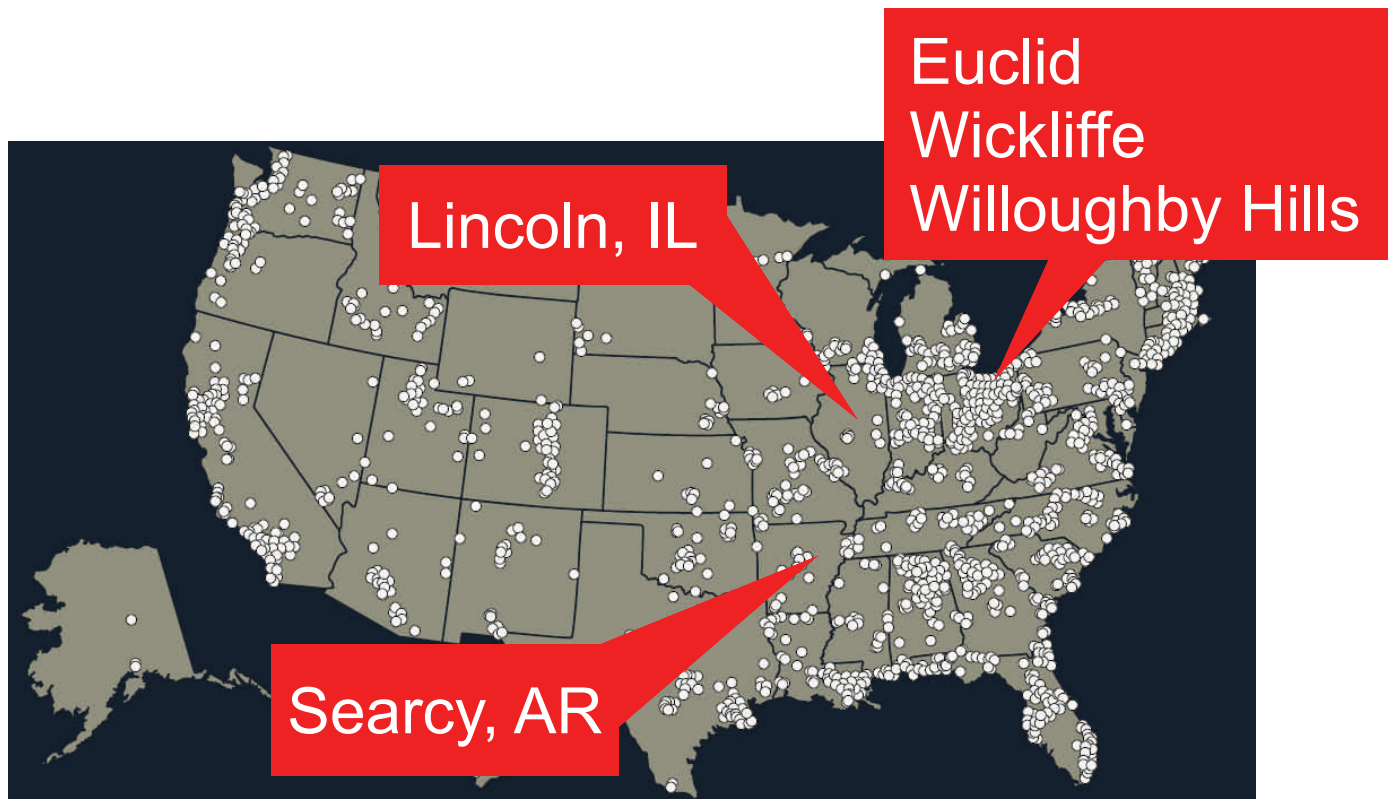


2009 ANNUAL REPORT

We're Wherever You Are

Cleveland, Lincoln, Searcy, 4,000 shared branch locations, nationwide ATM access, online, by phone and via mobile



MISSION STATEMENT

Our mission is to be our members' preferred source for financial products and services by meeting the growing and changing needs of the membership while maintaining a position of financial strength.

