

2008 Annual Report

Statement of Condition
Statement of Operations

December 31, 2008

The logo for Genisys Credit Union features a green swoosh above the word "GENISYS" in a dark red, serif font. Below "GENISYS" are the words "CREDIT UNION" in a green, sans-serif font.

GENISYS
CREDIT UNION

Where you come first.

Mission Statement

Meeting Financial Needs –
“Your Way”

Values:

- Trustworthy
- People Focused
- Quality Service

2008 Reports

Report from the Chairman

Genisys Credit Union has now been in business for nearly four months and as part of the 2008 Annual Report you deserve an update on how your financial institution is doing from the perspective of a volunteer director. Bringing together two successful organizations like USA Credit Union and T&C Federal Credit Union is a major undertaking and everyone on staff and on the management team has responded with dedicated effort. Tremendous progress has been made.

Much has been accomplished and yet much remains to be done. For some members this may pose a minor transition change later in the year when conversion is made to a new core processing system and to an updated bill payment system. Regardless of how this may affect you, everyone at Genisys Credit Union is prepared to help you and will do everything necessary to make any change as seamless as possible. We are your credit union and you will see that the excellence of our service quality will be better than ever.

With all the difficulties that have occurred in the financial markets you can be thankful that the prudent controls and management at Genisys Credit Union continue to safeguard all of your investments. Your accounts are now insured to \$250,000.00 under the National Credit Union Share Insurance Fund (NCUSIF). IRA accounts are also insured to that amount. Your funds are truly safe at Genisys Credit Union and the capital on hand far exceeds the minimum level required of credit unions and other financial institutions.

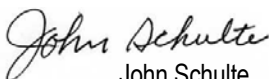
The credit union system as a whole has not completely escaped the current economic environment. Some investments held in the Corporate credit union structure have been impacted. Genisys Credit Union along with all other 8,000 credit unions across the country are part of the Corporate credit union structure. The Corporate credit union structure provides necessary access to liquidity in the market place. As part of the co-operative system, all credit unions will share in the restoration and maintenance of the Corporate credit union structure to keep it viable and sound. In the worst case auditors may decide that an accounting entry be made that will adjust the retained capital of natural person credit

unions such as Genisys. As this report is published it remains uncertain what accounting treatment will be required.

How will this affect you? There will be no impact. Your saving and loan rates will remain very competitive and the service you receive will be unsurpassed. There will be a nominal impact on the percentage held of retained capital, but it will not change the way we do business or provide our services to you. Genisys Credit Union is stronger than ever following the merger and significant cost savings are already being realized.

I wanted to take this opportunity to let you know what is going on because there has been so much turmoil in the financial markets. Please keep in mind that your credit union is financially strong and please contact us if you have questions or need more information.

Meeting Financial Needs – “Your Way”



John Schulte

Chairman of the Board

Supervisory Committee Report

The Supervisory Committee, as appointed by the Board of Directors, shares the Board's responsibility: for determining that management practices are protecting the members' assets; for properly administering the Board's policies and procedures; and for safeguarding against fraud and conflict of interest.

In fulfilling its responsibilities, the Supervisory Committee retained the accounting firm of McGladrey & Pullen, LLP to perform an annual audit of the financial statements and to conduct a verification of member accounts for the year which ended December 31, 2008. Their complete audit report is available upon request.

Based on the result of audits, examinations, and on-going internal control reviews, the Supervisory Committee can assure members that Management and the Board of Directors have acted in their best interest to ensure continuance of a sound financial institution.



David Taylor

Chairperson

Report of the President, CEO

Historically speaking, 2008 was the most eventful year in the history of both T&C Federal Credit Union and USA Credit Union, resulting in the formation of Genisys Credit Union. As was customary with the leadership of both credit unions, forward thinking with regard to the members' best interest led to an unprecedented merger of equals on November 1, 2008.

Throughout the year, both credit unions maintained an outstanding level of quality member service measured through surveys, professional shops, and tracking net promoter index scores. Credit union staff never lost focus in providing members with the best possible service as was evident in an average 98% satisfaction rating.

In 2008, momentum continued with new branch openings. A branch was opened on Walton Boulevard near Clintonville Road and at Crooks and Auburn Roads in Rochester Hills bringing Genisys Credit Union Members 23 proprietary branches, 3,400 Co-Op Shared Branches, and over 26,000 no surcharge ATMs.

Genisys ended 2008 with over \$1.2 billion in assets and a very strong capital to asset ratio of 12.89%. Delinquency was 1.49% at year-end.

The Financial Statement for 2008 consolidates Genisys Credit Union and its Subsidiaries. The year-end totals for December 31, 2008 are:

Assets	\$1,225,725,545
Deposits	\$1,015,505,741
Net Loans and Mortgages	\$ 692,008,936

Genisys Credit Union is well positioned to serve its more than 100,000 members in a meaningful way through challenging economic times and through good times. With the strong leadership provided by the Board of Directors, as well as the dedication and hard work of the Genisys staff, Genisys will continue to focus on meeting the financial needs of our membership through outstanding quality service, convenient service delivery channels, and competitive rates.



Dianne Addington
President/CEO

Where you come first.

