

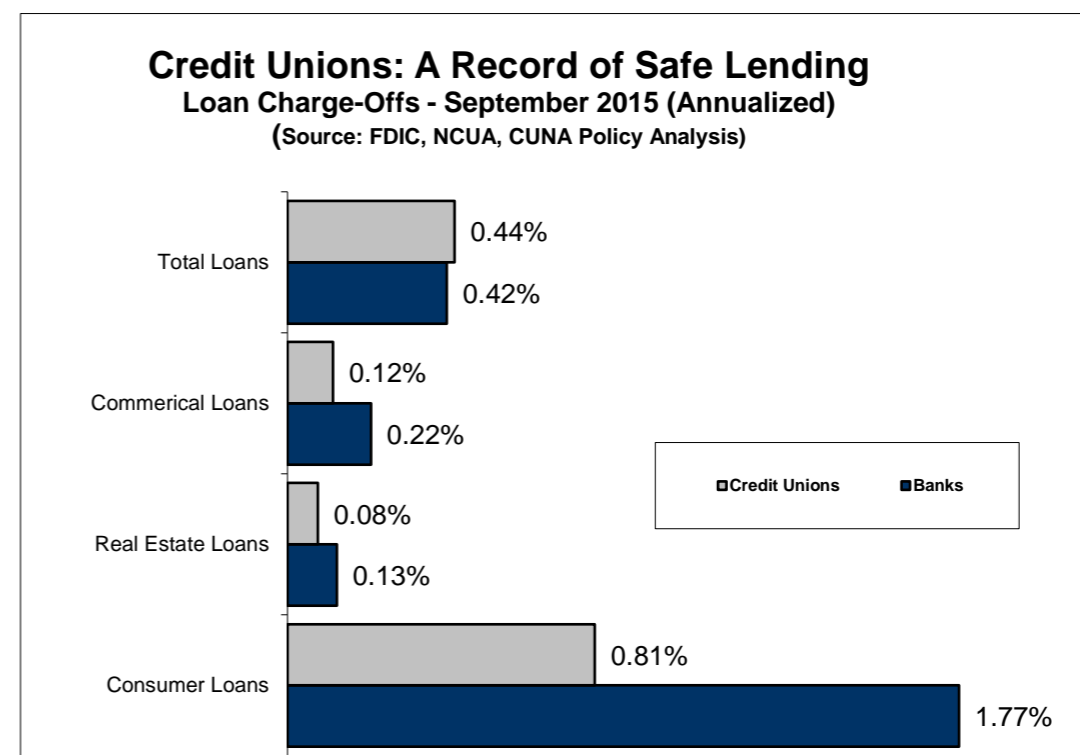
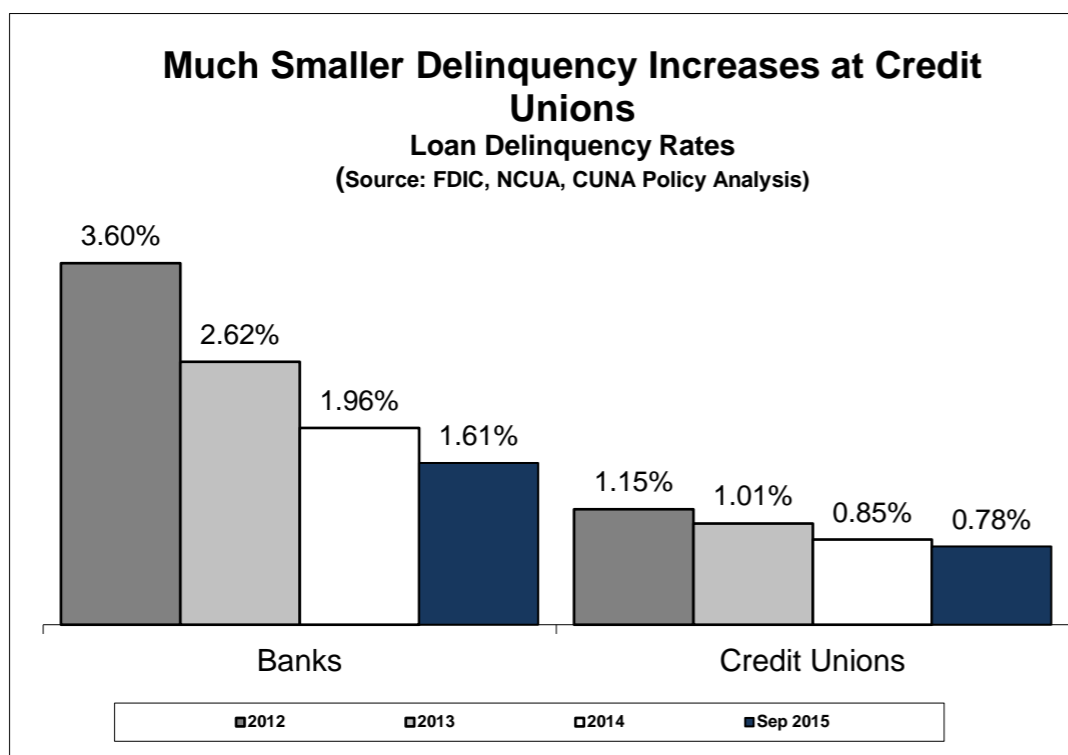