AGENDA

ANNUAL MEETING March 21, 2010

Call Meeting to Order Matt Logies
Introductions Matt Logies
Reading & Approval of
Last Annual Meeting Minutes Doris Yee
Board of Directors' Report Evie Probert
Treasurer's Report Mike Losneck
Loan Officer's Report Debbie Richards
Supervisory Committee Report Denise Gruden

Nominating Committee
Report Nominating Committee
Staff Recognition Mike Losneck
Old Business Matt Logies
New Business Matt Logies
Open Discussion Matt Logies
Adjourn
Door Prizes

MESSAGE FROM THE BOARD OF DIRECTORS

VISION + VIGILANCE = GROWTH

During a year of unprecedented financial market actions and challenges, the formula for success at your Eaton Family Credit Union remained true. 2009 has been marked with Success!

VISION - looking not only at our surroundings, but the future. In 2009 Eaton Family Credit Union continued to look at current member needs, providing saving and lending products for our adults, seniors and youth as well as service that responds to changing legislation, such as alternatives to pay-day lending. 2009 has also given us a strong look into the future of account access; the groundwork for years to come. Vision also includes an eye on strategic partnerships with vendors - (improving service AND reducing cost) and new member groups. We welcome the new members from Eaton Employees Credit Union in Lincoln, Illinois who joined us as of January 1, 2010.

VIGILANCE - keeping a keen eye on operations. During this last year of economic challenge, your Eaton Family Credit Union has been watchful - over the needs of members and the growing delinquency in lending across all providers. We have also been watchful as our members felt recovery and opportunity.

GROWTH - the outcome of the plan. Your Eaton Family Credit Union plans diligently to meet the needs of members in the best and worst times. This planning enabled 2009 to be a year of growth! Great performance in our loan portfolios. New records for members and asset size - the building block of future success.

DELIVERY - These achievements in down market times are only possible due to the team at your Eaton Family Credit Union. Led by CEO Mike Losneck, that team now stretches across many locations, yet functions with a single purpose - meeting your needs on all fronts - through the lobby experience, via the Internet, coming mobile device access or in any combination.

Your 2009 Eaton Family Credit Union - honored to serve you and proud of our success!

Sincerely,
Matt Logies
Board of Directors Chair

SUPERVISORY REPORT

The Supervisory Committee is responsible for periodic audits of the Credit Union. During the past several years, the Supervisory Committee has also employed CBS Certified Public Accountants, LLC, an outside auditing firm, to complete a more comprehensive audit of the Credit Union's internal accounting and administrative control procedures. In addition, the Credit Union was also audited by State of Ohio examiners.

The result of the committee's audits as well as the outside audits, reflect the overall competence of the Credit Union management and staff, coupled with solid leadership from the Board of Directors. We will continue our work to ensure the health of the Credit Union now and for the future.

Sincerely,
Supervisory Committee

FINANCIAL STATEMENT

INCOME AND EXPENSES

BALANCE SHEET

	<u>2008</u>	<u>2009</u>		<u>2008</u>	<u>2009</u>
INTEREST INCOME			ASSETS		
Interest Income on Loans	1,560,888	1,676,922	TOTAL LOANS	\$22,759,606	\$26,601,724
Interest Income on Investments	535,236	418,956	Allowances for loan loss	(316,505)	(190,415)
Other Income	831,995	785,948	NET LOANS	22,443,101	26,411,309
TOTAL INCOME	2,928,119	2,881,826	RECEIVABLES	662	16,088
Dividend Expense	622,706	532,563	CASH	1,149,878	1,034,751
Net Interest Income	2,305,413	2,349,263	INVESTMENTS		
Less provision for loan losses	131,979	173,500	Overnight Investments	1,046,440	856,329
Net interest income after provision for loan losses	2,173,434	2,175,763	Certificates of Deposit	5,840,398	5,056,317
OPERATING EXPENSES			Investments Available for Sale	4,735,968	5,053,494
Compensation	755,536	749,546	Corporate One Capitalization	155,325	162,057
Employee Benefits	192,831	198,951	NCUA Share Insurance Fund	114,567	338,165
Travel & Conference	9,311	5,690	NET INVESTMENTS	11,892,698	11,466,362
Association Dues	17,492	16,698	OTHER ASSETS		
Office Occupancy Costs	123,193	119,474	Fixed Assets	335,591	327,459
Office Operation Costs	279,494	273,787	Prepaid Expenses	131,662	179,225
Depreciation	34,367	21,028	Accrued Loan Income	51,831	55,599
ATM Program Costs	85,797	86,886	Accrued Investment Income	123,509	85,663
Checking Program Costs	5,340	2,788	Other Assets	3,717	12,092
Debit Card Program Costs	22,355	21,302	TOTAL OTHER ASSETS	646,310	660,038
IRA Program Costs	3,274	3,037	TOTAL ASSETS	\$36,132,649	\$39,588,548
Training Expense	6,842	7,499			
Marketing Expense	48,432	66,472	LIABILITIES		
Loan Servicing Expense	99,121	121,706	Accounts Payable	\$217,775	\$62,449
VISA Program Costs	88,257	92,318	Accrued Expenses	48,004	46,094
Lending Center Costs	25,670	15,350	TOTAL LIABILITIES	265,779	108,543
Mortgage Services Program	36,031	41,403	EQUITY		
Outside Service Expense	228,420	224,177	MEMBER SHARES		
Member Insurances	314,983	(262,161)	Regular Shares	12,630,798	12,430,599
Exam / Audit Expense	11,960	12,476	Checking Accounts	3,358,062	3,745,076
Cash Over / Short	1,253	902	Money Market Savings	4,194,556	5,878,455
Annual Meeting Expense	1,200	6,200	Share Certificates	8,908,582	9,719,035
Miscellaneous Expense	12,257	14,336	IRA Accounts	2,322,302	3,091,400
TOTAL OPERATING EXPENSE	2,403,416	1,839,865	All Other Accounts	402,180	371,011
NON OPERATING INCOME (Expense)	(2,088)	7,803	TOTAL MEMBER SHARES	31,816,480	35,235,576
NET PROFIT	(232,070)	343,701	NET WORTH		
			Regular Reserves	1,432,153	1,432,152
			Undivided Earnings	2,674,056	3,017,757
			Unrealized Value/Loss on Investments	(55,819)	(205,480)
			TOTAL NET WORTH	4,050,390	4,244,429
			TOTAL LIABILITIES AND EQUITY	\$36,132,649	\$39,588,548

