

Portfolio Update and Financial Reports

Including an Update on Progress against the Expense Reduction Plan and Details Regarding Senior Management Travel

As of 11/30/09 (unaudited)

The credit and liquidity crisis that began in July 2007 continues to strain global financial markets. Members United is committed to providing our member-owners information about these market events and the quality of our assets. We strive to provide objective, transparent information regarding our safety and soundness.

Economic Overview

The big news over the past month has been the Dubai debt scare and the much better than expected labor market data in the US. While many of us were enjoying our Thanksgiving festivities, the European stock markets were taking their biggest one day losses in over eight months as the Dubai Department of Finance announced a “standstill” in debt payments by Dubai World, a fully government owned entity. The majority of bank lending to Dubai resides with UK financial institutions and fears spread as investors were trying to determine which institutions had the largest exposures. Risky assets around the world suffered declines and “safe haven” securities rallied in a repeat of the impact of the reaction to the housing bubble bursting in the US. Fortunately, the Dubai debt crisis was on a much smaller scale and eventually, Abu Dhabi provided aid to Dubai to ease the crisis. Stock markets quickly recovered and US equities currently stand near their highs for the year.

The labor market data in the US was the other major news item. Nonfarm payrolls declined by 11,000 versus an expectation of a 125,000 decline for November. In addition, there were positive upward revisions to the prior two months. The unemployment rate dropped to 10.0% from 10.2% as the household survey showed a net payroll gain of 227,000. Several economists upgraded their outlook for the economy and the labor market based on this data point. Given the historically high volatility of the payroll data, we are not ready to call a bottom for the labor market.

Since the labor market is the key to the longer term recovery of the housing market as well as trends in consumer spending, it is important to develop a forecast on the future direction of employment. First of all, government payrolls will likely increase substantially in the first half of 2010 due to the census. The census will add up to 1 million jobs, but these jobs are transitory and most of the workers will roll off the payroll by September, 2010. The census workers' impact should move the nonfarm payrolls positive in January and could lower the unemployment rate by approximately 1%. Given the short-term nature of these jobs, we equate the impact to a one-time tax refund on the economy. The jobs will provide a temporary boost to GDP in the first and second quarters of 2010, but the impact will almost completely disappear by the second half of the year.

Ignoring the impact of the census workers, it will be difficult for the unemployment rate to experience any meaningful declines in 2010. In order to offset the typical growth in the labor force, the economy needs to produce 100,000 new jobs a month just to keep the unemployment rate steady. Given the large number of discouraged workers that are likely to re-enter the labor market upon signs of an improving economy, the current threshold is much higher. The economy will likely need to produce closer to 300,000 new jobs a month to absorb both the typical population growth and the re-entry of the discouraged workers. In order to see that kind of job creation, the economy would have to be growing in the 4%-5% range. This seems very unlikely given that much of the fiscal stimulus that is supporting the economy will fade in 2010. It is more likely that the economy grows closer to 2%, which is slightly below the long-term trend. This would mean that the unemployment rate would not peak until late 2010, or early 2011. This would be consistent with the prior two recoveries in 1991-1992 and 2001-2003 (both deemed “jobless” recoveries), where the unemployment rate did not peak until fifteen and twenty-one months into the expansion, respectively.

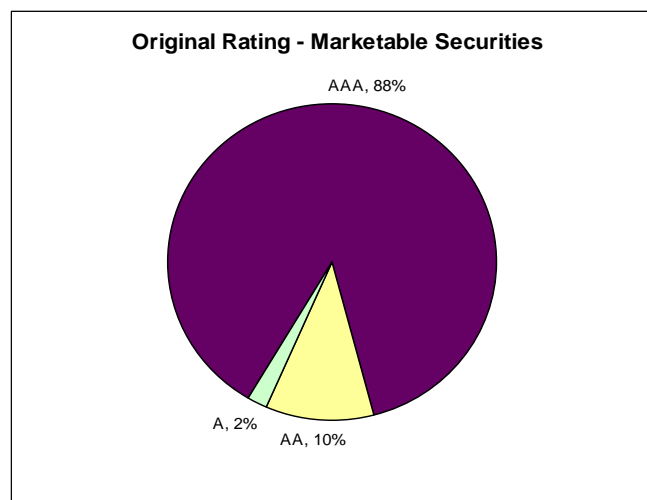
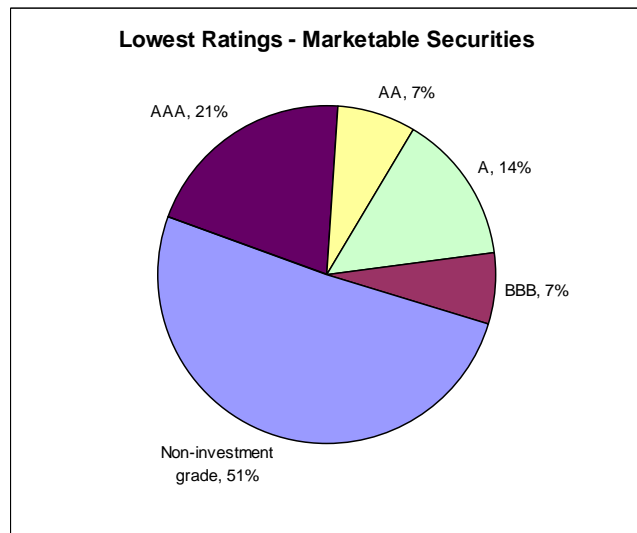
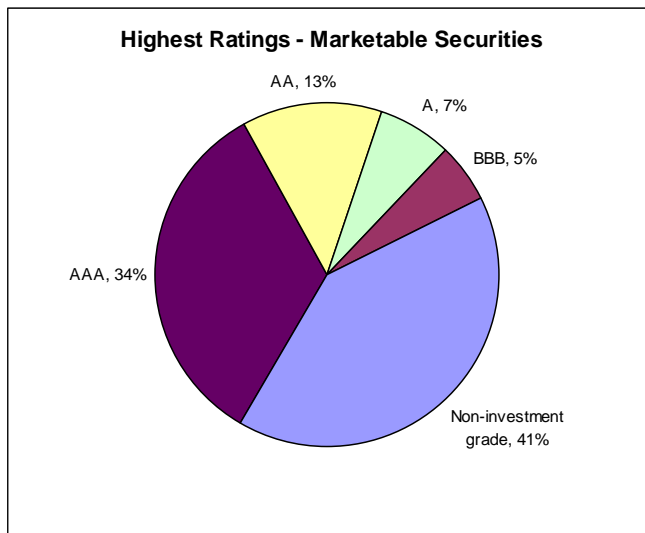
Members United Outlook

