



c. myers

GAINING INSIGHTS

PREPARED FOR
Sample Case Study

SIMULATION
Case Study Current



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OVERVIEW

Purpose

To help you optimize your balance sheet by gaining insights and honing in on what is driving profitability and risks in different environments. Your ideas for balance sheet optimization can be quickly tested by running what-ifs for various shifts in your balance sheet and financial structure to see the profitability and risk outcomes.

Note

Assumptions with respect to allocation of operating expense are very difficult to get “right” and they have direct impact on category results. Therefore, it is important to focus on direction and relativity of results, prompting relevant discussions. Assumptions used can be found in the Reference Database. If you would like to adjust or test different assumptions going forward, please let us know.

200+
Strategic Engagements
Annually
strategic planning, strategic implementation, process improvement,
project management, and strategic leadership development

6,500+
Financial Simulations
& Strategic Financial
Plans Annually

OUR EXPERIENCE

600+ Financial Institutions

200+ over **\$1 Billion in Assets**

50+ c. myers Team Members

We help credit unions *think to differentiate* and *drive better decisions* through [Strategic Planning and Business Model Optimization](#), [Process Improvement](#), [Strategic Implementation & Project Management](#), [Strategic Leadership Development](#), [Real-Time ALM](#), and [Financial Planning and Earnings Optimization](#).

Results Dashboard

Sample Case Study

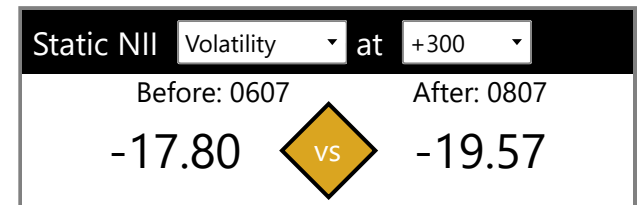
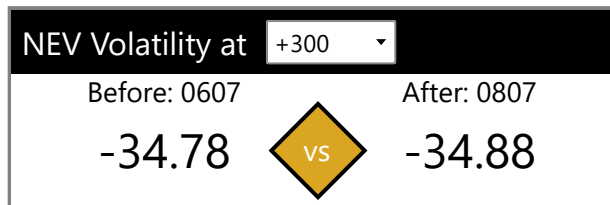
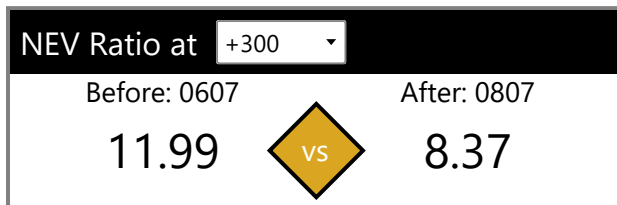
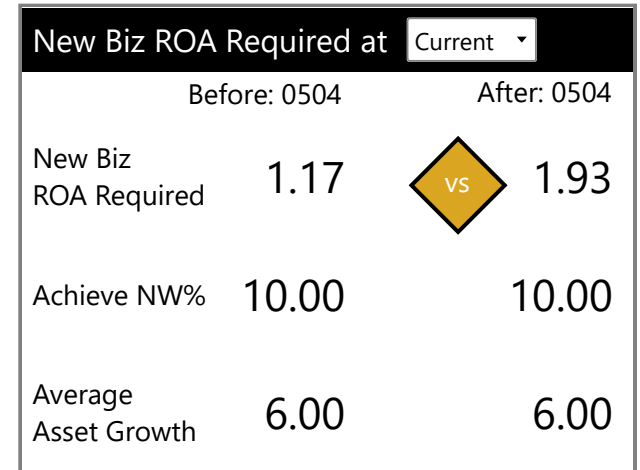
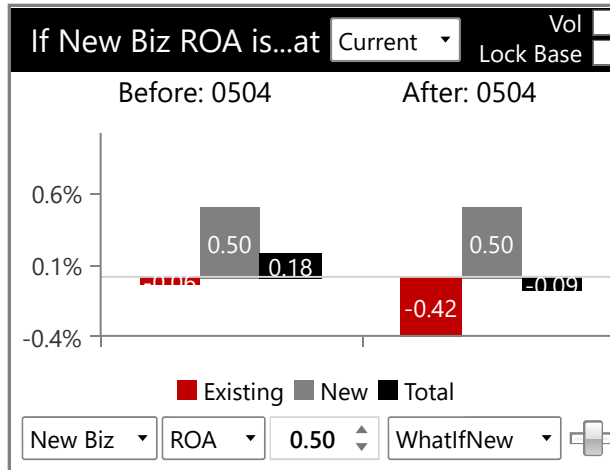
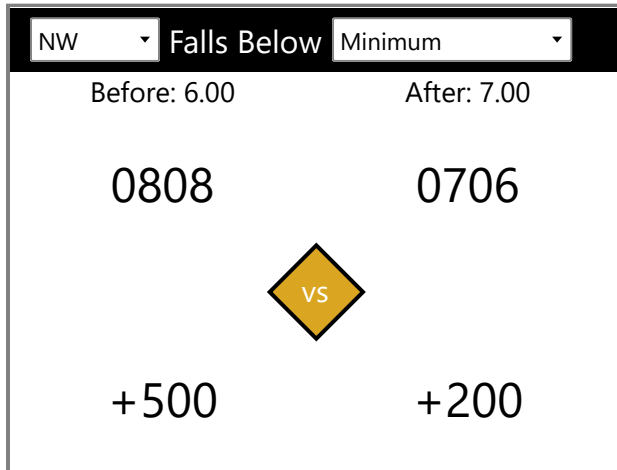
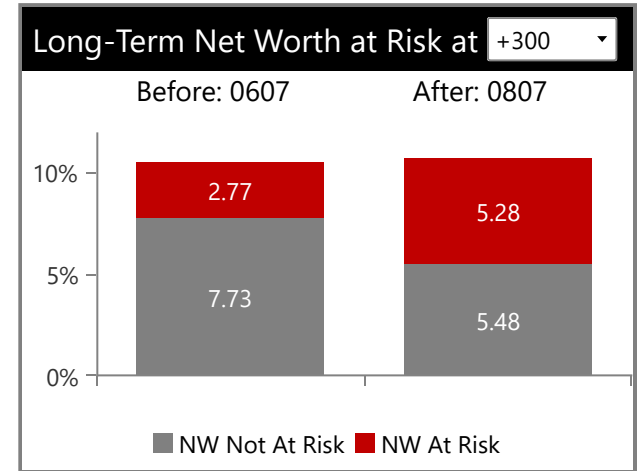
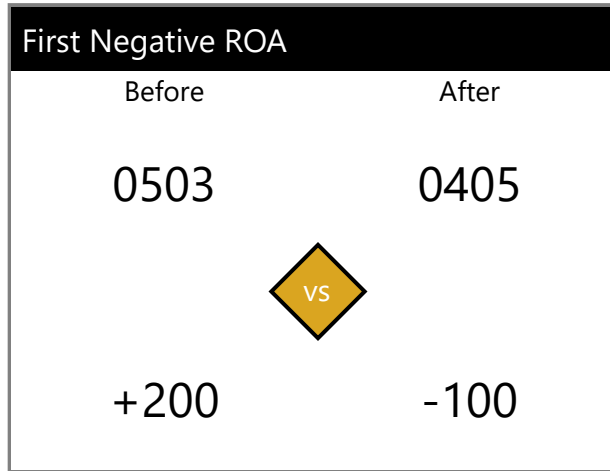
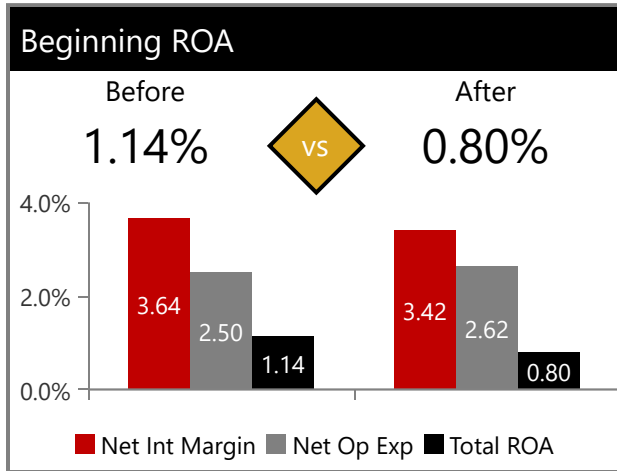
Before

