy causes, including long-standing traditions of supporting March of Dimes, Children's Miracle Network Hospitals, and the Farmers Family Fund.

Social Media and You

We also found new ways to connect with our communities in 2014 and get your feedback. Social media, particularly Facebook, provided an important outlet to reach members and non-members and engage in a two-way dialogue. In 2014, we grew our fan base by over 600%.

This impressive growth is due to our members' desire to engage with us, and members shared this appreciation by posting overwhelmingly positive reviews of their experiences with FIGFCU. Additionally, social media provided an outlet to spread financial literacy and knowledge to the Farmers Family and beyond, building a stronger community.

Orth, Chakler, Murnane and Company, CPAs

A Professional Association

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Lori J. Carmichael, CPA
Daniel C. Moulton, CPA
Jack D. Kenney, CPA

Independent Auditor's Report

March 24, 2015

To the Supervisory Committee of
Farmers Insurance Group Federal Credit Union

We have audited the accompanying financial statements of Farmers Insurance Group Federal Credit Union, which comprise the statements of financial condition as of December 31, 2014 and 2013, and the related statements of income, comprehensive income, members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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CPAs

To the Supervisory Committee of
Farmers Insurance Group Federal Credit Union
Page 2

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Farmers Insurance Group Federal Credit Union as of December 31, 2014 and 2013, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Orth, Chakler, Murnane & Co.

Orth, Chakler, Murnane & Company
Certified Public Accountants
Miami, FL

OCM&Co
A PROFESSIONAL ASSOCIATION
CPAs

FARMERS INSURANCE GROUP FEDERAL CREDIT UNION
STATEMENTS OF FINANCIAL CONDITION

ASSETS

	As of December 31, 2014	2013
Cash	$1,976,559	$4,016,722
Investments:		
Available-for-sale	16,416,769	20,188,811
Held-to-maturity	10,955,783	17,375,938
Other	50,645,498	50,611,467
Loans to members, net of allowance for loan losses	556,439,500	517,060,869
Accrued interest receivable:		
Investments	50,135	72,369
Loans	2,247,957	2,239,956
Other real estate owned (OREO)	40,119	2,332,721
Prepaid and other assets	7,812,536	8,692,073
Property and equipment, net	1,516,247	1,718,010
NCUSIF deposit	5,388,568	5,314,583
Total assets	$653,489,671	$629,623,519

LIABILITIES AND MEMBERS' EQUITY

	As of December 31, 2014	2013
LIABILITIES:		
Members' shares and deposits	$559,106,826	$543,175,430
Interest payable	265,064	278,118
Accounts payable and accrued liabilities	6,218,798	5,168,027
Total liabilities	565,590,688	548,621,575
Commitments and contingent liabilities		
MEMBERS' EQUITY:		
Regular reserve	16,966,743	16,966,743
Undivided earnings	70,795,643	63,897,003
Accumulated other comprehensive income	136,597	138,198
Total members' equity	87,898,983	81,001,944
Total liabilities and members' equity	$653,489,671	$629,623,519

The accompanying notes are an integral part of these financial statements.

FARMERS INSURANCE GROUP FEDERAL CREDIT UNION
STATEMENTS OF INCOME

	For the years ended December 31, 2014	2013
INTEREST INCOME:		
Loans to members	$31,857,080	$29,232,375
Investments	523,554	637,141
Total interest income	32,380,634	29,869,516
INTEREST EXPENSE:		
Members' shares and deposits	3,221,612	3,513,481
Net interest income	29,159,022	26,356,035
PROVISION FOR LOAN LOSSES	1,647,123	2,970,773
Net interest income after provision for loan losses	27,511,899	23,385,262
NON-INTEREST INCOME:		
Overdraft and checking fees	3,338,289	3,306,216
Service charges and other fees	2,646,367	2,578,493
Interchange income	1,352,579	1,263,418
Other	283,150	1,113,593
Gain on sale of OREO, net	163,698	65,976
Total non-interest income	7,784,083	8,327,696
	35,295,982	31,712,958
NON-INTEREST EXPENSE:		
Compensation and employee benefits	15,347,429	14,091,760
Office operating costs	5,995,070	6,041,151
Educational and promotional expense	1,968,742	1,566,283
Loan servicing expense	1,697,153	2,222,335
Office occupancy	1,357,263	1,354,776
Other expenses	1,205,449	1,737,838
Professional and outside services	826,236	953,563
Total non-interest expense	28,397,342	27,967,706
Net income	$6,898,640	$3,745,252

The accompanying notes are an integral part of these financial statements.

FARMERS INSURANCE GROUP FEDERAL CREDIT UNION
STATEMENTS OF COMPREHENSIVE INCOME

	For the years ended December 31, 2014	2013
NET INCOME	$6,898,640	$3,745,252
OTHER ITEMS OF COMPREHENSIVE INCOME:		
Net unrealized loss on investments classified as available-for-sale	(1,601)	(60,410)
Other comprehensive loss	(1,601)	(60,410)
Comprehensive income	$6,897,039	$3,684,842

The accompanying notes are an integral part of these financial statements.

FARMERS INSURANCE GROUP FEDERAL CREDIT UNION
STATEMENTS OF MEMBERS' EQUITY

For the years ended December 31, 2014 and 2013

	Regular Reserve	Undivided Earnings	Accumulated Other Comprehensive Income/(Loss)	Total
Balance, December 31, 2012	$16,966,743	$60,151,751	$198,608	$77,317,102
Net income	—	3,745,252	—	3,745,252
Other comprehensive loss	—	—	(60,410)	(60,410)
Balance, December 31, 2013	16,966,743	63,897,003	138,198	81,001,944
Net income	—	6,898,640	—	6,898,640
Other comprehensive loss	—	—	(1,601)	(1,601)
Balance, December 31, 2014	$16,966,743	$70,795,643	$136,597	$87,898,983

The accompanying notes are an integral part of these financial statements.

FARMERS INSURANCE GROUP FEDERAL CREDIT UNION
STATEMENTS OF CASH FLOWS

	For the years ended December 31, 2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$6,898,640	$3,745,252
Adjustments:		
Provision for loan losses	1,647,123	2,970,773
Depreciation and amortization	806,202	966,974
Amortization of investment premiums/discounts, net	160,568	196,951
Gain on sale of OREO, net	(163,698)	(65,976)
Changes in operating assets and liabilities:		
Accrued interest receivable	14,233	101,331
Prepaid and other assets	879,537	(1,837,974)
Interest payable	(13,054)	(25,518)
Accounts payable and accrued liabilities	1,050,771	148,811
Net cash provided by operating activities	11,280,322	6,200,624
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from maturities and repayments of available-for-sale investments	3,770,441	4,732,269
Proceeds from maturities of held-to-maturity investments	9,413,000	4,362,000
Purchase of held-to-maturity investments	(3,153,413)	(4,753,424)
Net change in other investments	(34,031)	15,503,506
Net change in loans, net of charge-offs	(41,561,657)	(40,680,300)
Recoveries on loans charged off	345,384	376,905
Proceeds from sale of OREO	2,646,819	1,571,098
Expenditures for property and equipment	(604,439)	(940,354)
Change in NCUSIF deposit	(73,985)	(159,776)
Net cash used in investing activities	(29,251,881)	(19,988,076)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net change in members' shares and deposits	15,931,396	15,542,905
Net cash provided by financing activities	15,931,396	15,542,905
Net change in cash	(2,040,163)	1,755,453
Cash at beginning of year	4,016,722	2,261,269
Cash at end of year	$1,976,559	$4,016,722

The accompanying notes are an integral part of these financial statements.