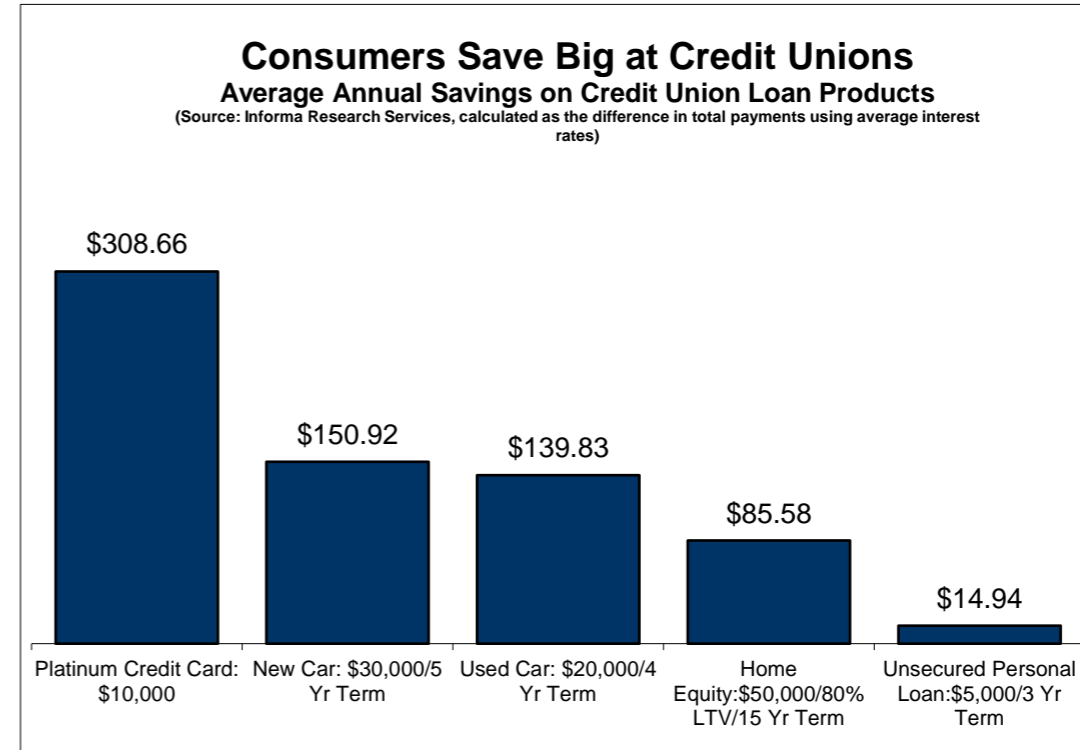
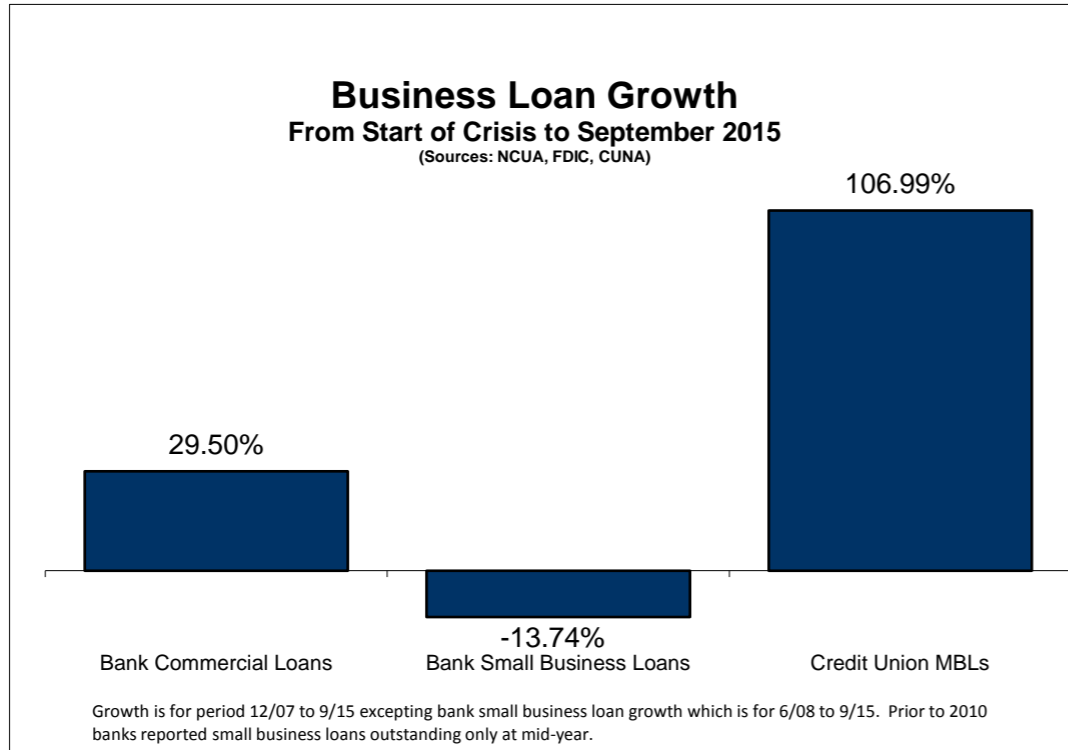
U.S. Credit Union Overview