After

Case Study Previous
Scenario Representing Current Market Rates: 0304



Case Study Current
Scenario Representing Current Market Rates: 0504



Executive Summary Comparison - High Level Starting Position - Scenario 0504 - Current Scenario

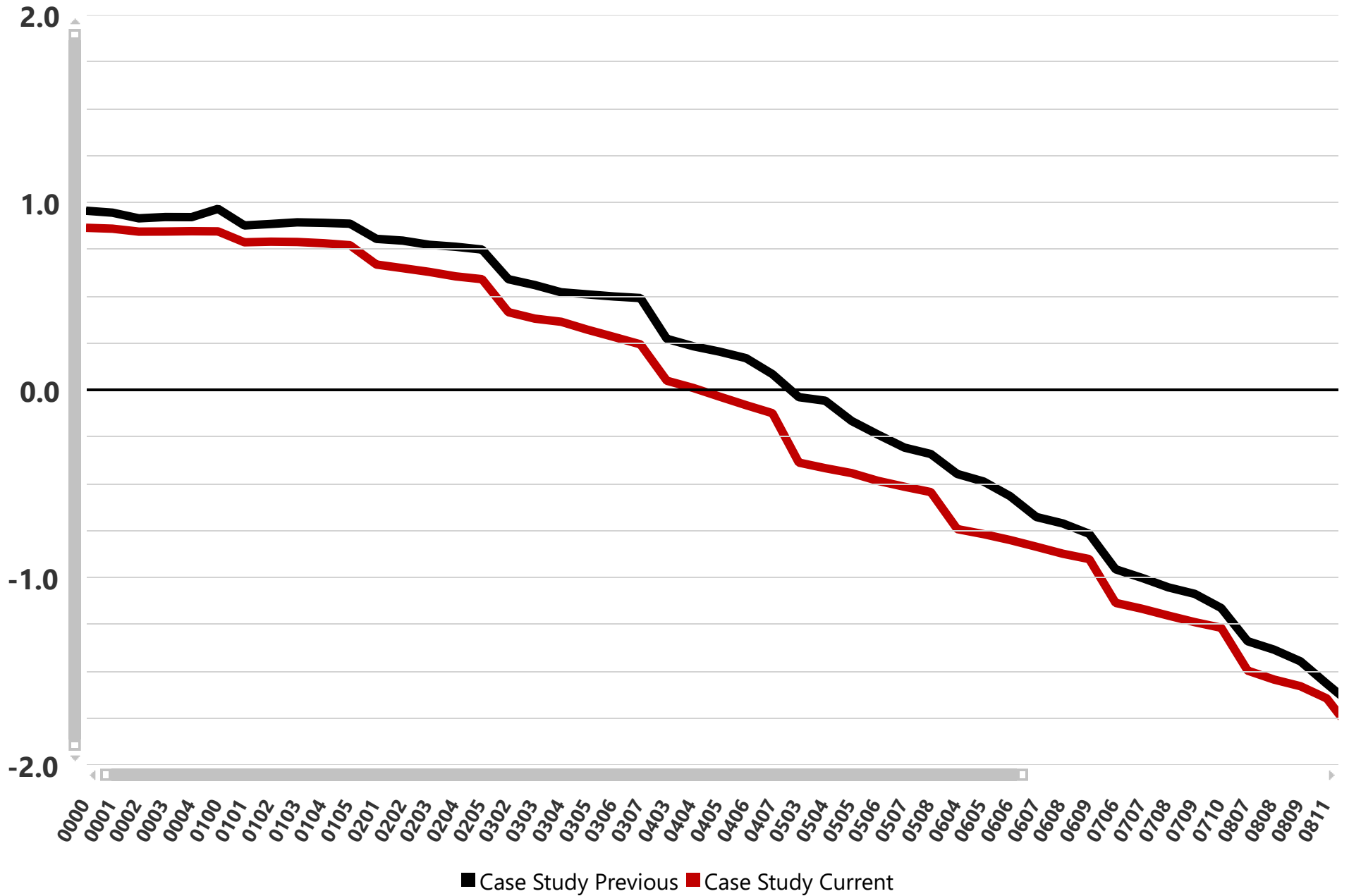
Sample Case Study, Existing Commitments, Case Study Current, \$ in Thousands
 Scenario Representing Current Market Rates = 0504, Rates Change Over 12 Months
 Net Worth \$123,750 = 10.8%, Min Net Worth \$80,500 = 7.0%