FARMERS INSURANCE GROUP FEDERAL CREDIT UNION
STATEMENTS OF CASH FLOWS

Cash Flows: (continued)

	For the years ended December 31, 2014	2013
SUPPLEMENTAL CASH FLOW DISCLOSURES:		
Interest paid	$3,234,666	$3,538,999
SCHEDULE OF NON-CASH TRANSACTIONS:		
Other comprehensive loss	($1,601)	($60,410)
Transfer from loans to members to OREO	$190,519	$1,399,333

The accompanying notes are an integral part of these financial statements.

FARMERS INSURANCE GROUP FEDERAL CREDIT UNION
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

Farmers Insurance Group Federal Credit Union (the Credit Union), is a cooperative association organized in accordance with the provisions of the Federal Credit Union Act for the purpose of promoting thrift among, and creating a source of credit for, its members. Participation in the Credit Union is limited to those who qualify for membership. The field of membership is defined by the Credit Union's Charter and Bylaws.

FINANCIAL STATEMENTS/USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the dates of the financial statements and the reported amounts of revenues and expenses for the periods then ended. Actual results could differ from those estimates. Estimates that are particularly susceptible to change relate to the determination of the allowance for loan losses and the fair value of financial instruments. The significant accounting principles and policies used in the preparation of these financial statements, together with certain related information, are summarized below.

CASH

Cash includes cash on hand and amounts due from banks and credit unions. Amounts due from banks and credit unions may, at times, exceed federally insured limits.

INVESTMENTS

Investments are classified into the following categories: available-for-sale, held-to-maturity and other. Investment securities classified as available-for-sale are measured at fair value as of the statement of financial condition date. Unrealized gains and losses on available-for-sale investments are reported as a separate component of members' equity. Investment securities classified as held-to-maturity are measured at amortized cost. This classification is based upon the Credit Union's intent and ability to hold these investment securities to full maturity. Realized gains and losses on disposition, if any, are computed using the specific identification method. Investments are adjusted for the amortization of premiums and accretion of discounts as an adjustment to interest income on investments over the term of the investment by a method which approximates the interest method. The Credit Union has elected to classify certain cash equivalents as other investments. This election is available to the Credit Union according to the terms of the Statement of Cash Flows Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

Note 1: (continued)

LOANS TO MEMBERS AND ALLOWANCE FOR LOAN LOSSES

Loans to members are stated at the amount of unpaid principal net of deferred loan origination fees and costs and an allowance for loan losses (ALL). The ALL is increased by a provision for loan losses charged to expense and decreased by charge-offs (net of recoveries). The ALL is maintained at a level considered adequate to provide for optimal loss coverage for the entire loan portfolio over the next twelve months. Individually significant, non-homogeneous loans are measured for impairment in accordance with the Subsequent Measurement of Receivables Topic of the FASB ASC. These loans are evaluated individually based on an examination of the current financial information of the borrower and an estimate of the value of the collateral, if any. If the carrying value of any of these loans is greater than the estimated net realizable value of the property or of the collateral securing these loans, a reserve is established for the difference. Management's periodic evaluation of the adequacy of the ALL also considers such factors as changes in the nature and volume of the loan portfolio, review of specific problem loans, and current economic conditions that may affect the borrower's ability to repay.

Interest on loans to members is recognized over the terms of the loans and is calculated on principal amounts outstanding. The accrual of interest is discontinued when a loan reaches 90 days delinquent or when management believes that collection of interest is doubtful. Loan fees and direct loan origination costs are deferred and the net fee or cost is recognized as an adjustment to interest income on loans using a method that approximates the interest method over the estimated life of the loans.

ALL METHODOLOGY

Management has an established methodology to determine the adequacy of the ALL that assesses the risks and losses inherent in the entire loan portfolio. For the purpose of determining the ALL disclosures, the Credit Union has segmented loans in the portfolio by product type. Loans are divided into the following segments: Consumer, Residential Real Estate, and Commercial. The Credit Union further disaggregates these segments into classes based on the associated risks within those segments.

Consumer loans are divided into four classes: Other secured, Unsecured, New auto, and Used auto. Residential real estate loans are divided into three classes: First mortgage, Second mortgage, and Home equity line of credit (HELOC). Commercial loans are all classified as real estate. Each class of loans requires significant judgment to determine the estimation method that fits the credit risk characteristics of its portfolio segment. The Credit Union uses both internally developed and vendor supplied models in the process. The vendor model is supplied by P360, Inc. The P360, Inc. model provides meaningful insights into the portfolio's risk composition, as dictated by the intrinsic value and other relevant market data. The model is specifically designed to calculate the risk of the loan portfolio on an individual loan level basis to provide optimal loss coverage analysis over the next 12 months.

FARMERS INSURANCE GROUP FEDERAL CREDIT UNION
NOTES TO THE FINANCIAL STATEMENTS

Note 1: (continued)

Management must use judgment in establishing additional input metrics for the modeling processes. The models and assumptions used to determine the ALL are independently validated and reviewed to ensure that their theoretical foundation, assumptions, data integrity, computational processes, reporting practices, and end-user controls are appropriate and properly documented. The following is how management determines the balance of the ALL for each segment or class of loans.

CONSUMER PORTFOLIO SEGMENT ALL METHODOLOGY

For consumer loans, the Credit Union determines the ALL on a collective basis utilizing historical and forecasted losses to represent the best estimate of inherent losses at the measurement date. Loans are pooled, generally by loan types with similar risk characteristics. The Credit Union identifies consumer loans that underwent a troubled debt restructuring and evaluates these loans on an individual basis. In addition, the ALL model incorporates numerous other historical factors based upon the borrower, collateral type, loan performance, environment, and economy. These historical factors used in the analysis date back to 2001.

As appropriate, to achieve greater accuracy, further stratification of a selected portfolio may occur such as by year of origination, geographic location and other predictive characteristics. The consumer ALL model primarily uses historical delinquency and default experience. Information on forecasted delinquency analysis, member credit score trends, unemployment trends, industry trends and other key economic variables that may influence the frequency and severity of losses for each class of loan within the consumer segment may also be considered.

The Credit Union's consumer loan portfolio also includes loans collateralized by contract value. These are considered fully secured unless notified otherwise, as these loans, when written within the guidelines established by Farmers Insurance Group Inc. (Farmers), are secured and will be paid in full by Farmers upon member termination if the Credit Union's collection efforts were to ultimately fail. Similarly, loans collateralized by a certificate or share account are also considered fully secured unless otherwise notified.

RESIDENTIAL REAL ESTATE PORTFOLIO SEGMENT ALL METHODOLOGY

For residential real estate loans not identified as impaired, the Credit Union determines the ALL on a collective basis, utilizing various economic and financial simulations in order to determine the best estimate of inherent losses at the measurement date. Loans are pooled, generally by loan types with similar risk characteristics. In addition, the ALL model incorporates numerous other historical factors based upon the borrower, collateral type, loan performance, environment, and economy. These historical factors used in the analysis date back to 2001.

As appropriate, to achieve greater accuracy, further stratification of a selected portfolio may occur such as by year of origination, geographic location and other predictive characteristics. Information on member credit score trends, combined loan to value ratios, home price trends, unemployment trends, industry trends, and other key economic variables that may influence the frequency and severity of losses for each class of loan within the residential real estate segment may also be considered. The residential real estate ALL also includes an amount for the estimated losses on individually evaluated impaired loans.

Note 1: (continued)

Additionally, a mortgage sample analysis is performed periodically to assess the potential loss exposure within the residential real estate loan portfolio. The Credit Union obtains updated property values on all existing real estate loans in its portfolio. Using a sample of loans, the Credit Union performs individual reviews to assess the potential loss exposure based on various risk factors including combined loan to value, member credit score, delinquency, loan vintage, and type of collateral. Results of the sample analysis are extrapolated to the total population to assess the adequacy of the ALL.

