

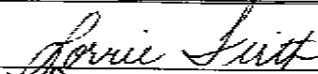


**TUCSON OLD PUEBLO CREDIT UNION - FINANCIAL STATEMENTS**  
**AS OF FEBRUARY 28, 2013**

Assets	Current Month		Prior Month		Difference		Prior Year		Difference	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
<b>Loans</b>										
Credit Cards	391	\$ 606,783.38	383	\$ 621,640.63	8	\$ (14,857.25)	0	\$ -	391	\$ 606,783.38
Unsecured	1,565	3,533,320.48	1,564	3,505,380.88	1	27,939.60	1,461	2,882,628.38	104	650,692.10
Direct Auto	1,293	12,602,187.98	1,305	12,882,703.86	(12)	(280,515.88)	1,387	13,784,444.80	(94)	(1,182,256.82)
Indirect Auto	939	8,342,357.23	1,001	8,741,225.72	(62)	(398,868.49)	1,487	11,100,748.20	(548)	(2,758,390.97)
Home Equity	336	9,625,211.35	336	9,642,584.82	0	(17,373.47)	426	10,797,508.81	(90)	(1,172,297.46)
Fixed Real Estate	360	24,800,109.25	363	24,846,222.30	(3)	(46,113.05)	387	28,058,598.48	(27)	(3,258,489.23)
Variable Real Estate	77	5,218,370.97	77	5,239,165.83	0	(20,794.86)	90	6,351,362.58	(13)	(1,132,991.61)
Savings and Certificate Secured	120	694,076.68	126	713,330.54	(6)	(19,253.86)	146	820,119.09	(26)	(126,042.41)
Other	74	802,414.38	75	814,509.02	(1)	(12,094.64)	99	1,271,496.35	(25)	(469,081.97)
<b>Gross Loans</b>	5,155	\$ 66,224,831.70	5,230	\$ 67,006,763.60	(75)	\$ (781,931.90)	5,483	\$ 75,066,906.69	(328)	\$ (8,842,074.99)
Prepaid Loan Fees		55,815.93		57,640.39		(1,824.46)		38,755.52		17,060.41
Loan Participation	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
	5,155	\$ 66,280,647.63	5,230	\$ 67,064,403.99	(75)	\$ (783,756.36)	5,483	\$ 75,105,662.21	(328)	\$ (8,825,014.58)
Allowance for Loan Losses		(1,790,622.95)		(1,918,968.52)		(128,345.57)		(1,545,588.66)		245,034.29
<b>Net Loans</b>		\$ 64,490,024.68		\$ 65,145,435.47		\$ (655,410.79)		\$ 73,560,073.55		\$ (9,070,048.87)
<b>Cash</b>		14,453,236.34		10,283,503.76		4,169,732.58		12,007,318.06		2,445,918.28
<b>Investments</b>		50,312,707.29		51,051,481.78		(738,774.49)		41,750,930.53		8,561,776.76
<b>Other Assets</b>										
Land and Building		4,192,272.46		4,204,439.23		(12,166.77)		4,168,658.35		23,614.11
Furniture and Equipment		366,680.72		379,005.37		(12,324.65)		351,001.30		15,679.42
Other Assets		2,528,927.21		2,613,274.41		(84,347.20)		2,615,968.08		(87,040.87)
<b>Total Other Assets</b>		\$ 7,087,880.39		\$ 7,196,719.01		\$ (108,838.62)		\$ 7,135,627.73		\$ (47,747.34)
<b>Total Assets</b>		\$ 136,343,848.70		\$ 133,677,140.02		\$ 2,666,708.68		\$ 134,453,949.87		\$ 1,889,898.83
<b>Liabilities and Equity</b>										
Accounts Payable/Liabilities		\$ 1,442,912.29		\$ 663,795.76		\$ 779,116.53		\$ 666,468.09		\$ 776,444.20
Total Borrowings		-		97,244.31		(97,244.31)		-		0.00
<b>Member Deposits</b>										
Savings and Clubs	14,561	50,202,171.01	14,631	49,759,501.86	(70)	442,669.15	15,132	46,373,769.70	(571)	3,828,401.31
Money Market accounts	848	24,898,796.90	852	24,670,177.93	(4)	228,618.97	874	26,350,848.90	(26)	(1,452,052.00)
Checking	7,641	22,888,300.78	7,622	21,716,402.44	19	1,171,898.34	7,445	20,072,395.08	196	2,815,905.70
Certificates	1,187	16,939,908.77	1,191	16,823,997.45	(4)	115,911.32	1,342	18,835,967.98	(155)	(1,896,059.21)
Demand IRAs	510	5,429,904.06	510	5,428,806.18	0	1,097.88	561	5,634,695.24	(51)	(204,791.18)
IRA Certificates	479	5,579,376.37	488	5,687,570.18	(9)	(108,193.81)	544	6,417,498.81	(65)	(838,122.44)
<b>Total Member Deposits</b>	25,226	\$ 125,938,457.89	25,294	\$ 124,086,456.04	(68)	\$ 1,852,001.85	25,898	\$ 123,685,175.71	(672)	\$ 2,253,282.18
<b>Capital</b>										
Regular Reserves		5,727,996.85		5,727,996.85		0.00		5,459,831.13		268,165.72
Undivided Earnings		3,251,011.67		3,118,947.06		132,064.61		4,642,474.94		(1,391,463.27)
Unrealized Gain/Loss (AFS)		(16,530.00)		(17,300.00)		770.00		0.00		(16,530.00)
<b>Total Capital</b>		\$ 8,962,478.52		\$ 8,829,643.91		\$ 132,834.61		\$ 10,102,306.07		\$ (1,139,827.55)
<b>Total Liabilities and Equity</b>		\$ 136,343,848.70		\$ 133,677,140.02		\$ 2,666,708.68		\$ 134,453,949.87		\$ 1,889,898.83