	Beginning Position		Difference
	Before	After	
Key Information			
Decision Model Case Name			
Before	Case Study Previous		
After	Case Study Current		
Current Scenario	0304	0504	
1st Negative ROA Summary	0503	0405	
Begin NW %	10.50	10.76	0.26
NW at Risk	1.12	2.10	0.99
NW Not at Risk	9.38	8.66	(0.72)
Min NW %	6.00	7.00	1.00
Allow For Credit Loss	11,137	10,167	(970)
+ Add'l Event Risk Losses	11,137	10,167	(970)
= ACL + Add'l Event Risk Losses	22,274	20,334	(1,940)
Add'l Event Risk Loss % Assets	0.97%	0.88%	(0.08%)
ACL + Add'l Event Risk Loss % Assets	1.94%	1.77%	(0.17%)
Total Assets	1,150,000	1,150,000	- Annualized

	Before	After	Difference
COMPONENTS OF ROA			
Avg Yield on Assets	3.84	4.33	0.49
- Avg Cost of Funds	0.20	0.91	0.71
= Net Interest Margin	3.64	3.42	(0.22)
Operating Expense	3.60	3.70	0.10
+ ECL % Assets	0.35	0.27	(0.08)
- Fee and Other Income	1.45	1.35	(0.10)
= Net Operating Expense	2.50	2.62	0.12
Return on Assets	1.14	0.80	(0.35)

MARGIN ANALYSIS			
Components of Yield			
Avg Yield Loans	4.63	5.13	0.50
Avg Yield Investments	1.57	2.02	0.45
Loan as % of Assets	77.10	77.56	0.47
Non-earning Assets %	6.47	5.86	(0.60)
Components of Cost of Funds			
Avg Cost Non Maturity Deposits	0.10	0.29	0.20
Avg Cost CDs	1.28	3.34	2.06
Avg Cost Borrowings	3.16	5.62	2.46
Percent of Funds in:			
Certificates	8.47	14.75	6.28
Borrowings	0.51	3.87	3.36

Comparison of Average ROA - Over 4 Years



Marginal ROA Rank for Focused Scenarios - Over 4 Years - Scenario 0201 to 0807 - Min 1.00% Assets

Sample Case Study, Existing Commitments, Case Study Current, \$ in Thousands
 Scenario Representing Current Market Rates = 0504, Rates Change Over 12 Months
 Net Worth \$123,750 = 10.8%, Min Net Worth \$80,500 = 7.0%

	Beginning Balance	% Assets	Marginal ROA for Range	Marginal ROA Rank
SUMMARY				
Total Loans	891,972	77.56%	1.91	
Total Investments	200,757	17.46%	(0.20)	
Total Assets	1,150,000	100.00%	1.44	
DETAIL				
Used Auto Direct - Fxd	45,693	3.97%	1.66	9
New Auto Indirect - Fxd	51,069	4.44%	2.08	8
Used Auto Indirect - Fxd	90,473	7.87%	1.53	10
Rec Vehicle Indirect - Fxd	17,613	1.53%	4.14	3
1st Mtg > 15 Yr - Fxd	177,518	15.44%	0.97	12
1st Mtg ARM 10/1	19,499	1.70%	0.23	15
Home Equity - Fxd	123,673	10.75%	1.20	11
HELOC - Var	30,946	2.69%	4.40	2
HELOC I/O - Var	13,160	1.14%	3.89	5
Unsecured Loan - Fxd	20,885	1.82%	0.89	13
VISA Signature - Var	24,465	2.13%	7.27	1
Business Mtg	193,111	16.79%	2.14	7
Business Participation - Var	18,604	1.62%	3.96	4
Overnight/Fed Funds	32,356	2.81%	2.87	6
COLI	14,360	1.25%	0.44	14
MBS - Fxd	116,453	10.13%	(0.84)	16
Callable Bonds	30,389	2.64%	(1.34)	17

Detailed line items of profitability may not add to the total due to either derivatives and / or balancing investments.

The operating expense and non-interest income allocation benchmark is based on industry analysis performed by Kohl Analytics Group <https://www.kohlag.com/>

Profitability Rank for Focused Scenarios - Over 4 Yrs - Scenario 0201 to 0807 - Min 1.00% Assets

Sample Case Study, Existing Commitments, Case Study Current, \$ in Thousands
 Scenario Representing Current Market Rates = 0504, Rates Change Over 12 Months
 Net Worth \$123,750 = 10.8%, Min Net Worth \$80,500 = 7.0%