Interest rates are marginally higher from last month, as the relatively positive labor market data has increased expectations of rate hikes in 2010. The futures market is currently pricing in Fed rate increases starting in May, 2010. The market is pricing cumulative rate increases of 75 basis points for 2010. We continue to believe that the Fed stays on hold for 2010. Our belief is mainly based on the continued weakness in the labor market. While the economy will likely transition to job creation mode in 2010, it won't be enough to offset the increases in the labor force. As the unemployment rate remains stubbornly high, the Fed will remain on hold. They will want to see a sustainable trend in net job gains before risking a potential economic downturn.

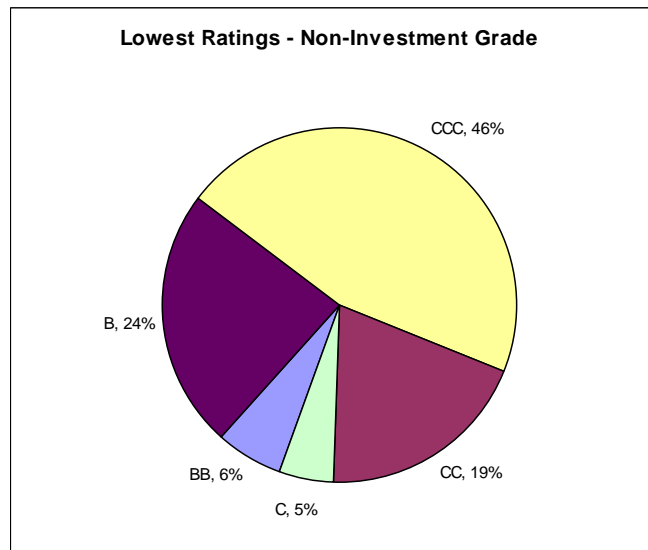
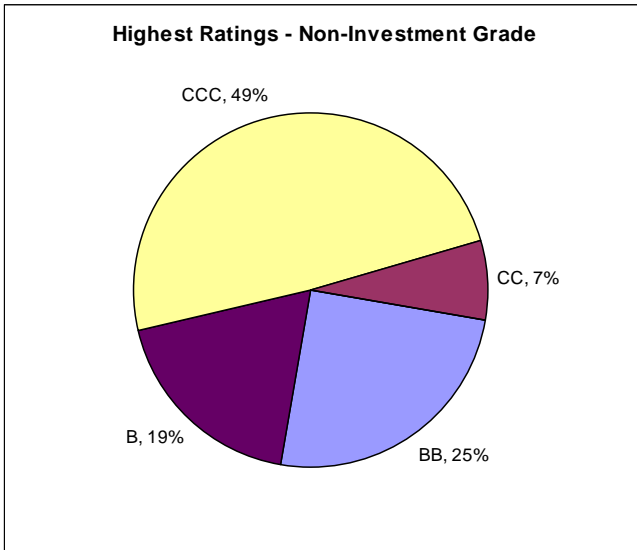
Portfolio Overview

Credit risk is the risk that the par value of an investment will not be returned (fractionally or as a whole). Members United manages credit risk through continual monitoring and rigorous modeling of its investment securities. Members United has the regulatory authority to hold investment securities with a rating of BBB or higher. If an investment held by the corporate falls below BBB, an investment action plan must be prepared and filed with the NCUA, demonstrating the anticipated performance of the security and any potential loss exposure to future cash flows (periodic interest and principal payments). The ability to continue to hold investments below BBB are subject to the approval of the NCUA.