SERVICES OF YOUR CREDIT UNION

Savings/Investments Accounts

- Savings Accounts
- Individual Retirement Accounts (IRAs)
- Money Market Accounts
- Holiday Clubs
- Term Share Certificates
- Young Adult Program (for members age 18-25)
- Young Savers (for members under 18)

Financial Planning Services

Convenient Products and Services

- Advantage Checking Accounts
- Overdraft Privilege
- Direct Deposit
- Payroll Deduction
- ATM / Debit Card
- Member Anytime Touch-tone Teller (MATT)
- Free Web Bill Pay/Home Banking/Mobile
- Shared Branching
- Prepaid Visa Gift Cards

Loan Solutions

- Vehicle Leasing
- Vehicle Loans (New & Used)
- Education/Computer Loans
- Government-Guaranteed Student Loans
- Home Equity Loans
- Line-Of-Credit Loans
- Mortgage Loans
- GAP Protection/Extended Warranty Protection
- Signature Loans
- VISA Credit Cards
- 24/7 Loan Line
- 24/7 Internet Loan Approval
- Stretch Pay Loans



Eaton Family
CREDIT UNION, INC.

Euclid • Wickliffe • Willoughby Hills
Searcy, AR • Lincoln, IL
(216) 920-2000
(800) 845-5446
Fax: (216) 920-2030
www.EatonFamilyCU.com

OFFICIAL FAMILY

BOARD OF DIRECTORS

Matt Logies, Chair
Evie Probert, Vice Chair
Doris Yee, Secretary
Mike Losneck, Treasurer
Barbara Jackson, Director
Marc Manburg, Director
Chris Jochum, Director
Robert Williams, Director
Craig Gruden, Director

SUPERVISORY COMMITTEE

Denise Gruden, Chair
Ralph Dinges
John Dragos
Fred Orenics
Tony Sanders
John Schultz

EUCLID OFFICE

Connie Bronkall	Deborah Richards
Alyson Greskowiak	Terry Shingledecker
Kenyita Hunt	Fred Siegel
Maretta Kibler	Kelly Slocum
Robyn Kudley	Dena Steelman
Michael Losneck	Rich Stetz
Lisa Myers	Diane Toth
Lori Penny	Maria Vendetti

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Irene Mehalic
Barb Nau
Vivian Yeager

WILLOUGHBY HILLS OFFICE

Michele Greskowiak
Bernice Kelley
Mark Zamiska

SEARCY, ARKANSAS OFFICE

Wilma Sue Bibbs
Sarah Wills

LINCOLN, ILLINOIS OFFICE

Anita Atchison
Pam Hensley

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



EQUAL OPPORTUNITY
LENDER