	Beginning Balance	% Assets	ROA for Range	ROA Rank
SUMMARY				
Total Loans	891,972	77.56%	(0.13)	
Total Investments	200,757	17.46%	(1.28)	
Total Assets	1,150,000	100.00%	(0.32)	
DETAIL				
Used Auto Direct - Fxd	45,693	3.97%	(0.36)	9
New Auto Indirect - Fxd	51,069	4.44%	0.06	8
Used Auto Indirect - Fxd	90,473	7.87%	(0.49)	10
Rec Vehicle Indirect - Fxd	17,613	1.53%	2.11	3
1st Mtg > 15 Yr - Fxd	177,518	15.44%	(1.08)	13
1st Mtg ARM 10/1	19,499	1.70%	(1.81)	15
Home Equity - Fxd	123,673	10.75%	(0.84)	12
HELOC - Var	30,946	2.69%	2.36	2
HELOC I/O - Var	13,160	1.14%	1.84	5
Unsecured Loan - Fxd	20,885	1.82%	(1.13)	14
VISA Signature - Var	24,465	2.13%	5.25	1
Business Mtg	193,111	16.79%	0.10	7
Business Participation - Var	18,604	1.62%	1.92	4
Overnight/Fed Funds	32,356	2.81%	1.79	6
COLI	14,360	1.25%	(0.63)	11
MBS - Fxd	116,453	10.13%	(1.92)	16
Callable Bonds	30,389	2.64%	(2.41)	17

Detailed line items of profitability may not add to the total due to either derivatives and / or balancing investments.

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4-Year Average Profitability - Select Scenario - Scenario 0807

Sample Case Study, Existing Commitments, Case Study Current, \$ in Thousands
 Scenario Representing Current Market Rates = 0504, Rates Change Over 12 Months
 Net Worth \$123,750 = 10.8%, Min Net Worth \$80,500 = 7.0%

	----- Current Scenario -----		----- Select Scenario -----		----- Difference -----		First Neg ROA	
	Beginning Balance	4-Yr Avg ROA %	4-Yr Tot NI \$	4-Yr Avg ROA %	4-Yr Tot NI \$	4-Yr Avg ROA %		4-Yr Tot NI \$
SUMMARY								
Total Loans	891,972	(0.24)	(6,315)	(1.39)	(36,234)	(1.15)	(29,919)	0503
Total Investments	200,757	(1.32)	(7,704)	(2.40)	(14,319)	(1.08)	(6,615)	0 - All
Total Assets	1,150,000	(0.42)	(14,019)	(1.50)	(50,553)	(1.08)	(36,534)	0405
DETAIL								
New Auto Direct - Fxd	7,817	0.02	2	(1.17)	(147)	(1.18)	(149)	0505
Used Auto Direct - Fxd	45,693	(0.40)	(279)	(1.54)	(1,067)	(1.14)	(788)	0404
New Auto Indirect - Fxd	51,069	0.00	4	(1.22)	(1,088)	(1.23)	(1,092)	0505
Used Auto Indirect - Fxd	90,473	(0.54)	(834)	(1.75)	(2,695)	(1.21)	(1,861)	0403
Rec Vehicle - Fxd	5,053	1.15	122	(0.17)	(18)	(1.32)	(140)	0807
Rec Vehicle Indirect - Fxd	17,613	2.04	821	0.67	271	(1.37)	(550)	0912
1st Mtg < 15 Yr - Fxd	2,760	(1.99)	(157)	(3.45)	(272)	(1.46)	(115)	0 - All
1st Mtg > 15 Yr - Fxd	177,518	(1.18)	(7,598)	(2.74)	(17,697)	(1.57)	(10,099)	0303
1st Mtg ARM 1/1	197	1.21	6	0.44	2	(0.77)	(4)	0908
1st Mtg ARM 5/1	1,312	(0.49)	(18)	(1.93)	(75)	(1.44)	(57)	0404
1st Mtg ARM 7/1	4,369	(1.99)	(244)	(3.48)	(446)	(1.49)	(202)	0 - All
1st Mtg ARM 10/1	19,499	(1.87)	(1,027)	(3.37)	(1,932)	(1.50)	(905)	0 - All
1st Mtg ARM 5/5	730	(1.04)	(26)	(2.62)	(67)	(1.57)	(41)	0305
1st Mtg ARM 7YR - SOFR	1,217	(0.15)	(5)	(1.72)	(65)	(1.57)	(60)	0503
1st Mtg ARM 10YR - SOFR	10,243	0.10	29	(1.47)	(469)	(1.57)	(498)	0506
Home Equity - Fxd	123,673	(0.94)	(3,922)	(2.48)	(10,352)	(1.54)	(6,430)	0306
HELOC - Var	30,946	2.49	2,504	3.02	3,029	0.52	525	>16
HELOC I/O - Var	13,160	1.96	983	2.37	1,191	0.41	208	1614
Secured Loans - Fxd	652	(0.34)	(3)	(1.47)	(14)	(1.13)	(11)	0405
Unsecured Loan - Fxd	20,885	(1.18)	(398)	(2.34)	(789)	(1.16)	(391)	0105
Unsecured LOC - Var	5,677	6.79	1,006	7.36	1,090	0.56	84	>16
Student Loans - Fxd	1,517	(2.31)	(51)	(3.35)	(75)	(1.04)	(23)	0 - All
VISA Signature - Var	24,465	5.44	2,150	6.37	2,518	0.93	368	>16
VISA Secured - Var	725	6.01	40	6.71	45	0.70	5	>16
VISA Rewards - Var	10,271	3.55	582	4.48	735	0.93	152	>16
Business Auto - Fxd	1,454	0.03	1	(1.17)	(29)	(1.21)	(30)	0505
Business Mtg	193,111	(0.19)	(1,375)	(1.28)	(9,048)	(1.09)	(7,673)	0503
Business LOC - Var	6,019	4.25	141	4.47	148	0.21	7	>16
SBA - Prime- Var	710	5.09	117	5.62	129	0.53	12	>16
Business Secured - Var	1,224	(2.17)	(68)	(3.57)	(112)	(1.40)	(44)	0 - All
Business Secured - Fxd	1,735	(0.38)	(16)	(1.77)	(73)	(1.39)	(57)	0406
Business Unsecured - Fxd	880	(5.38)	(31)	(5.90)	(34)	(0.52)	(3)	0 - All
Business VISA	228	6.85	46	5.38	36	(1.47)	(10)	>16
Business Gov't Guaranteed	260	0.24	2	(1.17)	(8)	(1.40)	(9)	0604
Business Participation - Var	18,604	1.97	1,182	1.85	1,144	(0.12)	(38)	>16
Negative Shares	212	(3.42)	(1)	(3.94)	(1)	(0.52)	(0)	0 - All
Overnight/Fed Funds	32,356	1.97	1,857	2.92	2,769	0.95	911	0000
COLI	14,360	(0.72)	(301)	(2.21)	(927)	(1.48)	(626)	0403
MBS - Fxd	116,453	(2.01)	(7,201)	(3.51)	(12,935)	(1.50)	(5,734)	0 - All
Callable Bonds	30,389	(2.46)	(1,805)	(3.69)	(2,711)	(1.23)	(906)	0 - All
CMOs - Fxd	7,199	(1.41)	(253)	(2.82)	(514)	(1.41)	(261)	0201
Balancing Investment	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Detailed line items of profitability may not add to the total due to either derivatives and / or balancing investments.