COMMERCIAL PORTFOLIO SEGMENT ALL METHODOLOGY

For commercial loans not identified as impaired, the Credit Union determines the ALL on a collective basis utilizing historical and forecasted losses to represent the best estimate of inherent losses at the measurement date. In addition, the ALL model incorporates numerous other historical factors based upon the borrower, collateral type, loan performance, environment, and economy. These historical factors used in the analysis date back to 2001.

Loss estimates for the commercial loan portfolio segment may be adjusted as appropriate based on credit risk assessment and management's analysis of leading predictors of losses, as well as additional analysis of long-term average loss experience compared to previously forecasted losses, external loss data, or other risks identified from current economic conditions and credit quality trends. The commercial ALL may also include an additional ALL for individually evaluated high risk loans and an amount for the estimated losses on individually evaluated impaired loans.

LOAN CHARGE-OFF POLICIES

The Credit Union's quality control process includes preparing lists to monitor and track delinquent and special mention loans. Tracking loans on these lists enables management to assess the performance of the loan portfolio and act to mitigate risk therein through necessary changes in policy and procedures. The quality control process also serves as a tool to assist the Credit Union in identifying loans for charge-off on a timely basis. The following is a description of the Credit Union's loan charge-off policies:

Consumer, residential real estate, and commercial loans are generally charged-off when the loan is deemed to be uncollectible. A loan is deemed uncollectible when:

- the member has gained relief through bankruptcy;
- the loan is a deficiency balance from the sale of collateral and the borrower has indicated an unwillingness to make further payments;
- the borrower is determined to be a "skip";
- the member is deceased, collateral has been liquidated and there is no co-maker or estate to pursue for payment;
- the loan is 180 days or more delinquent, unless one of the following conditions exists:

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NOTES TO THE FINANCIAL STATEMENTS

Note 1: (continued)

    - the borrower is making monthly payments but cannot qualify for refinancing or re-aging;
    - the Credit Union or the member is waiting for settlement of a documented insurance/bond claim;
    - the borrower is deceased, and the Credit Union has substantial reason to expect settlement from the estate, co-makers, or relatives;
    - the Credit Union is waiting for the proceeds from the sale of repossessed collateral.

Uncollectible loans to be charged off to the ALL are approved by the Board of Directors each month. For repossessed collateral, including foreclosed property, the loan is charged off to the ALL and the net realizable value moved to other assets.

OTHER REAL ESTATE OWNED (OREO)
Assets acquired through, or in lieu of, loan foreclosure or repossession are held for sale and are initially recorded at fair value at the date of foreclosure or repossession, establishing a new cost basis. Subsequent to foreclosure or repossession, valuations are periodically performed by management and the assets are carried at the lower of carrying amount or fair value less estimated costs to sell.

PROPERTY AND EQUIPMENT
Property and equipment are carried at cost less accumulated depreciation. Furniture and equipment are depreciated using the straight-line method over the estimated useful lives of the assets. The cost of leasehold improvements is amortized using the straight-line method over the term of the lease, or the estimated life of the asset, whichever is less. The Credit Union reviews property and equipment (long-lived assets) for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

NCUSIF DEPOSIT
The deposit in the National Credit Union Share Insurance Fund (NCUSIF) is in accordance with National Credit Union Administration (NCUA) regulations, which require the maintenance of a deposit by each insured credit union. The deposit would be refunded to the Credit Union if its insurance coverage is terminated, it converts to insurance coverage from another source, or the operations of the fund are transferred from the NCUA Board.

MEMBERS' SHARES AND DEPOSITS
Members' shares are subordinated to all other liabilities of the Credit Union upon liquidation. Interest on members' shares and deposits is based on available earnings at the end of an interest period and is not guaranteed by the Credit Union. Interest rates on members' share accounts are set by the Board of Directors, based on an evaluation of current and future market conditions.

Note 1: (continued)

REGULAR RESERVE
The Credit Union is required to maintain a statutory reserve (regular reserve) in accordance with the Federal Credit Union Act. This statutory reserve represents a regulatory restriction and is not available for the payment of interest.

FEDERAL AND STATE TAX EXEMPTION
The Credit Union is exempt from most federal, state, and local taxes under the provisions of the Internal Revenue Code and state tax laws. The Income Taxes Topic of the FASB ASC clarifies accounting for uncertainty in income taxes reported in the financial statements. The interpretation provides criteria for assessment of individual tax positions and a process for recognition and measurement of uncertain tax positions. Tax positions are evaluated on whether they meet the "more likely than not" standard for sustainability on examination by tax authorities. Federal credit unions are tax-exempt under Internal Revenue Code sections 501(c)(1)(a)(I) and 501(c)(14)(A). As such, the Credit Union has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Additionally, no interest or penalties have been recorded in the accompanying financial statements related to uncertain tax positions.

RECLASSIFICATIONS
Certain 2013 financial statement amounts have been reclassified to conform with classifications adopted in 2014.

SUBSEQUENT EVENTS
Management has evaluated subsequent events through March 24, 2015, the date the financial statements were available to be issued. Management has not identified any items requiring recognition or disclosure.

NOTE 2: INVESTMENTS

The amortized cost and estimated fair value of investments are as follows:

	As of December 31, 2014			
Available-for-sale:	**Amortized Cost**	**Gross Unrealized Gains**	**Gross Unrealized Losses**	**Fair Value**
Mortgage-backed securities	$1,965,085	$77,327	$—	$2,042,412
NCUA guaranteed notes	14,284,861	59,173	—	14,344,034
Collateralized-mortgage obligations	30,226	97	—	30,323
	$16,280,172	$136,597	$—	$16,416,769

Note 2: (continued)

	As of December 31, 2013			
Available-for-sale:	**Amortized Cost**	**Gross Unrealized Gains**	**Gross Unrealized Losses**	**Fair Value**
Mortgage-backed securities	$2,257,193	$75,708	$—	$2,332,901
NCUA guaranteed notes	17,742,686	62,098	—	17,804,784
Collateralized-mortgage obligations	50,734	392	—	51,126
	$20,050,613	$138,198	$—	$20,188,811

As of December 31, 2014, the Credit Union's available-for-sale portfolio consisted entirely of securities that have no contractual maturity and return principal based on payments received on the underlying mortgages or assets. These securities have expected weighted average lives of less than one to eleven years. However, return of principal may differ from expectation based on fluctuations in market interest rates, delinquency, foreclosures and the underlying collateral values.

	As of December 31, 2014			
Held-to-maturity:	**Amortized Cost**	**Gross Unrealized Gains**	**Gross Unrealized Losses**	**Fair Value**
Negotiable certificates of deposit	$10,955,783	$16,961	($26,699)	$10,946,045

	As of December 31, 2013			
Held-to-maturity:	**Amortized Cost**	**Gross Unrealized Gains**	**Gross Unrealized Losses**	**Fair Value**
Negotiable certificates of deposit	$17,375,938	$28,602	($4,983)	$17,399,557

The amortized cost and estimated fair value of held-to-maturity investments by contractual maturity are shown below. Actual maturities may differ from contractual maturities because issuers may have the right to call or prepay certain obligations without call or prepayment penalties.

	As of December 31, 2014 *Held-to-maturity*	
	Amortized Cost	**Fair Value**
Within 1 year	$6,314,648	$6,327,466
1 to 5 years	4,641,135	4,618,579
	$10,955,783	$10,946,045

Note 2: (continued)

Other investments:	As of December 31, 2014	2013
Federal Reserve Bank	$30,876,344	$8,157,341
Certificates of deposit	12,886,000	33,458,000
Corporate credit union deposits	3,883,154	5,996,126
CUSO investments	3,000,000	3,000,000
	$50,645,498	$50,611,467

The Credit Union maintains deposits at corporate credit unions and banks which normally exceed federally insured limits. Included in these deposits are uninsured perpetual contributed capital shares with Catalyst Corporate Federal Credit Union (CCFCU). Perpetual contributed capital is uninsured, has no maturity and cannot be withdrawn without NCUA approval; however, it is required to be a member of CCFCU. Perpetual contributed capital can be used by CCFCU to absorb any operating losses that exceed the balance of retained earnings. As of December 31, 2014 and 2013, the Credit Union maintained approximately $600,000 in perpetual contributed capital shares at CCFCU.