**TUCSON OLD PUEBLO CREDIT UNION FINANCIAL STATEMENTS**  
**AS OF FEBRUARY 28, 2013**

Income	Current Month	Year to Date	Prior Year to Date		Budget	Budget	%
	Amount	Amount	Amount	Difference	Ytd	Difference	
Interest on Loans	\$ 284,406.05	\$ 604,603.06	\$ 716,014.34	-111,411.28	\$ 626,834	\$ (22,231)	-4%
Income from Investments	35,009.85	80,109.66	121,524.71	-41,415.05	104,000	(23,890)	-23%
Investment Services Income	32,454.82	47,666.93	37,943.39	9,723.54	33,000	14,667	44%
Fee Income	89,061.19	194,010.53	90,147.16	103,863.37	213,964	(19,953)	-9%
Other Operating Income	16,278.41	34,120.99	123,031.43	-88,910.44	46,300	(12,129)	-26%
<b>Total Income</b>	<b>\$ 457,210.32</b>	<b>\$ 960,511.17</b>	<b>\$ 1,086,661.03</b>	<b>\$ (128,149.86)</b>	<b>\$ 1,024,098</b>	<b>\$ (63,587)</b>	<b>-6%</b>
<b>Operating Expenses</b>							
Employee Compensation	181,835.32	401,082.89	\$ 435,508.91	-34,426.02	376,916	24,167	6%
Employee Incentives	50.00	50.00	160.00	-110.00	584	(534)	-91%
Employee Benefits	38,763.44	87,698.19	91,316.23	-3,618.04	79,306	8,332	10%
Meetings	796.73	1,956.48	2,108.40	-151.92	1,230	726	59%
Loan Servicing	17,770.66	34,919.91	21,843.94	13,075.97	28,834	6,086	21%
State Banking Dept. Fee	1,324.59	2,649.18	2,566.00	83.18	2,800	(151)	-5%
Office Occupancy	34,216.93	68,702.50	67,389.18	1,313.32	74,304	(5,602)	-8%
Office Operations	49,661.79	99,413.93	109,079.96	-9,666.03	93,034	6,380	7%
Miscellaneous Expenses	443.07	1,102.22	3,923.12	-2,820.90	1,416	(314)	-22%
Member Insurance	200.00	400.00	2,900.00	-2,500.00	2,500	(2,100)	-84%
NCUSIF Corp Stabilization	-	-	-	0.00	0	0	#DIV/0!
Association Dues	2,304.72	4,646.89	4,758.02	-111.13	4,000	647	16%
Educational & Training	726.15	2,847.10	5,777.61	-2,930.51	2,100	747	36%
Professional & Outside Services	59,943.58	134,783.95	142,783.08	-7,999.13	144,014	(9,230)	-6%
Travel and Conference	-	-	1,783.54	-1,783.54	834	(834)	-100%
Promotional Expenses	6,045.56	23,134.80	23,921.00	-786.20	13,750	9,385	68%
Cash Short/Over	(36.02)	132.34	408.45	-276.11	200	(68)	-34%
Deposit Account Adjustments	1,066.43	1,018.90	7,960.85	-6,941.95	4,000	(2,981)	-75%
<b>Total Operating Expenses</b>	<b>\$ 395,112.95</b>	<b>\$ 864,539.28</b>	<b>\$ 924,188.29</b>	<b>\$ (59,649.01)</b>	<b>\$ 829,882</b>	<b>\$ 34,657</b>	<b>4%</b>
<b>Net Operating Income</b>	<b>\$ 62,097.37</b>	<b>\$ 95,971.89</b>	<b>\$ 164,472.74</b>	<b>\$ (68,500.85)</b>	<b>\$ 194,216</b>	<b>\$ (98,244)</b>	<b>-51%</b>
Provision for Losses	\$ (119,059.56)	\$ (39,926.54)	\$ (50,455.04)	10,528.50	\$ 62,000	\$ (101,927)	-164%
Provision OREO	-	-	-	0.00	\$ 2,000	(2,000)	-100%
Dividends	19,502.97	41,492.50	81,569.75	-40,077.25	47,666	(6,174)	-13%
Interest on Borrowed Money	4.00	4.00	1,038.16	-1,034.16	0	4	BUDGET IS ZERO
Non-Operating (Income) Expense	-	-	92.79	-92.79	0	0	BUDGET IS ZERO
(Gain)/Loss Foreclosed Assets	29,585.35	29,585.35	-	29,585.35	0	29,585	BUDGET IS ZERO
<b>Net Income (Loss)</b>	<b>\$ 132,064.61</b>	<b>\$ 64,816.58</b>	<b>\$ 132,227.08</b>	<b>\$ (67,410.50)</b>	<b>\$ 82,550.00</b>	<b>\$ (17,733)</b>	<b>-21%</b>