The operating expense and non-interest income allocation benchmark is based on industry analysis performed by Kohl Analytics Group <https://www.kohlag.com/>

4-Year Average Profitability - Scenario 0504 - Current Scenario

Sample Case Study, Existing Commitments, Case Study Current, \$ in Thousands
 Scenario Representing Current Market Rates = 0504, Rates Change Over 12 Months
 Net Worth \$123,750 = 10.8%, Min Net Worth \$80,500 = 7.0%

	----- Average -----			----- Oper Exp % -----			--- Other Inc % ---		ECL Prov --- % --- A/S Adj	4-Yr Avg ROA %	Net Interest Margin	Net Yield %	Net Yield Margin	Marginal ROA %	Net Oper Exp %
	Balance \$	Yield %	C.O.F. %	E Asset Direct	E Asset Indirect	Dep & Ovrhd	E Asset Direct	Dep & Ovrhd							
SUMMARY															
Total Loans	648,979	5.12	2.35	0.93	0.96	2.36	0.17	1.28	0.22	(0.24)	2.77	4.91	2.55	1.79	3.01
Total Investments	146,348	2.08	2.32	0.00	0.00	2.35	0.00	1.28	(0.00)	(1.32)	(0.24)	2.08	(0.24)	(0.24)	1.07
Other Assets	43,684	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Assets	839,011	4.32	2.22	0.72	0.74	2.23	0.14	1.21	0.17	(0.42)	2.10	4.16	1.93	1.34	2.52
DETAIL															
New Auto Direct - Fxd	3,150	4.98	2.03	1.18	0.95	2.33	0.27	1.26	0.00	0.02	2.94	4.98	2.94	2.03	2.93
Used Auto Direct - Fxd	17,287	5.90	1.99	1.89	0.95	2.32	0.42	1.26	0.83	(0.40)	3.92	5.07	3.08	1.61	4.32
New Auto Indirect - Fxd	22,268	4.41	2.08	0.09	0.96	2.33	0.04	1.26	0.26	0.00	2.33	4.15	2.08	2.03	2.33
Used Auto Indirect - Fxd	38,513	5.01	2.06	0.41	0.95	2.33	0.06	1.26	1.12	(0.54)	2.95	3.89	1.83	1.48	3.49
Rec Vehicle - Fxd	2,643	7.96	2.18	1.89	0.96	2.34	0.42	1.27	1.14	1.15	5.79	6.82	4.65	3.18	4.64
Rec Vehicle Indirect - Fxd	10,073	7.80	2.22	0.43	0.96	2.34	0.06	1.27	1.14	2.04	5.58	6.66	4.44	4.07	3.54
1st Mtg < 15 Yr - Fxd	1,971	2.75	2.33	0.48	0.96	2.35	0.10	1.28	0.00	(1.99)	0.43	2.75	0.43	0.05	2.42
1st Mtg > 15 Yr - Fxd	161,202	3.68	2.44	0.48	0.96	2.36	0.10	1.29	0.00	(1.18)	1.24	3.68	1.24	0.86	2.42
1st Mtg ARM 1/1	128	6.01	2.29	0.61	0.96	2.35	0.14	1.28	0.00	1.21	3.72	6.01	3.72	3.25	2.50
1st Mtg ARM 5/1	933	4.35	2.33	0.61	0.96	2.35	0.14	1.28	0.00	(0.49)	2.01	4.35	2.01	1.54	2.51
1st Mtg ARM 7/1	3,073	2.85	2.33	0.61	0.96	2.35	0.14	1.28	0.00	(1.99)	0.52	2.85	0.52	0.05	2.51
1st Mtg ARM 10/1	13,724	2.97	2.33	0.61	0.96	2.35	0.14	1.28	0.00	(1.87)	0.64	2.97	0.64	0.17	2.51
1st Mtg ARM 5/5	622	3.88	2.41	0.61	0.96	2.36	0.14	1.29	0.00	(1.04)	1.47	3.88	1.47	1.00	2.51
1st Mtg ARM 7YR - SOFR	874	4.69	2.34	0.61	0.96	2.35	0.14	1.28	0.00	(0.15)	2.35	4.69	2.35	1.88	2.51
1st Mtg ARM 10YR - SOFR	7,385	4.94	2.34	0.61	0.96	2.36	0.14	1.28	0.00	0.10	2.60	4.94	2.60	2.13	2.51
Home Equity - Fxd	104,543	4.76	2.41	1.19	0.96	2.36	0.11	1.29	0.17	(0.94)	2.35	4.59	2.18	1.10	3.29
HELOC - Var	25,098	7.89	2.39	1.06	0.96	2.36	0.09	1.28	0.00	2.49	5.50	7.89	5.50	4.53	3.01
HELOC I/O - Var	12,553	7.45	2.47	1.07	0.97	2.37	0.09	1.29	0.00	1.96	4.98	7.45	4.98	4.00	3.02
Secured Loans - Fxd	244	5.13	1.98	1.89	0.95	2.32	0.42	1.26	0.00	(0.34)	3.15	5.13	3.15	1.68	3.49
Unsecured Loan - Fxd	8,431	9.52	2.00	4.81	0.95	2.32	0.35	1.26	2.22	(1.18)	7.51	7.30	5.30	0.84	8.69
Unsecured LOC - Var	3,704	15.57	2.28	4.81	0.96	2.35	0.35	1.28	0.00	6.79	13.28	15.57	13.28	8.82	6.49
Student Loans - Fxd	557	3.05	1.88	1.89	0.95	2.31	0.42	1.25	0.00	(2.31)	1.17	3.05	1.17	(0.30)	3.48
VISA Signature - Var	9,875	14.09	1.91	5.55	0.95	2.31	2.96	1.25	2.13	5.44	12.17	11.96	10.04	7.45	6.73
VISA Secured - Var	168	13.65	1.73	5.55	0.95	2.30	2.96	1.24	1.32	6.01	11.92	12.33	10.60	8.01	5.91
VISA Rewards - Var	4,103	11.97	1.91	7.74	0.95	2.31	4.45	1.25	1.21	3.55	10.06	10.76	8.85	5.56	6.51
Business Auto - Fxd	612	5.58	2.06	1.89	0.95	2.33	0.42	1.26	0.00	0.03	3.52	5.58	3.52	2.05	3.49
Business Mtg	176,574	4.95	2.44	0.72	0.96	2.37	0.06	1.29	0.00	(0.19)	2.51	4.95	2.51	1.85	2.70
Business LOC - Var	830	9.26	1.55	1.89	0.94	2.28	0.42	1.24	0.00	4.25	7.71	9.26	7.71	6.24	3.46