Member-Owned, Not-For-Profit, Financial Cooperatives

As of September 2015. Sources: NCUA, CUNA.



| | |
|-------------------------------|-----------------|
| Number of U.S. Credit Unions: | 6,213 |
| Consumer Member-Owners: | 103.4 million |
| Assets: | \$1,195 billion |
| Loans: | \$782 billion |
| Consumer Savings: | \$1,005 billion |
| Capital to Assets: | 11.0% |



Credit Union Member Business Lending Overview

As of September 2015. Sources: FDIC, NCUA, CUNA.



National Overview

| | |
|-----------------------------------|------------------|
| Number of CUs with MBLs | 2,267 |
| Total CU MBLs outstanding | \$57,834,070,480 |
| Average size of CU MBLs | \$232,058 |
| MBLs: % of Assets at offering CUs | 6% |

12 Month Loan Growth:

| | |
|--------------------|-----|
| Credit union MBLs* | 11% |
|--------------------|-----|

*MBLs are among the fastest-growing segments of CU loan portfolios

Hawaii

| | |
|-----------------------------------|---------------|
| Number of CUs with MBLs | 34 |
| Total CU MBLs outstanding | \$389,397,887 |
| Average size of CU MBLs | \$211,514 |
| MBLs: % of Assets at offering CUs | 4% |

CU Business Lending: Safe & Sound Business Loan Asset Quality Comparisons

Net Chargeoffs

| | Credit Union MBLs | Commercial Bank Commercial & Industrial Loans |
|----------------|----------------------|---|
| 1997 | 0.18% | 0.28% |
| 1998 | 0.08% | 0.43% |
| 1999 | 0.12% | 0.57% |
| 2000 | 0.05% | 0.01% |
| 2001 | 0.10% | 1.43% |
| 2002 | 0.09% | 1.76% |
| 2003 | 0.08% | 1.26% |
| 2004 | 0.10% | 0.50% |
| 2005 | 0.05% | 0.27% |
| 2006 | 0.08% | 0.30% |
| 2007 | 0.09% | 0.52% |
| 2008 | 0.35% | 1.01% |
| 2009 | 0.62% | 2.62% |
| 2010 | 0.79% | 1.75% |
| 2011 | 0.92% | 0.89% |
| 2012 | 0.79% | 0.51% |
| 2013 | 0.52% | 0.32% |
| 2014 | 0.25% | 0.24% |
| <u>Q3 2015</u> | <u>0.15%</u> | <u>0.22%</u> |

Avg. since '97 0.29% 0.78%

Source: FDIC, NCUA, and CUNA E&S.

Average Asset Size of MBL CUs Those Near Cap Tend to be Larger CUs

Excludes Grandfathered and Non Federally Insured and/or Low Income Designated CUs

| MBLs as a % of Assets | Number of CUs | Average Asset Size | Unused Capacity Under Current Cap | Unused Capacity If Cap = 27.5% |
|--------------------------|------------------|-----------------------|--------------------------------------|-----------------------------------|
| >0.0% to 5.0% | 913 | \$561,061,776 | \$53,475,557,704 | \$131,593,591,424 |
| 5.0% to 7.5% | 173 | \$485,026,011 | \$5,224,463,668 | \$18,020,662,407 |
| 7.5% to 10.0% | 140 | \$595,150,516 | \$2,997,166,688 | \$15,703,630,206 |
| 10.0% to 12.5% | 93 | \$583,622,232 | \$665,975,374 | \$8,943,197,676 |
| 12.5%+ | 21 | \$1,051,399,653 | | \$2,953,274,445 |

Source: NCUA, and CUNA E&S.

Many credit unions have not entered the MBL arena because the 12.25% cap prevents them from earning sufficient income to cover start-up and ongoing program costs.

Removing MBL 12.25% cap:

* Will produce an estimated \$4.7 billion in new MBLs in the first year

New MBLs in the first year in your state:

* Will produce an estimated 51,000 new jobs using CEA job multiplier

Number of new jobs in your state:

No cost to taxpayers