We certify, to the best of our knowledge and belief, that these financial statements are true and correct and present fairly the financial position and the results of operations for the periods covered.

  
 Ronnie Smith  
 Loan Officer/VP Finance  
  
 John Brady, Treasurer  
  
 Vern Bahilov, President/CEO

03.11.13

Date

3/11/13

Date

3/11/13

Date

**TUCSON OLD PUEBLO CREDIT UNION - ADDENDUM TO THE FINANCIAL STATEMENTS  
AS OF FEBRUARY 28, 2013**

Loan Delinquency	Current Month		Prior Month		Difference		Prior Year		Difference	
	<i>Number</i>	<i>Amount</i>	<i>Number</i>	<i>Amount</i>	<i>Number</i>	<i>Amount</i>	<i>Number</i>	<i>Amount</i>	<i>Number</i>	<i>Amount</i>
Two to Six Months	13	287,863	15	634,171	(2)	\$ (346,308)	53	\$ 1,584,249	-40	\$ (1,296,386)
Six to Twelve Months	6	169,278	7	178,363	(1)	(9,085)	22	309,881	-16	(140,603)
Over Twelve Months	7	89,259	9	107,359	(2)	(18,100)	15	462,250	-8	(372,991)
<b>Total Delinquency</b>	<b>26</b>	<b>\$ 546,400</b>	<b>31</b>	<b>\$ 919,893</b>	<b>(5)</b>	<b>\$ (373,493)</b>	<b>90</b>	<b>\$ 2,356,380</b>	<b>-64</b>	<b>\$ (1,809,980)</b>
<b>Ratios</b>	<i>Percent</i>		<i>Percent</i>		<i>Percent</i>		<i>Percent</i>		<i>Percent</i>	
Loans/Deposits	52.63%		54.05%		-1.42%		60.72%		-8.09%	
Efficiency Ratio (YTD expenses/income)	90.01%		93.27%		-3.26%		84.89%		5.12%	
Delinquent Loans/Loans	0.82%		1.37%		-0.55%		3.14%		-2.31%	
Net Interest Margin	2.90%		3.03%		-0.13%		3.44%		-0.54%	
Capital Ratio	6.59%		6.62%		-0.03%		7.51%		-0.93%	
Return on Average Assets (YTD)	0.43%		-0.59%		1.03%		0.60%		-0.17%	
<b>Other Information</b>	<i>Number</i>		<i>Number</i>		<i>Number</i>		<i>Number</i>		<i>Number</i>	
Primary Accounts	13,578		13,652		(74)		14,230		(652)	
New Primary Accounts	70		85		(15)		117		(47)	

**TUCSON OLD PUEBLO CREDIT UNION - INVESTMENT ANALYSIS**

Investment Description	Market Value	Weighted Avg Yield	Book Value	weighting factors to calculate overall weighted interest rate	Non SFAS 115 Inv.
Short Term Investments (1 year or less)					
Firstcorp Certificates					
QwickRateCDs	\$ 3,336,000	1.12%	3,336,000	37,480	3,336,000
Long Term Certificates (greater than 1 year)					
QwickRate CDs 3 yrs or less	\$ 4,766,000	1.73%	4,766,000	82,233	4,766,000
QwickRate CDs over 3 years	5,923,000	1.66%	5,923,000	98,032	5,923,000
Federal Agency Securities (greater than 1 year)					
FHLB, FNMA, FHLMC, FFCB	\$ 21,963,010	0.63%	22,000,000	137,962	
Mortgage Backed Securities (MBS)	\$ 13,421,316	1.14%	12,628,521	144,361	
Unrealized Gain/Loss (AFS)			\$ (16,530)		
FirstCorp Perm. Inv. Capital	\$ 586,987	0.25%	\$ 586,987	\$ 1,467	\$ 586,987
Catalyst FCU Capital	\$ 333,813	0.71%	\$ 333,813	\$ 2,370	\$ 333,813
AGENCY PREM/DISC	-		859		
MBS PREM/DISC	-		754,058		
<b>Total Earning Investments</b>	<b>\$ 50,330,126</b>	<b>1.00%</b>	<b>\$ 50,312,707</b>	<b>\$ 503,904</b>	<b>14,945,800</b>
Securities committed that settle next month	-		-		
<b>Total Investments</b>	<b>\$ 50,330,126</b>		<b>\$ 50,312,707</b>		