4-Year Average Profitability - Scenario 0504 - Current Scenario

Sample Case Study, Existing Commitments, Case Study Current, \$ in Thousands
 Scenario Representing Current Market Rates = 0504, Rates Change Over 12 Months
 Net Worth \$123,750 = 10.8%, Min Net Worth \$80,500 = 7.0%

	----- Average -----			----- Oper Exp % -----			--- Other Inc % ---		ECL Prov	4-Yr Avg	Net	Net	Net	Marginal	Net
	Balance	Yield	C.O.F.	E Asset	E Asset	Dep	E Asset	Dep	--- % ---	ROA	Interest	Yield	Yield	ROA	Oper Exp
	\$	%	%	Direct	Indirect	& Ovrhd	Direct	& Ovrhd	A/S Adj	%	Margin	%	Margin	%	%
SBA - Prime- Var	573	10.99	2.39	1.89	0.96	2.36	0.42	1.28	0.00	5.09	8.60	10.99	8.60	7.13	3.51
Business Secured - Var	781	3.61	2.27	1.89	0.96	2.35	0.42	1.28	0.00	(2.17)	1.33	3.61	1.33	(0.14)	3.50
Business Secured - Fxd	1,032	5.37	2.25	1.89	0.96	2.35	0.42	1.28	0.00	(0.38)	3.12	5.37	3.12	1.65	3.50
Business Unsecured - Fxd	142	2.50	1.44	4.81	0.93	2.28	0.35	1.23	0.00	(5.38)	1.06	2.50	1.06	(3.40)	6.44
Business VISA	167	13.81	2.33	5.55	0.96	2.35	2.96	1.28	0.00	6.85	11.48	13.81	11.48	8.89	4.63
Business Gov't Guaranteed	163	6.00	2.26	1.89	0.96	2.35	0.42	1.28	0.00	0.24	3.74	6.00	3.74	2.27	3.50
Business Participation - Var	14,976	6.39	2.38	0.00	0.96	2.36	0.00	1.28	0.00	1.97	4.01	6.39	4.01	4.01	2.04
Negative Shares	4	0.00	1.44	0.00	0.93	2.28	0.00	1.23	0.00	(3.42)	(1.44)	0.00	(1.44)	(1.44)	1.98
Overnight/Fed Funds	23,550	5.39	2.35	0.00	0.00	2.36	0.00	1.28	0.00	1.97	3.05	5.39	3.05	3.05	1.07
COLI	10,452	2.70	2.35	0.00	0.00	2.36	0.00	1.28	0.00	(0.72)	0.35	2.70	0.35	0.35	1.07
MBS - Fxd	89,484	1.43	2.37	0.00	0.00	2.36	0.00	1.28	(0.00)	(2.01)	(0.94)	1.43	(0.94)	(0.94)	1.07
Callable Bonds	18,368	0.65	2.04	0.00	0.00	2.32	0.00	1.26	(0.00)	(2.46)	(1.39)	0.65	(1.39)	(1.39)	1.06
CMOs - Fxd	4,495	1.92	2.26	0.00	0.00	2.35	0.00	1.28	(0.00)	(1.41)	(0.34)	1.92	(0.34)	(0.34)	1.07
Balancing Investment	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Detailed line items of profitability may not add to the total due to either derivatives and / or balancing investments.