Genisys Credit Union
Consolidated Statement of
FINANCIAL CONDITION
2008

ASSETS:	12/31/2008
Cash and Cash Equivalents	\$92,123,731
Investments	376,761,370
Loans:	
Consumer	\$244,085,563
Real Estate	<u>452,700,515</u>
Total Loans	\$696,786,078
Less: Reserve for Loan Loss	<u>(4,777,142)</u>
Net Loans	\$692,008,936
Land, Buildings and Equipment	25,596,343
National Credit Union	
Share Insurance Fund	9,014,812
Other Assets	<u>30,220,353</u>
TOTAL ASSETS	<u>\$1,225,725,545</u>
 LIABILITIES AND MEMBER EQUITY	
Liabilities:	
Accounts Payable	\$14,410,854
Notes Payable	<u>43,500,000</u>
Total Liabilities	\$57,910,854
Member Deposits:	
Member Shares	\$428,705,086
Checking Accounts	163,228,955
IRA Deposits	111,700,230
Time Deposits	<u>311,871,470</u>
Total Member Deposits	\$1,015,505,741
Reserves	\$ 152,308,950
TOTAL LIABILITIES & EQUITY	<u>\$1,225,725,545</u>

Genisys Credit Union
Consolidated Statement of
OPERATIONS
2008

INTEREST INCOME:	12/31/2008
Loan Interest Income	\$43,110,939
Investment Income	20,738,274
Total Interest Income	\$63,849,213
INTEREST EXPENSE:	
Member deposits	\$25,611,938
Borrowed funds	<u>2,048,203</u>
Total Interest Expense	\$27,660,141
Net Interest Income	\$36,189,072
Loan Loss Expense	6,289,713
Net Interest Income after Loan Loss	\$ 29,899,359
Non-Interest Income	13,323,911
OPERATING EXPENSES:	
Compensation and Benefits	\$21,881,501
Occupancy	3,093,397
Operations	6,973,260
Marketing & Member Education	2,622,358
Loan Servicing	1,753,580
Professional Services	1,093,300
Other	<u>2,524,717</u>
Total Non-Interest Expense	\$ 39,942,113
NET INCOME	<u>\$3,281,157</u>

2008 financials audited by McGladrey & Pullen LLP. The complete audited financial statements are available for review at the Credit Union corporate office.

Where you come first.

Board of Directors

John A. Schulte – Chairman

Mark Churay – Vice Chair

Gary Wallen – Secretary

Patrick Shaffer – Treasurer

Peter DeVita

Robert Gracely

Thomas Healy

Kathleen Kalis

Gregory Melega

David Stolk

Brian Zabowksi

Supervisory Committee

David Taylor – Chairman

Steve Branch

Debra Ehrmann

Barbara Pasciolla

Glenn Voorhess

Senior Management Listing

President/CEO Dianne Addington

EVP/Chief Operations Officer Thomas Alter

EVP/Chief Information Officer Jacqueline Buchanan

SVP/Member Services Christine DeWitt

SVP/Chief Investment Officer Gerald Strausbaugh

SVP/Chief Financial Officer Wilma Wells

VP of Public Relations Lonnie Bone

VP of Marketing Darren Cameron

VP of Human Resources Andria George

VP of Facilities Jim Kucinski

VP of IT Greg Lanigan

VP of Sales and Service Jerry McIlrath

VP of Lending Jim Reinhart

VP of Branch Operations Glenda West

Your savings federally insured to at least \$250,000
and backed by the full faith and credit of the United States Government

NCUA

National Credit Union Administration, a U.S. Government Agency

Where you come first.

Michigan Branches

Auburn Hills

2100 Executive Hills Blvd., Auburn Hills 48326
248-322-9800 x3205

Chesterfield Township

52947 Gratiot Ave., Chesterfield Twp. 48051
586-598-1786

Clarkston

7357 Deer Lake Rd., Clarkston 48346
248-620-3278

Commerce Township

2445 Union Lake Rd., Commerce Twp. 48382
248-363-3539

Macomb Township

50786 Romeo Plank Rd., Macomb Twp. 48044
586-412-5758

Marysville

207 Huron Blvd., Marysville 48040
810-364-9290

Orion

4055 S. Lapeer Rd., Orion 48359
248-370-0530

Ortonville

250 N. Ortonville Rd. Suite B, Ortonville 48462
248-627-8600

Oxford

168 S. Washington, Oxford 48371
248-236-8135

Pontiac

44400 Woodward Ave., Pontiac 48341
248-858-2323

Plymouth

13000 Haggerty Rd., Plymouth 48170
734-453-5440

Rochester Hills

2881 Crooks Rd., Rochester Hills 48309
248-299-5400

Rochester Hills

55 W. Avon Rd., Rochester Hills 48307
248-608-2789

Shelby Township

49675 Van Dyke, Shelby Twp., 48317
586-323-7060

Troy

363 W. Big Beaver, Suite 150, Troy 48084
248-528-0302

Troy

4972 John R Rd. Troy 48085
248-740-5932

Waterford M-59

7372 Highland Rd., Waterford 48327
248-666-9742

Waterford Dixie

4416 Dixie Hwy., Waterford 48329
248-618-8065

Waterford Walton

2960 W. Walton Blvd., Waterford 48329
248-618-0914

White Lake

3671 Highland Rd., White Lake 48383
248-887-1211

Wixom

160 Wixom Rd., Wixom 48393
248-926-0648

Ypsilanti

2820 Tyler Rd., Ypsilanti 48198
734-485-8000

Minnesota Branches

Eagan

1519 Central Parkway, Suite 110, Eagan 55121
651-994-4898

Roseville

1490 County Road B West, Suite B, Roseville 55113
651-633-8443

Pennsylvania Branch

Blue Bell

M.S. E9-101, One Unisys Way, Blue Bell 19424
215-986-5353