The following tables show the gross unrealized losses and fair value of investments, aggregated by length of time individual securities have been in a continuous unrealized loss position.

As of December 31, 2014
Held-to-maturity

	Less than 12 Months		*12 Months or Longer*		*Total*	
	Fair Value	**Gross Unrealized Losses**	**Fair Value**	**Gross Unrealized Losses**	**Fair Value**	**Gross Unrealized Losses**
Negotiable certificates of deposit	$3,323,301	($26,699)	$—	$—	$3,323,301	($26,699)

As of December 31, 2013
Held-to-maturity

	Less than 12 Months		*12 Months or Longer*		*Total*	
	Fair Value	**Gross Unrealized Losses**	**Fair Value**	**Gross Unrealized Losses**	**Fair Value**	**Gross Unrealized Losses**
Negotiable certificates of deposit	$3,708,109	($4,983)	$—	$—	$3,708,109	($4,983)

Unrealized losses on negotiable certificates of deposit have not been recognized into income because the principal balances of these deposits are guaranteed by the Federal Deposit Insurance Corporation. Additionally, management has the ability and intent to hold these securities through to recovery of fair value, which may be maturity.

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NOTE 3: LOANS TO MEMBERS

The composition of loans to members is as follows:

	As of December 31, 2014	2013
Consumer:		
Other secured	$174,310,451	$180,107,879
Unsecured	105,167,654	90,192,947
New auto	31,297,712	24,829,854
Used auto	40,846,941	43,434,873
Total consumer	351,622,758	338,565,553
Residential Real Estate:		
First mortgage	89,923,911	88,234,782
Second mortgage	10,922,464	10,550,458
HELOC	18,569,234	12,394,825
Total residential real estate	119,415,609	111,180,065
Commercial:		
Real estate	94,197,579	78,184,494
Total loans	565,235,946	527,930,112
Deferred loan origination fees/costs, net	(130,868)	(238,810)
	565,105,078	527,691,302
Less ALL	(8,665,578)	(10,630,433)
	$556,439,500	$517,060,869

A summary of the activity in the ALL by portfolio segment is as follows:

For the years ended December 31, 2014 and 2013

	Consumer	Residential Real Estate	Commercial	Total
Balance, December 31, 2012	$2,129,224	$3,374,775	$5,187,859	$10,691,858
Provision for loan losses	2,736,676	(809,037)	1,043,134	2,970,773
Recoveries	280,950	95,955	—	376,905
Loans charged off	(2,226,050)	(331,199)	(851,854)	(3,409,103)
Balance, December 31, 2013	2,920,800	2,330,494	5,379,139	10,630,433
Provision for loan losses	2,538,952	(260,263)	(631,566)	1,647,123
Recoveries	244,826	91,558	9,000	345,384
Loans charged off	(2,312,241)	(242,315)	(1,402,806)	(3,957,362)
Balance, December 31, 2014	$3,392,337	$1,919,474	$3,353,767	$8,665,578

Note 3: (continued)

	As of December 31, 2014			
	Consumer	**Residential Real Estate**	**Commercial**	**Total**
Ending balance	$3,392,337	$1,919,474	$3,353,767	$8,665,578
Individually evaluated for impairment	$57,637	$1,527,514	$3,128,662	$4,713,813
Collectively evaluated for impairment	$3,334,700	$391,960	$225,105	$3,951,765

	As of December 31, 2013			
	Consumer	**Residential Real Estate**	**Commercial**	**Total**
Ending balance	$2,920,800	$2,330,494	$5,379,139	$10,630,433
Individually evaluated for impairment	$38,960	$1,725,707	$5,168,766	$6,933,433
Collectively evaluated for impairment	$2,881,840	$604,787	$210,373	$3,697,000

A summary of the recorded investment in loans, by portfolio segment, is as follows:

	As of December 31, 2014			
	Consumer	**Residential Real Estate**	**Commercial**	**Total**
Ending balance	$351,665,487	$119,338,264	$94,101,327	$565,105,078
Individually evaluated for impairment	$362,052	$8,801,245	$8,304,160	$17,467,457
Collectively evaluated for impairment	$351,303,435	$110,537,019	$85,797,167	$547,637,621

	As of December 31, 2013			
	Consumer	**Residential Real Estate**	**Commercial**	**Total**
Ending balance	$338,602,395	$111,112,537	$77,976,370	$527,691,302
Individually evaluated for impairment	$383,064	$9,305,021	$15,672,728	$25,360,813
Collectively evaluated for impairment	$338,219,331	$101,807,516	$62,303,642	$502,330,489

IMPAIRED LOANS

A loan is impaired when it is probable, based on current information and events, that the Credit Union will be unable to collect all contractual principal and interest payments due in accordance with the terms of the loan agreement. When management identifies a loan as impaired, the impairment is measured based on the present value of expected future cash flows, discounted at the loan's effective interest rate, except when the sole (remaining) source of repayment for the loan is the operation or liquidation of the collateral. In these cases, management uses the current fair value of the collateral, less selling costs, when foreclosure is probable, instead of discounted cash flows.

Note 3: (continued)

The following tables include the recorded investment and unpaid principal balances for impaired loans with the associated ALL amount, if applicable. Also presented are the average recorded investments in the loans and the related amount of interest recognized during the time within the period that the loans were individually evaluated for impairment. Interest is credited to interest income when received, under the cash basis method. The average balances are calculated based on the year-end balances of the loans of the period reported.

Payments received on impaired loans are recorded as a reduction of principal or as interest income depending on management's assessment of the ultimate collectability of the loan principal. Generally, interest income on an impaired loan is recorded on a cash basis when the outstanding principal is brought current. Interest income recorded on impaired loans for all periods presented was recorded on a cash basis.

The tables below summarize key information for impaired loans:

	As of December 31, 2014			For the year ended December 31, 2014	
	Recorded Investment	Unpaid Principal Balance	Specific Allowance	Average Recorded Investment	Interest Income Recognized
With no allowance recorded:					
Residential Real Estate					
HELOC	$49,938	$49,635	$—	$49,635	$1,980
With an allowance recorded:					
Consumer:					
Other secured	$138,580	$138,580	$1,813	$109,711	$5,091
Unsecured	$134,029	$134,029	$16,163	$181,390	$16,325
New auto	$13,006	$13,006	$11,546	$11,094	$200
Used auto	$76,437	$76,437	$28,115	$70,363	$2,287
Residential Real Estate					
First mortgage	$8,646,574	$8,664,953	$1,520,703	$8,891,229	$356,272
Second mortgage	$104,733	$104,733	$6,811	$136,935	$8,887
Commercial:					
Real estate	$8,304,160	$8,325,336	$3,128,662	$11,988,444	$570,861
Totals:					
Consumer	$362,052	$362,052	$57,637	$372,558	$23,903
Residential Real Estate	$8,801,245	$8,819,321	$1,527,514	$9,077,799	$367,139
Commercial	$8,304,160	$8,325,336	$3,128,662	$11,988,444	$570,861

Note 3: (continued)