Members United presents three charts below. The first chart provides a ratings breakdown of Members United's current marketable securities holdings using the highest current rating available. The second chart provides the same breakdown using the lowest current rating available. The third chart shows a breakdown using the original rating assigned to the security. These charts summarize the portfolio ratings as of November 30, 2009 (total par value of approximately \$5.3 billion):

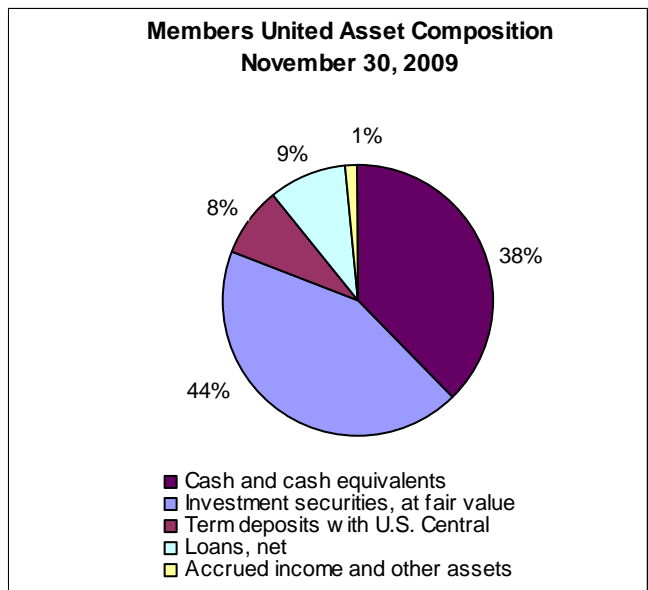
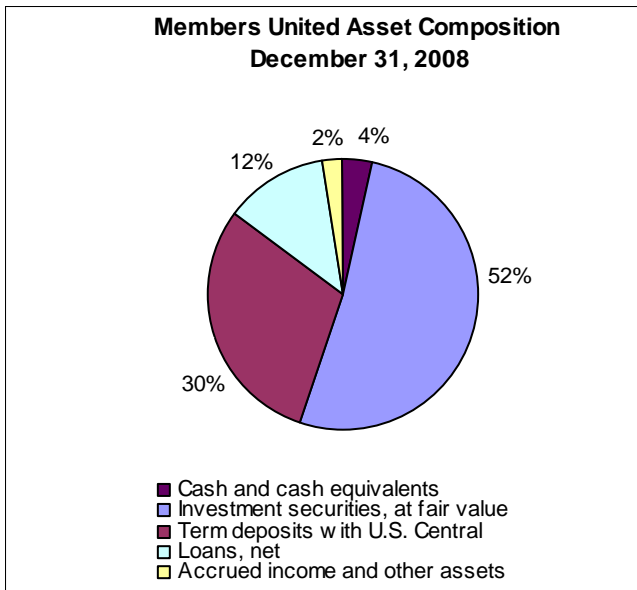


The following charts provide additional ratings information for the non-investment grade portion of the portfolio as of November 30, 2009 (total par value of approximately \$2.1 billion for the highest-rating scenario and \$2.6 billion for the lowest-rating scenario):



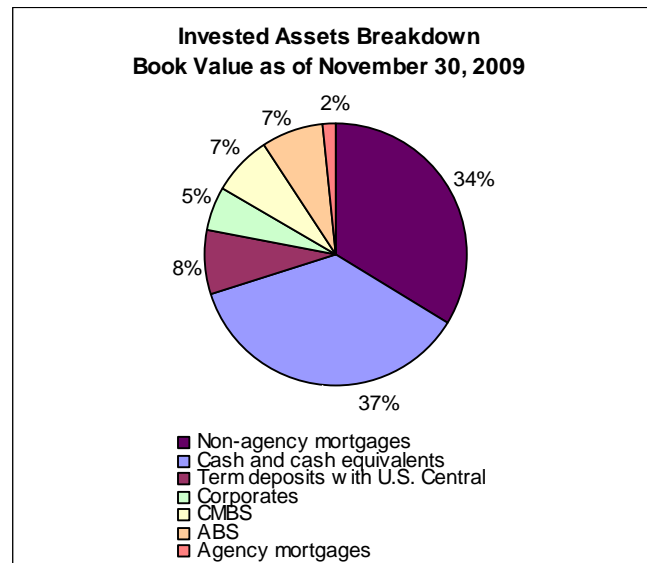
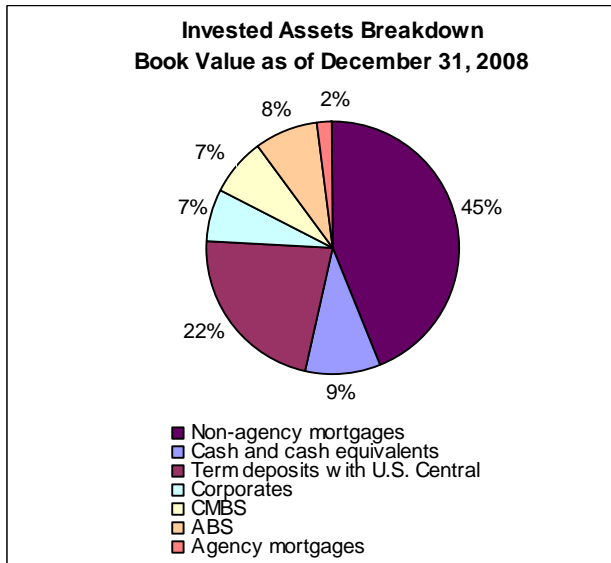
Asset Composition

As of November 30, 2009, the total fair value of assets was \$8.4 billion. Cash and cash equivalents and overnight deposits at U.S. Central totaled \$3.2 billion, fair value of marketable securities represented \$3.6 billion, loans to members totaled \$0.8 billion, and term deposits at U.S. Central totaled approximately \$0.7 billion.



Invested Assets

Asset allocations based on book value within Members United's invested asset portfolio have changed considerably since fiscal year-end 2008. Cash and cash equivalents have increased substantially from 9% to 37% of total investments. At the same time, term deposits with U.S. Central have been reduced from 22% to 8%, and non-agency mortgage securities have declined from 45% to 34%.



