



Financial Statements

Unaudited

April 30, 2010

Contact Information:

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SVP, Chief Financial Officer

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April 30, 2010

To our members,

April proved to be a pretty steady month for VolCorp as we continued to maintain ample liquidity, to produce an addition to Retained Earnings, and to find more ways to save on expenses. We set a new record high in assets over the April 2nd weekend at \$1.84 Billion, which eclipsed the previous high of \$1.769 Billion. These high asset levels continue to put extra pressure on our capital ratios, but are also very seasonal in nature. We typically realize highs for the year prior to tax day and then see assets level off during the summer months. As the calendar approaches the summer months and the seasonal trend works its way to the leveling off part of the cycle, we will see if the cyclicity continues, which would relieve the pressure on those ratios.

At the end of April, VolCorp had unrealized losses of \$1.62 million as compared to total capital of \$54.51 million and retained earnings of \$3.61 million. We continue to have both the ability and intent to hold all investments until maturity as we continue to see consistent cash flows in the form of both principal and interest payments from every security, including those which have created OTTI charges.

As of April 30, 2010 VolCorp increased retained earnings by \$232 thousand, resulting in a R.E. position of \$3.61 million. The increase was slightly under budget and brought VolCorp's R.E. ratio (retained earnings /12-month moving average assets) up to .25%; well below the regulatory minimum of 2%. Strategies are already in place to focus on being highly competitive for our members while simultaneously increasing our retained earnings position going forward.

Our total capital of \$54.51 million on April 30, 2010 moved our total capital ratio (total capital/12-month moving average assets) as of month-end April to 3.75% compared to 7.37% for the same day last year. The ratio falls just below the 4% minimum required by the NCUA but is due to the aforementioned seasonal increase in assets and still leaves VolCorp in a strong relative position.

Assets totaled \$1.73 billion as of April 30, 2010, compared to \$1.37 billion a year ago. On a 12-month moving average basis, assets increased \$310 million as compared to same day last year.

The return on average assets was 0.18%, as compared to a .20% budgeted ROA for April.

VolCorp continues to be optimistic about the future as our position of strength bodes well for us and for our member credit unions. Without question, we appreciate the incomparable loyalty and support of you, our member owners.

Respectfully submitted,

Jeffrey W. Merry
SVP, Chief Financial Officer

Volunteer Corporate Credit Union
Statement of Financial Condition (000)
(unaudited)

	April 30		%
	<u>2009</u>	<u>2010</u>	
Assets			
Cash and Cash Equivalents	\$ 54,661	\$ 398,485	629%
Overnight Deposits at U.S. Central	306,962	37,843	-88%
Shares in U.S. Central	16,259	0	-100%
Certificates	690,421	882,527	28%
FHLB	1,635	5,974	266%
Investment Securities, at Fair Value	290,560	400,166	38%
Loans to Members	955	14	-99%
Investment in CUSOs	56	60	7%
Fixed assets	2,949	3,984	35%
Other Assets	4,799	4,085	-15%
Total Assets	\$ 1,369,257	\$ 1,733,152	27%
Liabilities			
Shares/Deposits	\$ 1,260,745	\$ 1,437,149	14%
Borrowings	-	175,000	
Other Liabilities	47,225	68,114	44%
Total Liabilities	\$ 1,307,970	\$ 1,680,263	24%
Member's Equity			
Membership Capital Shares	\$ 50,343	\$ 50,901	1%
Retained Earnings	17,124	3,612	-79%
Total Regulatory Capital	\$ 67,467	\$ 54,513	-19%
Unrealized Security Gains (Losses)	(6,180)	(1,624)	-74%
Total Members Equity	\$ 61,287	\$ 52,889	-14%
Total Liabilities and Member's Equity	\$ 1,369,257	\$ 1,733,152	27%
12-Month Moving Average Assets	\$ 1,144,152	\$ 1,454,753	27%
Retained Earnings Ratio	2.97%	.25%	
Capital Ratio	7.37%	3.75%	
Base NEV	5.77%	3.12%	

Volunteer Corporate Credit Union
Year-To-Date Statement of Income (000)
(unaudited)

	April 30		<u>% Change</u>
	<u>2009</u>	<u>2010</u>	
Net Interest Income			
Interest Income	\$ 5,369	\$ 3,956	-26%
Interest Expense	3,366	2,260	-33%
Total Net interest Income	\$ 2,003	\$ 1,696	-15%
Fees and Charges	\$ 1,930	\$ 1,920	-1%
Net Realized Gains (Losses)	5	-	
Total Operating Income	\$ 3,938	\$ 3,616	-8%
Operating Expense	\$ 2,705	\$ 2,668	-1%
Non-Operating Losses	\$ 6,314	\$ -	-
Total Non-Interest Expense	\$ 9,019	\$ 2,668	-70%
Net Income	\$ (5,081)	\$ 948	119%
Return on Average Assets	(1.12%)	0.18%	

Securities Portfolio Analysis (000)

By Credit Rating:

AAA	\$395,805	99%
AA	273	0%
< AA	5,713	1%
	\$401,791	100%

By Type:

U.S. Agency	\$270,056	67%
Credit Cards/Autos	123,909	31%
Non-Agency RMBS	7,826	2%
	\$401,791	100%