	As of December 31, 2013			For the year ended December 31, 2013	
	Recorded Investment	Unpaid Principal Balance	Specific Allowance	Average Recorded Investment	Interest Income Recognized
With an allowance recorded:					
Consumer:					
Other secured	$80,841	$80,841	$899	$129,008	$10,040
Unsecured	$228,751	$228,751	$32,984	$217,567	$25,379
New auto	$9,182	$9,182	$453	$9,414	$333
Used auto	$64,290	$64,290	$4,624	$63,566	$3,240
Residential Real Estate					
First mortgage	$9,135,884	$9,167,204	$1,659,240	$8,831,838	$391,027
Second mortgage	$169,137	$169,137	$66,467	$173,855	$11,840
Commercial:					
Real estate	$15,672,728	$15,948,471	$5,168,766	$16,215,476	$850,888
Totals:					
Consumer	$383,064	$383,064	$38,960	$419,555	$38,992
Residential Real Estate	$9,305,021	$9,336,341	$1,725,707	$9,005,693	$402,867
Commercial	$15,672,728	$15,948,471	$5,168,766	$16,215,476	$850,888

The tables below provide an age analysis of past due loans by class:

As of December 31, 2014

	Days Delinquent			Total Delinquent Loans	Total Current Loans	Total Loans
	30 - 59	60 - 89	90 or more			
Consumer:						
Other secured	$16,596	$14,388	$126,080	$157,064	$174,153,387	$174,310,451
Unsecured	1,229,970	466,236	585,303	2,281,509	102,928,874	105,210,383
New auto	222,106	24,409	58,070	304,585	30,993,127	31,297,712
Used auto	431,971	140,027	144,029	716,027	40,130,914	40,846,941
Total	1,900,643	645,060	913,482	3,459,185	348,206,302	351,665,487
Residential Real Estate:						
First mortgage	318,219	375,723	504,994	1,198,936	88,534,235	89,733,171
Second mortgage	179,024	14,667	26,833	220,524	10,701,940	10,922,464
HELOC	446,787	98,060	2,107	546,954	18,135,675	18,682,629
Total	944,030	488,450	533,934	1,966,414	117,371,850	119,338,264
Commercial:						
Real estate	3,001	101,107	785,217	889,325	93,212,002	94,101,327
Total	3,001	101,107	785,217	889,325	93,212,002	94,101,327
Grand Total	$2,847,674	$1,234,617	$2,232,633	$6,314,924	$558,790,154	$565,105,078

Note 3: (continued)

As of December 31, 2013

	Days Delinquent			Total Delinquent Loans	Total Current Loans	Total Loans
	30 - 59	60 - 89	90 or more			
Consumer:						
Other secured	$194,417	$32,239	$257,685	$484,341	$179,623,538	$180,107,879
Unsecured	1,062,274	403,367	482,287	1,947,928	88,281,861	90,229,789
New auto	48,388	51,510	28,928	128,826	24,701,028	24,829,854
Used auto	501,472	201,723	125,295	828,490	42,606,383	43,434,873
Total	1,806,551	688,839	894,195	3,389,585	335,212,810	338,602,395
Residential Real Estate:						
First mortgage	591,850	316,044	668,646	1,576,540	86,389,036	87,965,576
Second mortgage	101,934	102,593	—	204,527	10,345,931	10,550,458
HELOC	56,843	203,443	—	260,286	12,336,217	12,596,503
Total	750,627	622,080	668,646	2,041,353	109,071,184	111,112,537
Commercial:						
Real estate	870,135	1,554,480	4,762,863	7,187,478	70,788,892	77,976,370
Total	870,135	1,554,480	4,762,863	7,187,478	70,788,892	77,976,370
Grand Total	$3,427,313	$2,865,399	$6,325,704	$12,618,416	$515,072,886	$527,691,302

The Credit Union places loans on non-accrual status when the loan reaches 90 days past due or when the collection of interest or principal becomes uncertain. Loans on which the accrual of interest has been discontinued or reduced approximated $2,233,000 and $6,326,000 as of December 31, 2014 and 2013, respectively. There were no loans 90 days or more past due and still accruing interest as of December 31, 2014 or 2013.

TROUBLED DEBT RESTRUCTURING

The Credit Union's loan portfolio includes certain loans that have been modified in a Troubled Debt Restructuring (TDR), where economic concessions have been granted to borrowers who have experienced or are expected to experience financial difficulties. These concessions typically result from the Credit Union's loss mitigation activities and could include reductions in the interest rate, payment extensions, forgiveness of principal, forbearance or other actions.

When the Credit Union modifies a collateral dependent loan, management uses the current fair value of the collateral, less selling costs, to determine the net realizable value of the collateral. If management determines that the value of the modified loan is less than the recorded investment in the loan, impairment is recognized by segment or class of loan, as applicable, through the ALL.

The following tables include TDRs approved during the period. There were no TDRs performed during the periods that then defaulted in the same period. The Credit Union defines a TDR as subsequently defaulted when the TDR is 90 days past due or the member files bankruptcy.

Note 3: (continued)

The following table presents the TDRs performed by class of loans during the year ended December 31, 2014:

	Number	Pre-Modification Outstanding Recorded Investment	Post-Modification Outstanding Recorded Investment
Consumer:			
Unsecured	3	$13,311	$13,350
Used auto	1	19,565	19,640
Commercial:			
Real estate	4	1,907,666	1,902,826
		$1,940,542	$1,935,816

The following table presents the TDRs performed by class of loans during the year ended December 31, 2013:

	Number	Pre-Modification Outstanding Recorded Investment	Post-Modification Outstanding Recorded Investment
Consumer:			
Unsecured	6	$102,324	$93,307
Used auto	1	23,626	22,287
Residential Real Estate:			
First mortgage	6	2,295,225	2,294,943
Commercial:			
Real estate	4	2,549,701	2,551,911
		$4,970,876	$4,962,448

CREDIT QUALITY INDICATORS

The Credit Union uses the P360, Inc. model to monitor credit quality for the consumer, residential real estate, and commercial loan portfolios. The P360, Inc. model analyzes each loan's risk. When analyzing each loan, the model identifies a set of numbers, or vectors, which represent the borrower's probability of default and the loss severity of the loan over a set of different economic scenarios. These vectors are used to calculate the loan risk grade and run risk adjusted cash flows which result in the value-at-risk, pricing, and loan valuation.

The model incorporates over 150 data points covering more than credit score and collateral value. These loan level factors include institution and borrower specific data points as well as economic measures that feed into the risk analysis. They provide value reconciliation when refreshing property values and add updated values for the new and used auto portfolios. They continue to enhance the risk model by incorporating new technologies and applying all loan data available. In addition to credit score, the model incorporates numerous other factors based upon the borrower, collateral, loan performance, environment, institution, and economy as follows:

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Note 3: (continued)

Macro-economic - This segment's data points are used to depict the overall health of the national economy such as: national unemployment, GDP growth, Treasury rate curves and forecasts, industry delinquencies and charge-offs, national credit scores, borrower bankruptcy rates, etc.

Institution - This segment focuses on the Credit Union and is used to model the borrower's profile, stability, and fine tune the risk adjustments to the specific institution. Examples of data points include delinquency rates and trends, charge-offs, and bankruptcies per 1,000 members.

Regional geography - This segment focuses on local economic factors such as unemployment, growth, and real estate values.

Loan - Additional data points added to this analysis are payment trend, auto pay, updated senior balances, last payment amounts, and use of proceeds.

Borrower - Examples of data points in this segment are disposable income, updated cash reserves, employment status, and direct deposit.

Asset - In addition to using different automated valuation model products for the residential portfolio, the model includes new data to improve vehicle valuations for the new and used auto portfolios.

The following tables represent the recorded investment of consumer, residential real estate, and commercial loan credit exposures by P360, Inc. risk grade as of December 31, 2014 and 2013. The use of the P360, Inc. risk grades permits management to estimate a portion of credit risk. Category ratings are reviewed quarterly, at which time management analyzes the resulting grades, as well as other external statistics and factors, to track loan performance. Loans that trend upward toward higher levels generally have a higher risk factor associated. Whereas, loans that migrate toward lower ratings generally will result in a lower risk factor being applied to those related loan balances. The risk ratings from Business Partners are taken into consideration when the P360, Inc. risk grades are applied to the individual commercial real estate loan participations.