Total Investment Portfolio

The table below summarizes Members United's total available-for-sale (AFS) securities by category, as of November 30, 2009:

(All dollar amounts are reflected in thousands)

	Par Value	Book Value	Unrealized Loss*	Fair Value
Non-agency mortgages	\$ 3,335,758	\$ 2,937,462	\$ (1,057,099)	\$ 1,880,363
Asset-backed securities (secured by non-mortgage assets)	644,663	644,933	(40,331)	604,602
Commercial mortgage-backed securities	642,383	651,948	(158,116)	493,832
Corporates	503,934	476,642	(23,506)	453,136
Agencies (mortgage and SBA pass-throughs)	143,835	143,829	(1,023)	142,806
Mutual fund and other	37,688	30,276	-	30,276
Total investment securities	\$ 5,308,261	\$ 4,885,090	\$ (1,280,075)	\$ 3,605,015
*Excludes net unrealized loss on derivative instruments of \$33,932.				

Mortgage-Related Securities

The housing market remains under stress, though recent signs point to potential stabilization. While there is continued news of falling home values and rising delinquency and foreclosure rates (especially in certain geographic areas), the pace of this deterioration has declined. That said, a record number of homes remain in some stage of foreclosure and have yet to be sold or liquidated. The following table provides more information on Members United's non-agency mortgage-related holdings as of November 30, 2009:

(All dollar amounts are reflected in thousands.)

Mortgage Portfolio Category	Par Value	Book Value	Percent of Non-Agency, Mortgage-Related Securities (Par Value)	Percent of Total Invested Assets*
Total non-agency mortgage exposure	\$ 3,335,758	\$ 2,937,462	100%	34%
Prime	880,687	800,125	26%	9%
Sub-prime (FICOs < 680)	875,383	802,242	26%	10%
Alt-A	1,579,688	1,335,095	48%	15%

*Invested Assets = Book value of AFS securities + deposits at U.S. Central + cash and cash equivalents

Monoline Insurance Companies

An important component of the credit quality of structured finance investment vehicles is the credit enhancement available to protect the investor from loss of principal or interest. One common method of providing credit enhancement for these investments is the use of an insurance “wrap” from a monoline insurer, which guarantees the timely payment of interest and ultimate payment of principal. Most monoline insurers continue to experience significant losses from guarantees they made on credit default swaps (CDS) and collateralized debt obligations (CDO) backed by residential mortgage securities. (Members United does not own any CDOs or hold any CDS contracts.) These unrealized losses continue to negatively affect the monoline insurers’ capital ratios, leading to downgrades of their insurance financial strength ratings.

Residential mortgage-backed securities wrapped by FGIC and Syncora Guarantee (SGI), have been subjected to other-than-temporary impairment (OTTI). Effective November 24, 2009, FGIC ceased paying claims on its insured obligations per an order issued by the New York Insurance Department. SGI ceased paying claims effective April 2009. Also of note, Ambac was downgraded to CC and Caa2 by S&P and Moody’s, respectively, in late July, following its announcement of significantly greater-than-expected losses on its CDS exposures. While Ambac remains in compliance with regulatory capital requirements at this time, the amount of cushion available to absorb potential additional future losses has fallen substantially.

The following table highlights Members United’s monoline insurance exposure. We note again that holding amounts are reported on a book value basis and are net of any recorded OTTI:

(All dollar amounts are reflected in thousands.)

Monoline	November 30, 2009 Total Holdings Wrapped	November 30, 2009 Total Holdings Wrapped (% of Invested Assets*)
Ambac	\$ 346,165	3.96%
MBIA	346,727	3.97%
FGIC	104,325	1.19%
FSA	76,276	0.87%
SGI (f.n.a. XLCA)	15,663	0.18%
CIFG	5,168	0.06%
Total	\$ 894,324	10.23%

*Invested Assets = Book value of AFS securities + deposits at U.S.
Central + cash and cash equivalents

Interest Rate Risk

Members United is exposed to some amount of interest rate risk, as changes in interest rates can affect net interest income and the value of our balance sheet. One common measure used to capture interest rate risk is net economic value (NEV), which measures the net change in the value of our assets, liabilities and off-balance sheet items, given a change in interest rates. Members United adheres to NCUA's Rules and Regulations Part 704 and analyzes NEV monthly using instantaneous and parallel interest rate shocks of up to 300 basis points – a very aggressive assumption designed to produce a “stress test” of the balance sheet. In addition, Members United also periodically evaluates the impact to NEV through changes to yield curve point values, prepayment rates, volatility, credit spreads and basis risk. The resulting market value data information and deviation to “base case” results is reviewed with Management and ALCO.

The chart below demonstrates NEV test results for November 2009. Base-case NEV figures reflect the impact of unrealized losses, which we continue to believe are largely temporary. The most severe scenario of a 300 basis point, instantaneous rise in interest rates reflects a decline in NEV of approximately \$118.3 million – or 10.07%.

(All dollar amounts are reflected in thousands.)