The operating expense and non-interest income allocation benchmark is based on industry analysis performed by Kohl Analytics Group <https://www.kohlag.com/>

Profitability + Value Rank for Focused Scenarios - Over 4 Years - Scenario 0201 to 0807 - Min 1.00% Assets

Sample Case Study, Existing Commitments, Case Study Current, \$ in Thousands
 Scenario Representing Current Market Rates = 0504, Rates Change Over 12 Months
 Net Worth \$123,750 = 10.8%, Min Net Worth \$80,500 = 7.0%

	Beginning	%	ROA	Value		ROA	Value	ROA: 75%
	Balance	Assets	for	for		Rank	Rank	Value: 25%
			Range	Range				Combo Rank
SUMMARY								
Total Loans	891,972	77.56%	(0.13)	92.29				
Total Investments	200,757	17.46%	(1.28)	90.18				
Total Assets	1,150,000	100.00%	(0.32)	92.31				
DETAIL								
Used Auto Direct - Fxd	45,693	3.97%	(0.36)	96.31	9	7	8	
New Auto Indirect - Fxd	51,069	4.44%	0.06	93.78	8	11	9	
Used Auto Indirect - Fxd	90,473	7.87%	(0.49)	93.30	10	12	11	
Rec Vehicle Indirect - Fxd	17,613	1.53%	2.11	97.73	3	6	3	
1st Mtg > 15 Yr - Fxd	177,518	15.44%	(1.08)	81.26	13	17	14	
1st Mtg ARM 10/1	19,499	1.70%	(1.81)	88.63	15	15	15	
Home Equity - Fxd	123,673	10.75%	(0.84)	89.02	12	14	13	
HELOC - Var	30,946	2.69%	2.36	96.26	2	8	2	
HELOC I/O - Var	13,160	1.14%	1.84	94.95	5	10	6	
Unsecured Loan - Fxd	20,885	1.82%	(1.13)	98.26	14	4	12	
VISA Signature - Var	24,465	2.13%	5.25	100.00	1	1	1	
Business Mtg	193,111	16.79%	0.10	98.24	7	5	7	
Business Participation - Var	18,604	1.62%	1.92	95.63	4	9	4	
Overnight/Fed Funds	32,356	2.81%	1.79	100.00	6	3	4	
COLI	14,360	1.25%	(0.63)	100.00	11	2	9	
MBS - Fxd	116,453	10.13%	(1.92)	86.11	16	16	16	
Callable Bonds	30,389	2.64%	(2.41)	90.07	17	13	16	

Detailed line items of profitability may not add to the total due to either derivatives and / or balancing investments.

The operating expense and non-interest income allocation benchmark is based on industry analysis performed by Kohl Analytics Group <https://www.kohlag.com/>

Deposit Costs for Select Scenario - Over 4 Years - Scenario 0807

Sample Case Study, Existing Commitments, Case Study Current, \$ in Thousands
 Scenario Representing Current Market Rates = 0504, Rates Change Over 12 Months
 Net Worth \$123,750 = 10.8%, Min Net Worth \$80,500 = 7.0%

	Beginning Balance	Assumed Annual Withdrawal Risk Over 4 Yrs	Year 4 COF Before Balancing	COF After Balancing Over 4 Years	Nominal Beta	Effective Over 4Yr Beta
SUMMARY						
Total Shares	803,611	(24%)	1.61	3.48	44%	47%
Total CDs	169,577	(1%)	3.34	6.71		
Total Shares And CDs	973,188	(20%)		4.04		
DETAIL						
Regular Shares <25K	125,245	(15%)	0.94	2.65	31%	42%
Regular Shares 25 - 50K	56,393	(20%)	0.94	3.15	31%	46%
Regular Shares 50 - 100K	61,336	(25%)	0.94	3.61	31%	49%
Regular Shares 100 - 150K	24,469	(30%)	0.94	4.02	31%	53%
Regular Shares >150K	42,431	(40%)	0.94	4.73	31%	59%
IRA Shares	11,796	(20%)	0.94	3.15	31%	46%
Checking <25K	80,874	-	0.00	0.02	-	-
Checking 25 - 50K	18,984	(5%)	0.19	0.92	6%	13%
Checking >50K	35,714	(10%)	0.19	1.59	6%	20%
Preferred Checking <50K	30,619	(10%)	0.20	1.59	6%	20%
Preferred Checking >50K	21,483	(15%)	0.20	2.21	6%	27%
Special Checking <25K	55	(10%)	0.00	1.46	-	16%
Special Checking >25K	1,871	(15%)	0.20	2.21	6%	27%
Health Savings <10K	586	(10%)	0.94	2.09	31%	37%
Health Savings >10K	536	(20%)	0.95	3.16	31%	46%
Business Checking	26,074	(20%)	0.21	2.77	6%	33%
Business Savings	7,228	(20%)	0.94	3.15	31%	46%
Business Money Market	2,003	(30%)	3.43	5.11	94%	78%
Business Special Money Market	8,967	(23%)	3.97	5.12	100%	72%
Money Market <2.5K	597	-	0.50	0.52	-	-
Money Market 2.5 - 25K	19,720	(20%)	3.13	4.36	88%	75%
Money Market 25 - 50K	23,347	(30%)	3.31	5.04	94%	78%
Money Market 50 - 100K	34,650	(35%)	3.62	5.47	87%	76%
Money Market 100 - 200K	32,628	(50%)	3.81	6.09	94%	78%
Money Market >200K	22,794	(45%)	4.00	6.15	100%	70%
Special Money Market <50K	6,272	(38%)	2.94	5.17	81%	83%
Special Money Market 50 - 100K	14,692	(35%)	3.62	5.47	87%	76%
Special Money Market 100 - 250K	47,961	(45%)	3.81	5.92	94%	78%
Special Money Market >250K	44,288	(45%)	4.00	6.15	100%	70%
Club Accounts	1,024	-		6.82	-	74%
CDs <1Yr - Fxd	81,789	-		7.15		
CDs 1-3Yrs - Fxd	61,844	-		6.38		
CDs >3Yrs - Fxd	2,940	(25%)	2.63	4.42		
IRA CDs <1Yr - Fxd	7,527	-		7.12		
IRA CDs 1-3Yrs - Fxd	9,116	(1%)		5.92		
IRA CDs >3Yrs - Fxd	1,643	(27%)	2.67	4.49		
Business CDs <1Yrs - Fxd	925	-		7.21		
Business CDs >1Yrs - Fxd	1,001	-		6.70		
Bump-UP CDs	1,611	-	5.31	5.26		
Zero Coupon CDs	158	-		7.63		

Balancing liability rate by year 4 assumed to be 7.96.

Effective 4Yr Beta : Incorporates withdrawals, rate change speed and lags.

