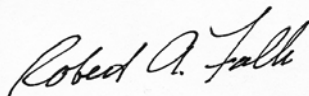


**Purdue Employees Federal Credit Union
Balance Sheet**

| | <u>Current Month</u> <u>August 31, 2009</u> | <u>Prior Year End</u> <u>December 31, 2008</u> |
|--|--|---|
| *Total Loans | \$474,295,852 | \$442,252,231 |
| Allowance for Loan Loss | (2,337,176) | (1,872,549) |
| Cash | 5,216,515 | 4,784,385 |
| Investments | 72,004,857 | 60,333,705 |
| Deposit Insurance | 4,251,679 | 4,460,371 |
| Other Receivables | 6,806,634 | 5,852,167 |
| Land & Fixed Assets Net | <u>12,902,864</u> | <u>13,760,291</u> |
| Total Assets | <u>573,141,225</u> | <u>529,570,601</u> |
| Accounts Payable & Accrued Expense | 5,845,201 | 4,685,902 |
| Borrowings | 0 | 0 |
| Primary Share Savings | 95,982,027 | 84,152,286 |
| Other Savings | 9,838,818 | 7,333,720 |
| Share Draft Checking | 98,690,436 | 91,774,143 |
| Money Markets | 138,979,437 | 109,486,162 |
| IRA's | 18,104,209 | 17,142,320 |
| Certificates | <u>160,757,842</u> | <u>170,577,222</u> |
| Total Liabilities | 528,197,970 | 485,151,755 |
| Regular Reserves | 7,502,640 | 7,502,640 |
| Undivided Earnings | 37,184,780 | 36,781,609 |
| Other Comprehensive Income (Loss) | <u>255,835</u> | <u>134,597</u> |
| Total Owners Equity | 44,943,255 | 44,418,846 |
| Total Liabilities & Owners Equity | <u>\$573,141,225</u> | <u>\$529,570,601</u> |

**Total loans includes FELP Student Loan Program which was discontinued.*

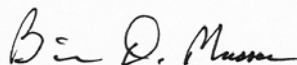
We have reviewed the financial statements and, based on our knowledge, the statements are true and fairly present in all material respects PEFCU's financial condition and results of operations.



Robert A. Falk, President/CEO



Robert W. Bain, Treasurer



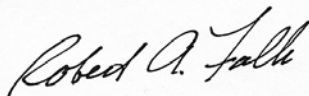
Brian D. Musser, Vice President/CFO

**Purdue Employees Federal Credit Union
Income Statement
For the Period Ending August 31, 2009**

| | Current Month | Year to Date |
|---------------------------------------|----------------------|---------------------|
| Income | | |
| Interest on Loans | \$2,348,696 | \$18,113,869 |
| Service Charges on Loans | 414,588 | 4,258,500 |
| Investment Income | 105,389 | 747,705 |
| Service Charges on Deposits | 310,778 | 2,487,524 |
| Total Operating Income | 3,179,451 | 25,607,598 |
| Expenses | | |
| Employee Comp & Benefits | 835,438 | 6,910,752 |
| Employee Education & Training | 10,471 | 111,601 |
| Association Dues | 7,828 | 57,510 |
| Office Occupancy | 172,317 | 1,364,401 |
| Office Operations | 440,927 | 3,734,618 |
| Marketing | 118,318 | 743,470 |
| Loan Servicing Expense | 218,598 | 1,837,678 |
| Professional & Outside Service | 29,143 | 232,744 |
| Provision for Loan Loss | 180,000 | 1,430,000 |
| Member Insurance | 18,145 | 119,987 |
| Misc Operating Expense | 21,191 | 229,471 |
| Total Operating Expense | 2,052,376 | 16,772,232 |
| Net Operating Income Before Dividends | 1,127,075 | 8,835,366 |
| Cost of Funds | 668,488 | 5,817,519 |
| Net Income from Operations | 458,587 | 3,017,847 |
| **NCUSIF Stabilization Expense | 0 | (730,312) |
| **Corporate Credit Union Impairment | 0 | (2,128,678) |
| Other Non-Operating Income/Expense | 48,970 | 244,315 |
| Net Income (Loss) | \$507,557 | \$403,172 |

***Required expense from NCUA action to insure the national stability of the corporate credit union system*

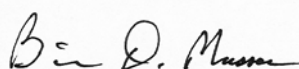
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