Net Economic Value November 30, 2009			
	Net Economic Value	Dollar Change	Percentage Change
Base case net economic value	(1,174,695)	-	-
300 basis point rise in rates	(1,293,010)	(118,315)	(10.07%)

Valuations reflected in the base NEV calculation continue to be constrained due to market illiquidity and the failure of current market prices to capture true economic value, if the securities are held to maturity. Members United continues to monitor this dislocation in valuations through regular comparisons of internal option adjusted (OAS) spread-derived prices with prices received from third-party pricing services. Differentials between these two pricing approaches remain quite wide, as most asset-backed security (ABS) sectors remain thinly traded and quotes from market makers and third-party pricing sources continue to reflect deep discounts and a sizeable liquidity premium. We note that as market liquidity eventually improves, this dislocation in market pricing is expected to gradually correct itself, eventually leading to a reduction in unrealized losses reported in base NEV measures.

In addition to NEV computations, Members United executes monthly net interest income (NII) forecasts under instantaneously shocked and ramped-rate scenarios. These are typically 12-month, forward-looking forecasts that are calibrated to the same sector volumes utilized in NEV modeling. Repricing characteristics are reviewed monthly and are adapted to current market conditions, as applicable, to ensure that the most robust assumptions are applied in the forecast simulations. The following table illustrates Members United's projected NII over the next 12 months. As is appropriate with NEV modeling, Members United captures the embedded options (prepayment speeds, “call” provisions, etc.) associated with all on- and off-balance sheet instruments.

(All dollar amounts are reflected in thousands.)

Net Interest Income Projection November 30, 2009 (12-month projection)			
	Net Interest Income	Dollar Change	Percentage Change
Base case net interest income	35,028	-	-
300 basis point rise in rates	53,297	18,269	52.16%

Liquidity Risk

Liquidity risk addresses the ability to create liquidity to fund cash flow requirements, both expected and unexpected, which usually result from share withdrawals and member loan requests. Liquidity risk is mitigated by the amount of currently available liquidity. This can be in the form of cash that can be immediately utilized or in readily available sources of liquidity such as borrowings. The following table outlines our sources of liquidity as of November 30, 2009:

(All dollars are reflected in thousands)

Current Liquidity			
Cash and short term deposits	\$ 1,881,770		
Source of Liquidity	Gross	Used	Net
FHLB Chicago line of credit	\$ 160,000	\$ 100,000	\$ 60,000
US Central - advised line	704,470	63,978	640,492
Available-for-sale securities - sales	1,524,991	-	1,524,991
Available-for-sale securities - borrowings	582,772	-	582,772
Fed funds	913,000	-	913,000
Subtotal	3,885,233	163,978	3,721,255
Total	\$ 5,767,003	\$ 163,978	\$ 5,603,025
Total member loans		\$ 782,000	
Balances at the FRB		\$ 1,269,990	

Seasonal trends should have network liquidity improving from current levels over the next few months and reaching their projected peak in March or April. Currently liquidity is very strong and above seasonal projections. This remains primarily due to changes in investment activity and our participation in the deposit guarantee program. At month end excess reserves at the Fed were close to \$1 billion (\$1.3 billion less \$300 million of required reserves.) Other available cash reached \$1.9 billion making total available liquidity near \$3 billion.

Derivative Positions

Members United uses interest rate swaps to manage interest rate risk and has never used derivatives to hedge credit risk associated with a specific investment. For example, if Members United made a five-year, fixed-rate loan to a credit union, Members United would enter into an interest rate swap to convert the fixed rate to a variable rate. There can be a nominal amount of credit risk if the counterparty should fail to perform under the terms of the contract. Members United manages credit risk by using comprehensive credit-approval processes, selecting only creditworthy counterparties and using effective collateral administration. In addition, Members United requires legally enforceable netting arrangements, which permit netting of transactions with the same counterparty.

The amount of credit exposure is limited to the interest receivable and the fair market value of the derivative contracts in gain positions, reduced by the value of any collateral pledged by the counterparty. As of November 30, 2009, there was no credit exposure with our derivative counterparties.

Financial Plan Update

Members United continues to follow a financial plan that is designed with one goal in mind – to minimize the ultimate losses to our member credit unions by holding securities until they mature. While principal losses are expected, the losses would be greater if the securities were sold in the current market. In summary, Members United continues to:

- Participate in the Temporary Corporate Credit Union Share Guarantee Program (TCCUSGP)
- Continue suspension of mortgage investment purchases
- Hold securities until they recover in value
- Use cash inflows to pay down debt and store cash
- Reduce operating expenses to preserve capital

Members United remains focused on following this plan, which is achieving the desired results.

Significant operating expense savings continue to be realized – actual year-to-date expenses are down \$15.5 million in 2009 compared to the prior year.

Financial Results for November 30, 2009

Members United recorded net income of \$1.6 million for the month of November. By following the financial plan outlined above, Members United's liquidity profile continues to improve. Cash and cash equivalents are approximately \$3.2 billion as of November 30, 2009 compared to \$1.2 billion one year earlier. Members United has reduced its borrowings by \$1.6 billion during that same time period.

As stated in last months Portfolio Update and in accordance with NCUA Rules and Regulations Part 704.2 and as further clarified in the NCUA letter to credit unions No. 09-CU-10 "Matters Related to 'Paid-in Capital' and 'Membership Capital' of Corporate Credit Unions," Members United depleted member capital on November 30, 2009 to eliminate the retained deficit that existed as of October 31, 2009.

In connection with the on-going audit of Members United, McGladrey & Pullen is requiring 100% of the losses associated with our investment in U.S. Central capital shares to be recorded as a 2008 loss. As a result, approximately \$155.5 million of losses that were previously recorded in July and October of 2009 have instead been recorded as a loss in December 2008. The restatement entries were recorded in November 2009 and had no net impact on retained earnings – it is simply a timing issue for financial reporting. The restatement did reduce the year to date net loss reported through November 30, 2009 since these losses were pushed back to 2008. The following table rolls forward the year to date net loss.