Net Economic Value (+-500)

Sample Case Study, Existing Commitments, Case Study Current, \$ in Thousands
 Scenario Representing Current Market Rates = 0504
 Net Worth \$123,750 = 10.8%, Min Net Worth \$80,500 = 7.0%

	Interest Rate Scenario	NEV	\$ Change	% Change	NEV %
Case Study Current					
-400	0100	202,713	79,412	64.41%	16.39%
-300	0201	180,159	56,858	46.11%	15.29%
-200	0302	167,249	43,949	35.64%	14.76%
-100	0403	147,506	24,206	19.63%	13.50%
Current	0504	123,301			11.68%
+100	0605	107,379	(15,921)	(12.91%)	10.51%
+200	0706	92,395	(30,906)	(25.07%)	9.34%
+300	0807	80,297	(43,003)	(34.88%)	8.37%
+400	0908	67,889	(55,412)	(44.94%)	7.28%
+500	1009	58,310	(64,991)	(52.71%)	6.43%

Case Study Current: NEV with NCUA NMS Values					
-400	0100	212,603	173,048	437.48%	17.19%
-300	0201	156,350	116,794	295.26%	13.27%
-200	0302	113,103	73,548	185.93%	9.98%
-100	0403	74,871	35,316	89.28%	6.85%
Current	0504	39,556			3.75%
+100	0605	17,466	(22,090)	(55.84%)	1.71%
+200	0706	(2,643)	(42,199)	(106.68%)	(0.27%)
+300	0807	(20,118)	(59,673)	(150.86%)	(2.10%)
+400	0908	(38,401)	(77,957)	(197.08%)	(4.12%)
+500	1009	(54,586)	(94,142)	(238.00%)	(6.02%)

Note: Fair value may not be indicative of actual price and price changes.

Net Economic Value - Historic Scenarios

Sample Case Study, Existing Commitments, Case Study Current, \$ in Thousands

Scenario Representing Current Market Rates = 0504

Net Worth \$123,750 = 10.8%, Min Net Worth \$80,500 = 7.0%

	Economic Value of Equity	Change in Economic Value of Equity \$	Change in Economic Value of Equity %	Percent of Assets
INTEREST RATE SCENARIO				
0000	210,491	87,191	70.71%	16.87%
0001	192,248	68,948	55.92%	16.03%
0002	191,108	67,807	54.99%	16.51%
0003	199,997	76,696	62.20%	17.81%
0004	206,547	83,246	67.51%	18.93%
0100	202,713	79,412	64.41%	16.39%
0101	186,618	63,317	51.35%	15.71%
0102	187,486	64,186	52.06%	16.33%
0103	195,416	72,116	58.49%	17.53%
0104	203,108	79,807	64.73%	18.75%
0105	210,541	87,241	70.75%	19.97%
0201	180,159	56,858	46.11%	15.29%
0202	180,513	57,212	46.40%	15.83%
0203	184,658	61,357	49.76%	16.68%
0204	189,535	66,234	53.72%	17.61%
0205	194,299	70,998	57.58%	18.55%
0302	167,249	43,949	35.64%	14.76%
0303	166,744	43,443	35.23%	15.16%
0304	167,623	44,323	35.95%	15.68%
0305	166,503	43,202	35.04%	16.00%
0306	165,481	42,181	34.21%	16.32%
0307	166,908	43,608	35.37%	16.87%
0403	147,506	24,206	19.63%	13.50%
0404	144,103	20,802	16.87%	13.56%
0405	138,987	15,686	12.72%	13.44%
0406	136,080	12,779	10.36%	13.51%
0407	134,430	11,129	9.03%	13.67%
0503	130,571	7,271	5.90%	12.02%
0504	123,301	(0)	-	11.68%
0505	116,884	(6,417)	(5.20%)	11.37%
0506	109,798	(13,503)	(10.95%)	10.96%
0507	105,108	(18,192)	(14.75%)	10.75%
0508	101,079	(22,222)	(18.02%)	10.58%
0604	113,524	(9,777)	(7.93%)	10.82%
0605	107,379	(15,921)	(12.91%)	10.51%
0606	101,657	(21,644)	(17.55%)	10.21%
0607	96,572	(26,728)	(21.68%)	9.94%
0608	92,095	(31,205)	(25.31%)	9.70%
0609	89,099	(34,202)	(27.74%)	9.60%
0706	92,395	(30,906)	(25.07%)	9.34%
0707	88,031	(35,270)	(28.60%)	9.12%
0708	83,824	(39,477)	(32.02%)	8.89%
0709	80,472	(42,829)	(34.74%)	8.72%
0710	78,067	(45,233)	(36.69%)	8.64%
0807	80,297	(43,003)	(34.88%)	8.37%
0808	75,440	(47,861)	(38.82%)	8.05%
0809	72,395	(50,906)	(41.29%)	7.89%
0811	67,784	(55,517)	(45.03%)	7.70%
0907	72,271	(51,030)	(41.39%)	7.58%
0908	67,889	(55,412)	(44.94%)	7.28%
0909	63,733	(59,568)	(48.31%)	6.99%
0912	58,234	(65,067)	(52.77%)	6.78%
1008	60,891	(62,410)	(50.62%)	6.57%
1013	49,623	(73,677)	(59.75%)	5.92%
1109	52,638	(70,663)	(57.31%)	5.84%
1114	43,072	(80,228)	(65.07%)	5.26%
1210	43,106	(80,194)	(65.04%)	4.92%
1214	37,598	(85,703)	(69.51%)	4.62%
1311	35,716	(87,584)	(71.03%)	4.19%
1313	33,181	(90,119)	(73.09%)	4.04%
1314	32,225	(91,076)	(73.86%)	3.99%
1412	31,057	(92,243)	(74.81%)	3.74%
1513	26,929	(96,371)	(78.16%)	3.33%
1614	23,209	(100,091)	(81.18%)	2.94%

Note: Fair value may not be indicative of actual price and price changes.

Note: Derivatives are modeled at book value for uncommon rate shocks.

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