The P360, Inc. risk grades are as follows:

V1 - Minimal risk - These loans generally show the ability to cover expenses with a minimal chance of default. The typical characteristics for these loans are long-term Credit Union members with excellent credit history, strong cash flow, quality money management, excellent access to alternative sources of financing, and well collateralized. These loans typically have very low potential loss, no greater than one percent of the loan balance in most cases when factoring the default probability and loss severity.

Note 3: (continued)

V2 - Low risk - These loans generally reflect good payment history, a healthy loan to value ratio and are adequately collateralized. The borrowing entity has very good to excellent credit, steady cash flow, quality money management, and good access to alternative sources of financing. As a result, the risk category is highly unlikely to experience a loss. If a loss does occur, it is likely to be minimal.

V3 - Acceptable risk - These loans are better than average loans with a low chance of a loss. The potential loss should be no greater than five percent of the loan balance when factoring default probability and loss severity. Most of the risk attributes for these loans are in line with a low risk profile but are on the fringe of adding risk. Borrower has some access to alternative sources of financing, good money management, and shows control of expenses.

V4 - Moderate risk - These loans have potential weaknesses or may show a propensity to deteriorate further. These loans are the start of the tipping point of the mid-range risk grades (V4 - V6) that tend to move either to a worsening position or a healthier position and is measured by a ten percent value at risk. This risk grade may include borrowers with only medium to fair credit ratings and a few recent problems. Cash flow is steady and generally adequate to service debt but may be subject to cyclical conditions. The borrower may have limited access to alternative financing.

V5 - Special mention - These loans can prove to be in the most critical stage. Most loans tend to either move up or down from the mid-range risk grades (V4 - V6). Both credit and collateral are substandard, with external economic factors bearing down. The outstanding loan balance may not be entirely protected by equity in the underlying asset with up to a fifteen percent potential loss produced by probability and severity. There may be one or more specific weaknesses jeopardizing the loan, and the Credit Union will most likely sustain a loss if the deficiencies are not corrected.

V6 - Increased risk - These loans generally have multiple vulnerable and weak risk factors that could be attributed to local economic factors. On the basis of currently known facts, the combination of weak attributes make collection or liquidation in full highly questionable and improbable. The risk grade is defined by potential losses of up to twenty percent of the loan balance.

V7 - Elevated risk - There is a strong probability that the Credit Union may not be able to recover on these loans. The Credit Union and the member must look at all options, including modification. Liquidation needs to be considered because most of the underlying assets for this risk grade have passed the tipping point. A loss is nearly impossible to avoid on repayment, refinancing, or liquidation for these loans. The value at risk could be upwards of thirty percent of the current loan balance.

V8 - Doubtful - These borrowers are most likely in a loss situation and can be measured by potential value at risk between thirty and forty percent of the outstanding loan balance. In most cases, assets in this region do not recover and the members and properties are being worked with directly. The most current information on the member and asset has been acquired and the Credit Union has a firm estimate of the loss when the time arrives.

Note 3: (continued)

V9 - Inherent loss - These loans are considered uncollectible and will be charged off immediately. Assets in this risk area have an inherent value at risk, north of forty percent. Modification is impossible without major concessions or write down. Residential and commercial properties have a high probability of becoming other real estate owned. In some cases, the Credit Union may find a glimmer of success in short sale opportunities. Other real estate owned, having extended liquidation times and expenses are most likely in less than optimal locations. Conditions prove challenging to draw respectable tenants and rent.

The tables below summarize key information for consumer credit quality:

Consumer Credit Quality Indicators
As of December 31, 2014

Risk grade	Other Secured	Unsecured	New auto	Used auto	Total
V1	$—	$46,171,254	$30,025,609	$37,315,818	$113,512,681
V2	—	29,452,242	550,248	1,914,286	31,916,776
V3	—	17,473,622	313,886	725,403	18,512,911
V4	—	5,901,338	288,138	498,043	6,687,519
V5	—	2,394,753	—	136,214	2,530,967
V6	—	1,121,141	25,586	73,082	1,219,809
V7	—	1,008,158	42,216	64,337	1,114,711
V8	—	316,348	50,568	16,562	383,478
V9	—	826,267	1,461	103,196	930,924
No risk grade	174,310,451	545,260	—	—	174,855,711
	$174,310,451	$105,210,383	$31,297,712	$40,846,941	$351,665,487

Consumer Credit Quality Indicators
As of December 31, 2013

Risk grade	Other Secured	Unsecured	New auto	Used auto	Total
V1	$—	$39,955,148	$22,651,396	$34,629,394	$97,235,938
V2	—	30,927,302	1,604,932	5,033,952	37,566,186
V3	—	7,524,761	453,416	2,297,035	10,275,212
V4	—	6,881,315	75,167	1,085,429	8,041,911
V5	—	1,530,798	30,021	170,113	1,730,932
V6	—	583,763	14,922	86,503	685,188
V7	—	488,553	—	91,398	579,951
V8	—	66,429	—	18,610	85,039
V9	—	621,760	—	22,439	644,199
No risk grade	180,107,879	1,649,960	—	—	181,757,839
	$180,107,879	$90,229,789	$24,829,854	$43,434,873	$338,602,395

Note 3: (continued)

The tables below summarize key information for residential real estate credit quality:

Residential Real Estate Credit Quality Indicators
As of December 31, 2014

Risk grade	First mortgage	Second mortgage	HELOC	Total
V1	$81,805,443	$7,478,636	$17,445,237	$106,729,316
V2	4,496,614	2,460,978	496,691	7,454,283
V3	959,933	623,665	402,132	1,985,730
V4	—	259,521	288,631	548,152
V5	104,063	—	—	104,063
V6	—	58,164	19,516	77,680
V7	223,029	14,667	28,315	266,011
V8	196,976	—	—	196,976
V9	—	26,833	2,107	28,940
No risk grade	1,947,113	—	—	1,947,113
	$89,733,171	$10,922,464	$18,682,629	$119,338,264

Residential Real Estate Credit Quality Indicators
As of December 31, 2013

Risk grade	First mortgage	Second mortgage	HELOC	Total
V1	$60,362,481	$4,237,549	$9,546,263	$74,146,293
V2	12,037,444	1,328,809	1,293,857	14,660,110
V3	4,858,642	1,744,098	635,846	7,238,586
V4	6,315,752	1,310,338	334,621	7,960,711
V5	2,266,644	1,077,439	16,088	3,360,171
V6	1,080,557	360,781	121,469	1,562,807
V7	772,762	152,981	514,511	1,440,254
V8	—	107,043	133,848	240,891
V9	—	231,420	—	231,420
No risk grade	271,294	—	—	271,294
	$87,965,576	$10,550,458	$12,596,503	$111,112,537

FARMERS INSURANCE GROUP FEDERAL CREDIT UNION
NOTES TO THE FINANCIAL STATEMENTS

Note 3: (continued)

The tables below summarize key information for commercial credit quality:

Commercial Credit Quality Indicators
As of December 31, 2014

Risk grade	Real estate
V1	$56,768,614
V2	23,692,941
V3	6,472,419
V4	5,135,334
V5	—
V6	—
V7	1,437,407
V8	—
V9	594,612
No risk grade	—
Total	$94,101,327

Commercial Credit Quality Indicators
As of December 31, 2013

Risk grade	Real estate
V1	$39,033,147
V2	18,304,954
V3	7,635,319
V4	4,885,627
V5	2,808,367
V6	730,353
V7	2,523,800
V8	1,115,283
V9	939,520
No risk grade	—
Total	$77,976,370

NOTE 4: PROPERTY AND EQUIPMENT

A summary of the Credit Union's property and equipment is as follows:

	As of December 31, 2014	2013
Furniture and equipment	$9,602,861	$9,952,424
Leasehold improvements	2,460,645	2,417,294
	12,063,506	12,369,718
Less accumulated depreciation and amortization	(10,547,259)	(10,651,708)
	$1,516,247	$1,718,010

NOTE 5: MEMBERS' SHARES AND DEPOSITS

Members' shares and deposits are summarized as follows:

	As of December 31, 2014	2013
Share drafts	$94,502,195	$87,407,378
Regular shares	99,162,129	90,256,849
Money market accounts	214,493,130	203,201,459
IRA shares	29,857,288	30,206,929
Share and IRA certificates	121,092,084	132,102,815
	$559,106,826	$543,175,430

The aggregate balance of members' time deposit accounts in denominations that meet or exceed $250,000 was approximately $12,669,000 and $15,112,000 as of December 31, 2014 and 2013, respectively. Negative share and share draft accounts reclassified to loans to members were approximately $525,000 and $504,000 as of December 31, 2014 and 2013, respectively.