Year to date net loss restatement - UNAUDITED	
(\$'s in thousands)	
Year to date net loss per the October financial statements	\$ (295,141)
Reclassify the July 2009 loss associated with U.S. Central capital as a 2008 event	80,922
Reclassify the October 2009 loss associated with USC capital as a 2008 event	74,561
Net income for November	1,631
Restated year to date net loss for 2009	<u>\$ (138,027)</u>

McGladrey & Pullen continues to audit the 2008 financial statements and as the report continues through the concurring partner review processes, additional transactions are selected for testing. Members United will notify its members as soon as the audited financial statements are available.

Retained Earnings Roll-Forward Schedule since November 30, 2008

The following schedule has been prepared to summarize the more significant capital adjustments that have occurred since November 30, 2008. Members United is reporting a retained earnings balance of \$1.6 million as of November 30, 2009, after depleting \$424.2 million of members' capital shares in September and November. The depletion has been added to the table presented below.

Retained earnings roll forward - UNAUDITED	
(\$'s in thousands)	
Retained earnings as of November 30, 2008	\$ 300,396
100% impairment of U.S. Central capital accounts	(308,219)
Cumulative OTTI recorded (present value of projected credit losses)	(424,307)
Depletion of member MCS and PIC	424,218
Net income and other items	9,518
Retained earnings on November 30, 2009	<u>\$ 1,606</u>

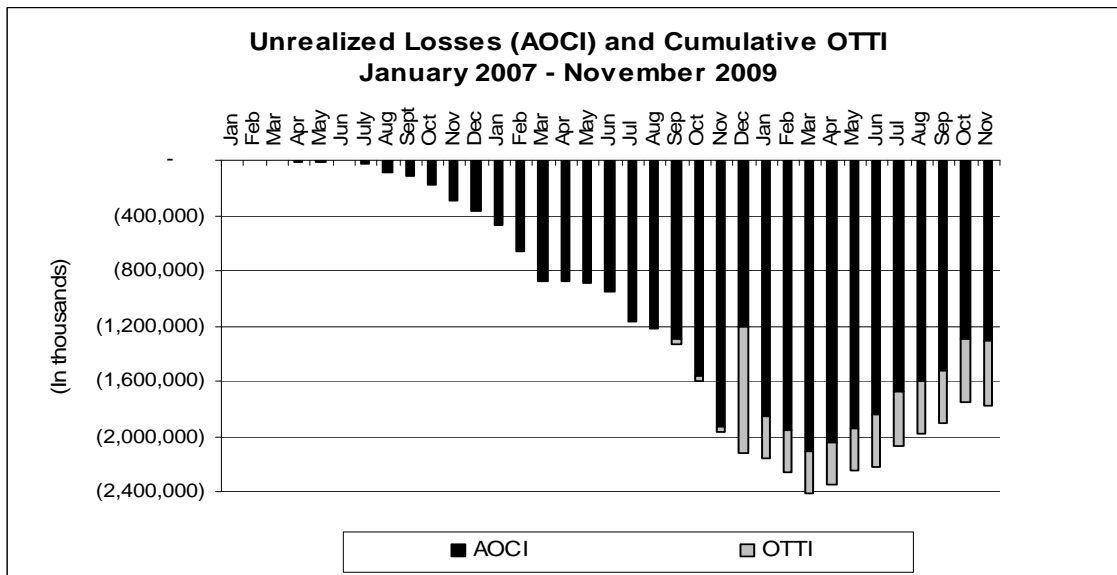
It should be noted that while Members United's capital ratio stands at 1.68% and is below the 5.0% regulatory requirement, the NCUA issued an order on April 21, 2009, that provides a waiver for determining regulatory compliance with several capital-based requirements and allows corporates to reference their November 30, 2008, capital levels, which exceeded the 5.0% requirement for Members United.

Capital Scenario Analysis

Going forward, Members United will be required to deplete more membership capital if future losses develop that result in a new retained deficit. For example, Members United will be performing an OTTI review as of December 31, 2009 and should have the results summarized and reviewed by mid-February 2010. Also, as discussed earlier in the document, monoline insurers remain stressed and the associated investments will be closely evaluated for possible OTTI charges at year end.

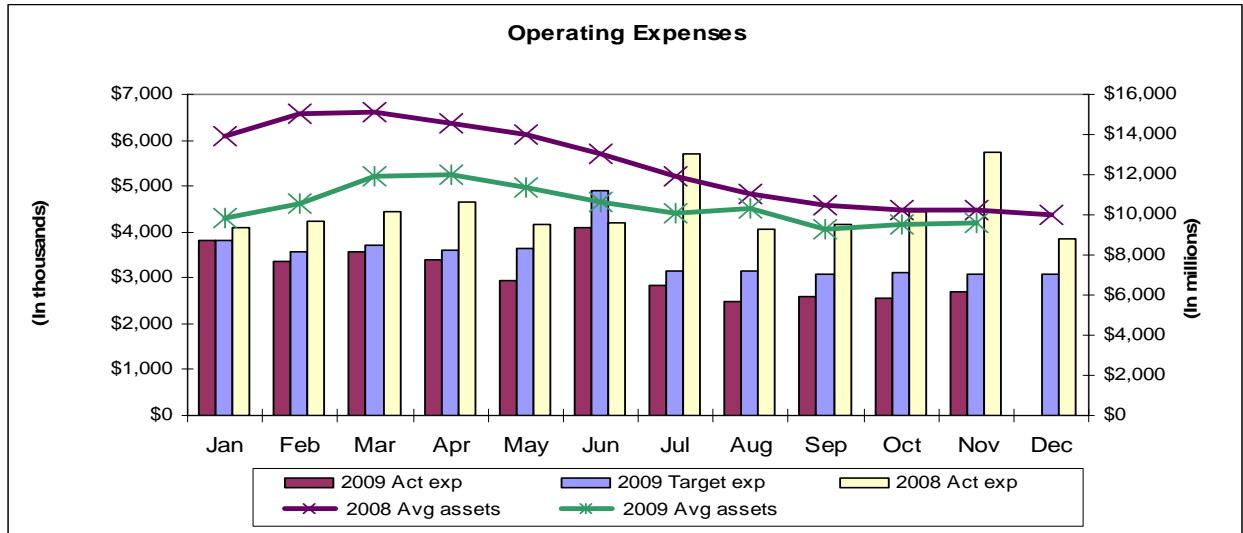
Valuation Trends

Investment valuations in November 2009 deteriorated after showing gradual improvement for 7 straight months. ABS spreads generally widened across most sectors during November as a result of a weakening of the general credit markets. Please note that the chart below aggregates the current unrealized loss (AOCI) and all OTTI that has been recorded since September 2008. Aggregating this data improves comparability of this trend since OTTI essentially represents a reclass from the balance sheet (AOCI) to the income statement (OTTI), when losses are deemed other-than-temporary. In summary, these aggregated balances represented a loss of \$2.4 billion as of March 31, 2009, which has improved to an aggregated loss of \$1.78 billion as of November 30, 2009.



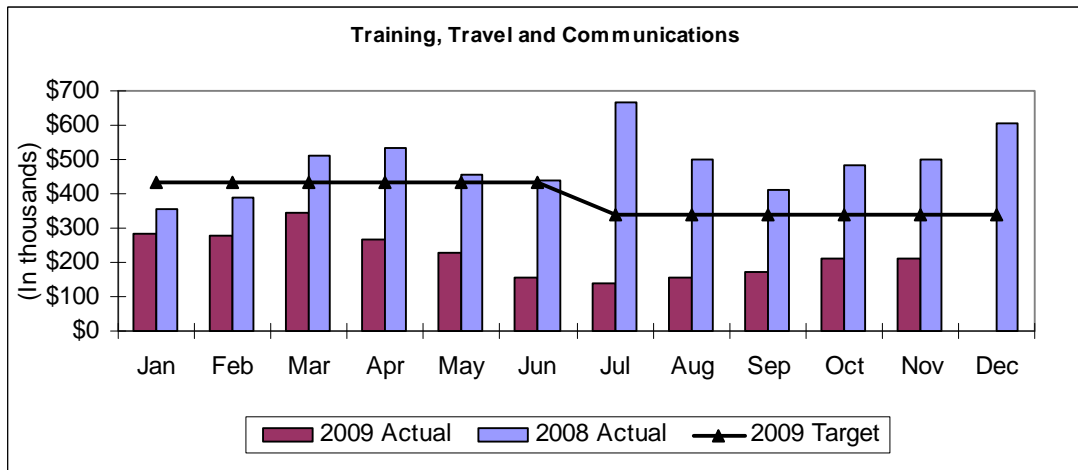
Total Operating Expenses - Plan Update

Members United continues to realize significant cost savings relative to last year. On a year-to-date basis through November 2009, total expenses are \$15.5 million **less** than expenses incurred through November 2008.



Travel, Training and Communication Expense – Update

Travel, training and communications expense is approximately 11% of the total annual operating expense budget and represents a primary focus of the cost savings initiatives in 2009. These expenses totaled \$211,000 for the month of November 2009. The following table presents results against plan.



From 10/23/09 through 11/24/09 (the applicable expense reporting period), the executive leadership team expense reports totaled \$4,303 for travel-related expenses. This included costs associated with nine trips. Five of these trips occurred during the applicable expense reporting period, one is for a trip during the previous expense period and three are for future travel. At November 30, 2009, the executive leadership team includes Joe Herbst, Todd Adams, Kevin Brauer, John Collins and Ron Koza. The following table provides more detailed information regarding leadership team travel:

Leadership Team Travel and Expenses					
November 30, 2009					
Date	Name	Costs	From/To	Purpose	
10/23-10/24	Brauer	\$ 346	Albany to Atlanta	Vendor meeting in Atlanta	
10/26-10/30	Brauer	1,130	Albany to Chicago	Leadership team meetings in the Warrenville office	
12/14-12/15	Brauer	206	Albany to Chicago	Leadership team meetings in the Warrenville office	
1/25-1/29	Brauer	237	Albany to Chicago	Leadership team meetings in the Warrenville office	
10/23-10/24	Collins	240	Chicago to Atlanta	Vendor meeting in Atlanta	
10/19-10/21	Herbst	306	Albany to Rapid City, SD	South Dakota fall conference	
11/5-11/6	Herbst	822	Albany to Baltimore	NCUA meetings	
12/8-12/11	Herbst	367	Albany to Chicago	Board meetings in the Warrenville office	
11/2-11/5	Koza	649	Chicago to Albany	Economic Update conference	
Total travel related expenses		<u>\$ 4,303</u>			