Scheduled maturities of share and IRA certificates are as follows:

	As of December 31, 2014
Within 1 year	$86,086,573
1 to 2 years	15,357,691
2 to 3 years	9,577,741
3 to 4 years	6,312,745
4 to 5 years	3,757,334
	$121,092,084

SHARE INSURANCE
As of December 31, 2014, members' shares were insured by the NCUSIF to a maximum of $250,000 for each member. Individual Retirement Accounts are insured by the NCUSIF for an additional $250,000 of coverage.

NOTE 6: EMPLOYEE BENEFITS

CASH BALANCE PROGRAM AND 401(K) PENSION PLAN
On January 1, 2009, the Credit Union's defined benefit pension plan was modified and only vested employees who were age 40 and over, or who had 10 years of service as of December 31, 2008, were grandfathered into the existing pension plan. All remaining and new employees became participants of the Cash Balance Program. Farmers makes quarterly contributions to the employees' cash balance account, which is based on a percentage of the employees' salaries. Also, the noncontributory deferred profit sharing plan was terminated and replaced with a 401(k) plan through Farmers, which allows employees to defer a portion of their salary into the 401(k) plan up to certain limits established by the Internal Revenue Service. The Credit Union makes discretionary matching contributions each year. Participants are always 100% vested in all their voluntary contributions. The Credit Union's matching contributions become fully vested at the completion of three years of service.

Note 6: (continued)

Retirement plan costs are accrued and funded on a current basis. Total retirement plan costs paid by the Credit Union to Farmers for the years ended December 31, 2014 and 2013 was approximately $852,000 and $821,000, respectively.

NOTE 7: COMMITMENTS AND CONTINGENT LIABILITIES

LEASE COMMITMENTS
The Credit Union leases several branch locations. The minimum remaining noncancellable lease obligations approximate the following as of December 31, 2014:

Year ending December 31,	Amount
2015	$1,007,000
2016	960,000
2017	938,000
2018	799,000
2019	688,000
	$4,392,000

Rental expense under operating leases was approximately $1,168,000 and $1,208,000 for the years ended December 31, 2014 and 2013, respectively.

LINES OF CREDIT
As of December 31, 2014, the Credit Union maintained two unused lines of credit with CCFCU. The terms of the agreement requires the pledging of all presently owned and later acquired unencumbered assets as security for obligations under the line-of-credit agreement. As of December 31, 2014, the total unused lines of credit under the CCFCU agreement approximated $50,000,000.

The Credit Union has entered into a credit availability agreement with UBS Bank USA which allows the Credit Union to borrow against its securities held in safekeeping. As of December 31, 2014, the total unused line of credit under this agreement was $9,500,000.

The Credit Union maintains a credit availability agreement with the Federal Reserve Bank of Atlanta to comply with NCUA regulations Part 741.12: Maintaining Access to Emergency Liquidity. This credit availability agreement allows the Credit Union to borrow against its vehicle loan portfolio. The Credit Union is able to borrow according to the percentages published in the current "Federal Reserve Discount Window and Payment System Risk Collateral Margins Table" which is available on the Federal Reserve Bank's website. As of December 31 2014, the total unused line of credit under this agreement was approximately $48,589,000.

MISCELLANEOUS LITIGATION
The Credit Union is a party to various miscellaneous legal actions normally associated with financial institutions, the aggregate effect of which, in management's opinion, would not be material to the Credit Union's financial statements.

NOTE 8: OFF-BALANCE-SHEET RISK AND CONCENTRATIONS OF CREDIT RISK

OFF-BALANCE-SHEET RISK

The Credit Union is a party to financial instruments with off-balance-sheet risk in the normal course of business to meet the financing needs of its members and to reduce its own exposure to fluctuations in interest rates. These financial instruments include commitments to extend credit. These instruments involve, to varying degrees, elements of credit and interest-rate risk in excess of the amount recognized in the statements of financial condition.

Commitments to extend credit are agreements to lend to a member as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses. Since many of the commitments may expire without being fully drawn upon, the total commitment amounts do not necessarily represent future cash requirements. As of December 31, 2014, total unfunded commitments under such lines of credit approximated $161,304,000. The Credit Union evaluates each member's creditworthiness on a case-by-case basis. The amount of collateral obtained, if any, is based on management's credit evaluation of the member.

CONCENTRATIONS OF CREDIT RISK

A significant amount of the Credit Union's business activity is with members who are employees or former employees of Farmers. The Credit Union also may be exposed to credit risk from a regional economic standpoint, since a significant concentration of its borrowers work or reside in the state of California. However, the loan portfolio is well diversified and the Credit Union does not have any significant concentration of credit risk, except unsecured loans, which by their nature, increase the risk of loss compared to those loans that are collateralized.

NOTE 9: REGULATORY CAPITAL

The Credit Union is subject to various regulatory capital requirements administered by the NCUA. Failure to meet minimum capital requirements can initiate certain mandatory-and possibly additional discretionary-actions by regulators that, if undertaken, could have a direct material effect on the Credit Union's financial statements. Under capital adequacy regulations and the regulatory framework for prompt corrective action, the Credit Union must meet specific capital regulations that involve quantitative measures of the Credit Union's assets, liabilities, and certain off-balance-sheet items as calculated under generally accepted accounting practices. The Credit Union's capital amounts and net worth classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the Credit Union to maintain minimum amounts and ratios (set forth in the table below) of net worth (as defined in NCUA Regulations) to total assets (as defined in NCUA Regulations). Credit unions are also required to calculate a Risk-Based Net Worth Requirement (RBNWR) which establishes whether or not the Credit Union will be considered "complex" under the regulatory framework. The Credit Union's RBNWR as of December 31, 2014 and 2013 was 6.41% and 6.39%, respectively. The minimum requirement to be considered complex under the regulatory framework is 6.00%. Management believes, as of December 31, 2014, that the Credit Union meets all capital adequacy requirements to which it is subject.

FARMERS INSURANCE GROUP FEDERAL CREDIT UNION
NOTES TO THE FINANCIAL STATEMENTS

Note 9: (continued)

As of December 31, 2014, the most recent call reporting period, the NCUA categorized the Credit Union as "*well capitalized"* under the regulatory framework for prompt corrective action. To be categorized as "*well capitalized"* the Credit Union must maintain a minimum net worth ratio of 7.00% of assets. There are no conditions or events since that notification that management believes have changed the Credit Union's category.

The Credit Union's actual and required net worth amounts and ratios are as follows:

	As of December 31, 2014		As of December 31, 2013	
	Amount	Ratio/ Requirement	Amount	Ratio/ Requirement
Actual net worth	$87,762,386	13.43%	$80,863,746	12.84%
Amount needed to be classified as "well capitalized"	$45,744,277	7.00%	$44,073,646	7.00%
Amount needed to meet RBNWR	$41,888,688	6.41%	$40,232,943	6.39%
Amount needed to be classified as "adequately capitalized"	$39,209,380	6.00%	$37,777,411	6.00%

Because the RBNWR is less than the net worth ratio, the Credit Union retains its original category. Further, in performing its calculation of total assets, the Credit Union used the quarter-end option, as permitted by regulation.