Unaudited Financial Information as of November 30, 2009

A summarized balance sheet, income statement and capital ratios are provided below:

MEMBERS UNITED CORPORATE FEDERAL CREDIT UNION
CONSOLIDATED BALANCE SHEETS
NOVEMBER 30, 2009
UNAUDITED
(in thousands)

	<u>November 30,</u>	
	2009	2008
Assets		
Cash and cash equivalents	\$ 2,728,541	\$ 396,265
Overnight deposits at U.S. Central	423,219	826,809
Investment securities, at fair value	3,605,015	4,299,520
Interest earning deposits at U.S. Central	704,470	1,747,264
Loans, net	782,411	1,312,877
Fixed assets, net	9,069	9,825
Accrued income and other assets	102,129	174,559
Total assets	<u>\$ 8,354,854</u>	<u>\$ 8,767,119</u>
Liabilities and Members' Equity		
Borrowings and other liabilities		
U.S. Central borrowings	\$ 63,625	\$ 581,700
Federal Home Loan Bank	103,531	234,243
Securities sold under agreements to repurchase	-	254,691
Federal funds	-	15,000
Commercial paper	-	268,000
Other borrowings	491	419,004
Accrued expenses and other liabilities	105,977	141,631
Total borrowings and other liabilities	<u>273,624</u>	<u>1,914,269</u>
Members' equity		
Shares and certificates	9,255,413	7,922,997
Membership capital shares	138,218	486,066
Paid-in capital shares	-	79,440
(Accumulated deficit) retained earnings	1,606	300,396
Total capital	<u>139,824</u>	<u>865,902</u>
Accumulated other comprehensive loss	<u>(1,314,007)</u>	<u>(1,936,049)</u>
Total members' equity	<u>8,081,230</u>	<u>6,852,850</u>
Total liabilities and members' equity	<u>\$ 8,354,854</u>	<u>\$ 8,767,119</u>

MEMBERS UNITED CORPORATE FEDERAL CREDIT UNION
CONSOLIDATED STATEMENTS OF INCOME
AS OF NOVEMBER 30, 2009
UNAUDITED
(in thousands)

	Month Ended		Year-to-Date		Notes
	November 30,		November 30,		
	2009	2008	2009	2008	
Interest income					
Investments	\$ 5,529	\$ 23,377	\$ 97,768	\$ 373,320	
Loans	2,657	4,041	36,559	39,054	
Total interest income	8,186	27,418	134,327	412,374	
Interest expense					
Members' accounts	5,455	15,212	88,160	298,190	
Borrowings	319	5,091	14,479	56,105	
Total interest expense	5,774	20,303	102,639	354,295	
Net interest income	2,412	7,115	31,688	58,079	
Noninterest income					
Service fee income, net	1,830	1,920	21,237	19,612	
Other income	82	49	711	364	
Total noninterest income	1,912	1,969	21,948	19,976	
Noninterest expense					
Salaries and employee benefits	1,636	4,082	21,481	30,602	
Training, travel and communications	211	498	2,442	5,250	
Office operations	287	396	3,347	3,918	
Professional and outside services	291	445	3,965	4,922	
Office occupancy	198	208	2,401	3,914	
Other	77	121	770	1,328	
Total noninterest expense	2,700	5,750	34,406	49,934	
Net income before net income (loss) on financial instruments	1,624	\$ 3,334	19,230	28,121	
Net income (loss) on financial instruments	7	85	(157,257)	(48,275)	A
Net income (loss)	\$ 1,631	\$ 3,419	\$ (138,027)	\$ (20,154)	

Notes

- A** The income statement has been formatted to show net losses on financial instruments as a line below core operating earnings. This includes gains and losses that have been realized (i.e., the security has been sold and a cash gain or loss has been realized) as well as fair value adjustments on our derivative portfolio.

MEMBERS UNITED CORPORATE FEDERAL CREDIT UNION
KEY FINANCIAL INFORMATION
NOVEMBER 30, 2009
UNAUDITED
(in thousands)

Capital Ratios

	November 30,		Regulatory Limits or Thresholds
	2009	2008	
Qualifying membership capital shares	\$ 138,218	\$ 486,066	
Paid-in capital shares	-	79,440	
Retained earnings	1,606	300,396	
Total capital	\$ 139,824	\$ 865,902	
12-month daily average net assets	\$ 8,308,211	\$ 11,950,902	
Capital ratio	1.68%	7.25%	5.00%
Core capital ratio	0.02%	3.18%	3.00%
Retained earnings ratio	0.02%	2.51%	2.00%

Supplemental Valuation Information

	Balance
Non-agency mortgages	\$ (1,057,099)
Asset-backed securities	(40,331)
Commercial mortgage-backed securities	(158,116)
Corporates	(23,506)
Agency mortgages	(1,023)
Derivative instruments	(33,932)
Accumulated other comprehensive loss	\$ (1,314,007)

Summary

Members United appreciates your continued support and patience as we work through the accounting and reporting requirements. Members United remains committed to contributing to the long-term financial success of our members and will continue to work towards minimizing any losses incurred.

Contact Information

For questions related to any information contained in this update, please contact any of the following individuals:

Todd Adams, Chief Financial Officer, todd.adams@membersunited.org.
 Jackie Jessen, Chief Risk Officer, jackie.jessen@membersunited.org
 Ronald Koza, Chief Investment Officer, ronald.koza@membersunited.org.
 Kevin Brauer, Senior Vice President, kevin.brauer@membersunited.org.