NOTE 10: CHANGES IN ACCUMULATED OTHER COMPREHENSIVE INCOME

The following table presents the changes in accumulated other comprehensive income during the year ended December 31, 2014:

	Unrealized Gains on Available-for-Sale Securities
Balance as of December 31, 2013	$138,198
Other comprehensive loss before reclassification	(1,601)
Amounts reclassified from other comprehensive income	—
Net other comprehensive loss	(1,601)
Balance as of December 31, 2014	$136,597

NOTE 11: FAIR VALUES OF FINANCIAL INSTRUMENTS

The Fair Value Measurements and Disclosures Topic of the FASB ASC provides a framework for measuring fair value and requires an entity to derive fair value from the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date within its principal market for the asset or liability, or in the absence of a principal market, the most advantageous market for the asset or liability. To increase consistency and comparability in fair value measurements and related disclosures, a three-level hierarchy prioritizes the inputs to valuation techniques used to measure fair value with the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3) as further described below:

Level 1
Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Credit Union has the ability to access at the measurement date. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2
Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability. Level 2 inputs include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are inactive; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3
Level 3 inputs are unobservable inputs for the asset or liability which reflect the Credit Union's own assumptions about the assumptions that market participants would use in pricing the asset or liability. Assumptions about risk include risk inherent in a particular valuation technique used to measure fair value, typically pricing models and/or discounted cash flow methodologies.

The methodologies and associated inputs used may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Credit Union believes its valuation methods and associated inputs are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Certain assets and liabilities may be required to be measured at fair value on a non-recurring basis. These non-recurring fair value measurements usually result from the application of lower of cost or market accounting or the write-down of individual assets due to impairment.

Note 11: (continued)

RECURRING BASIS

AVAILABLE-FOR-SALE SECURITIES
The Credit Union receives pricing for available-for-sale securities from a third-party pricing service. These securities are classified as Level 2 in the fair value hierarchy. All available-for-sale securities are valued based on quoted market prices on similar assets in the marketplace and the vintage of the underlying collateral.

NON-RECURRING BASIS

OTHER REAL ESTATE OWNED (OREO)
OREO properties acquired through or in lieu of foreclosure are initially recorded at fair value less estimated selling costs at the date of foreclosure. Depending on the accessability of the property, the Credit Union may utilize broker price opinions (BPOs), full appraisals or use an automated valuation model to estimate the fair market value of OREO properties. These methods consider the value of similar surrounding properties, sales trends in the neighborhood, an estimate of any of the costs associated with getting the property ready for sale, and/or the cost of any needed repairs. The Credit Union evaluates the reasonableness by analyzing significant fluctuations in property values on a period-by-period basis. Fair value less costs to sell is an estimated value based on relevant recent historical data that are considered unobservable inputs, and as such, OREO is classified as Level 3 in the fair value hierarchy and valued on a non-recurring basis.

During the holding period, valuations are updated to reflect changes in fair value, and the OREO is carried at the lower of the amount recorded at acquisition date or estimated fair value less costs to sell. Holding costs such as insurance, maintenance, taxes and utility costs are expensed as incurred. The Credit Union markets the OREO properties for sale to the public and generally does not hold OREO for longer than one year. Valuation adjustments on these assets as well as gains or losses realized from disposition of such properties are reflected in "other non-interest income" on the statements of income.

The following tables set forth by level, within the fair value hierarchy, the Credit Union's financial instruments at fair value on a recurring basis.

	Assets at Fair Value as of December 31, 2014			
	Level 1	**Level 2**	**Level 3**	**Total**
Available-for-sale securities:				
Mortgage-backed securities	$—	$2,042,412	$—	$2,042,412
NCUA guaranteed notes	—	14,344,034	—	14,344,034
Collateralized-mortgage obligations	—	30,323	—	30,323
	$—	$16,416,769	$—	$16,416,769

Note 11: (continued)

	Assets at Fair Value as of December 31, 2013			
	Level 1	**Level 2**	**Level 3**	**Total**
Available-for-sale securities:				
Mortgage-backed securities	$—	$2,332,901	$—	$2,332,901
NCUA guaranteed notes	—	17,804,784	—	17,804,784
Collateralized-mortgage obligations	—	51,126	—	51,126
	$—	$20,188,811	$—	$20,188,811

The tables below present the items measured at fair value on the statements of financial condition on a non-recurring basis when certain assets are measured at the lower of cost of market that were recognized at fair value below cost at the end of the period.

	Assets at Fair Value as of December 31, 2014			
	Level 1	**Level 2**	**Level 3**	**Total**
OREO	$—	$—	$40,119	$40,119

	Assets at Fair Value as of December 31, 2013			
	Level 1	**Level 2**	**Level 3**	**Total**
OREO	$—	$—	$2,332,721	$2,332,721

The estimated fair value amounts have been determined using available market information and appropriate valuation methodologies. However, considerable judgment is required to interpret market data to develop the estimates of fair value. Accordingly, the estimates presented are not necessarily indicative of amounts that could be realized in a market exchange. The use of different assumptions and estimation methodologies may have a material effect on the estimated fair value amounts. The following methods and assumptions were used to estimate fair value of each of the financial instruments for which it is practicable to estimate.

CASH
The carrying amount is a reasonable estimation of fair value.

INVESTMENTS
Estimated fair values for investments are obtained from observable market data for similar instruments. The fair values for available-for-sale securities take into account recent market activity as well as other market observable data such as interest rate, spread and prepayment information.

LOANS TO MEMBERS, NET
The fair value of loans was estimated by discounting the estimated cash flows using market-based assumptions for expected prepayment rates, default rates, loss severity, and required rates of return.

ACCRUED INTEREST RECEIVABLE
The carrying amount is a reasonable estimation of fair value.

FARMERS INSURANCE GROUP FEDERAL CREDIT UNION
NOTES TO THE FINANCIAL STATEMENTS

Note 11: (continued)

MEMBERS' SHARES AND DEPOSITS
The estimated fair value of demand deposit accounts is the carrying amount. The fair value of fixed-rate certificates was estimated by discounting the estimated cash flows using the current rate at which similar certificates would be issued.

INTEREST PAYABLE
The carrying amount is a reasonable estimation of fair value.

COMMITMENTS TO EXTEND CREDIT
The Credit Union's unused loan commitments to extend credit have no carrying amount and have been estimated to have no realizable fair value. The Credit Union does not charge fees in connection with these commitments and a majority of the unused loan commitments have historically not been drawn upon.

The carrying value and estimated fair value of the Credit Union's financial instruments are as follows:

	As of December 31, 2014		As of December 31, 2013	
	Carrying Amount	**Fair Value**	**Carrying Amount**	**Fair Value**
Financial assets:				
Cash	$1,976,559	$1,976,559	$4,016,722	$4,016,722
Investments:				
Available-for-sale	$16,416,769	$16,416,769	$20,188,811	$20,188,811
Held-to-maturity	$10,955,783	$10,946,045	$17,375,938	$17,399,557
Other	$50,645,498	$50,645,498	$50,611,467	$50,611,467
Loans to members, net	$556,439,500	$557,489,863	$517,060,869	$520,746,938
Accrued interest receivable:				
Investments	$50,135	$50,135	$72,369	$72,369
Loans	$2,247,957	$2,247,957	$2,239,956	$2,239,956
Financial liabilities:				
Members' shares and deposits	$559,106,826	$559,102,576	$543,175,430	$544,386,996
Interest payable	$265,064	$265,064	$278,118	$278,118

★★★★★★★

Farmers Insurance Group
Federal Credit Union

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