

**MILLENNIUM CORPORATE CREDIT UNION**  
Wichita, Kansas

**FINANCIAL STATEMENTS**  
and  
**INDEPENDENT AUDITORS' REPORT**  
December 31, 2025 and 2024



**J. Tenbrink & Associates**  
**Certified Public Accountants**

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Millennium Corporate Credit Union  
Wichita, Kansas

**Opinion on the Financial Statements**

We have audited the accompanying financial statements of Millennium Corporate Credit Union, which comprise the statements of financial condition as of December 31, 2025 and 2024, and the related, statements of comprehensive income, statements of members' equity, statements of cash flows for the years then ended, and the related notes to the financial statements. In our opinion, except for the effects of the matter described in the Basis for Opinion on the Financial Statements section of our report, the accompanying financial statements presents fairly, in all material respects, the financial condition of Millennium Corporate Credit Union as of December 31, 2025 and 2024, and the results of its operations and its cash flows, in conformity with generally accepted accounting principles in the United States of America.

**Opinion on the Internal Control over Financial Reporting**

We also have audited Millennium Corporate Credit Union's internal control over financial reporting, including controls over the preparation of regulatory financial statements in accordance with the instructions for the NCUA 5310, as of December 31, 2025, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, Millennium Corporate Credit Union maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Basis for Opinion on the Financial Statements**

Millennium Corporate Credit Union has reported members' accounts as equity in the accompanying statements of financial condition. Accounting principles generally accepted in the United States of America require members' accounts to be reported as liabilities in the statement of financial condition. If the credit union had properly reported these members' accounts as liabilities, liabilities would increase and equity would decrease by \$1,961,980,109 and \$1,503,355,068 as of December 31, 2025 and 2024, respectively.

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## **Basis for Opinion on the Internal Control over Financial Reporting**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audits of the Financial Statements and Internal Control over Financial Reporting section of our report. We are required to be independent of Millennium Corporate Credit Union and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Management's Responsibility for the Financial Statements and Internal Control over Financial Reporting**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of effective internal control over financial reporting relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management is also responsible for its assessment about the effectiveness of internal control over financial reporting, included in the accompanying Statement of Management's Assessment of Internal Controls over Financial Reporting.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Millennium Corporate Credit Union's ability to continue as a going concern over within one year after the date that the financial statements are available to be issued.

## **Auditors' Responsibilities for the Audits of the Financial Statements and Internal Control over Financial Reporting**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and about whether effective internal control over financial reporting was maintained in all material respects, and to issue an auditor's report that includes our opinions.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit of financial statements or an audit of internal control over financial reporting conducted in accordance with GAAS will always detect a material misstatement or a material weakness when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered to be material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit of financial statements and an audit of internal control over financial reporting in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the financial statement audit in order to design audit procedures that are appropriate in the circumstances.

## **Auditors' Responsibilities for the Audits of the Financial Statements and Internal Control over Financial Reporting (Cont'd)**

- Obtain an understanding of internal control over financial reporting relevant to the audit, assess the risks that a material weakness exists, and test and evaluate the design and operating effectiveness of internal control over financial reporting based on the assessed risk.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Millennium Corporate Credit Union's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the financial statement audit.

### **Definition and Inherent Limitations of Internal Control**

Millennium Corporate Credit Union's internal control over financial reporting is a process affected by those charged with governance, management, and other personnel, designed to provide reasonable assurance regarding the preparation of reliable financial statements in accordance with accounting principles generally accepted in the United States of America. Millennium Corporate Credit Union's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the credit union; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and that receipts and expenditures of the credit union are being made only in accordance with authorizations of management and those charged with governance; and (3) provide reasonable assurance regarding prevention, or timely detection and correction of unauthorized acquisition, use, or disposition of the credit union's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent, or detect and correct misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of change in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **J. TENBRINK & ASSOCIATES**



Olathe, Kansas  
March 17, 2026

**MILLENNIUM CORPORATE CREDIT UNION**

Wichita, Kansas

**STATEMENTS OF FINANCIAL CONDITION**

December 31

<b>ASSETS</b>	<b>2025</b>	<b>2024</b>
Cash and cash equivalents (Note 1)	\$ 1,020,944,813	\$ 805,479,096
Securities available-for-sale (Note 2)	1,048,856,187	758,107,777
Securities purchased under agreements to resell (Note 3)	25,000,000	50,000,000
Other investments	1,107,100	1,108,200
Loans to members (Note 4)	-	12,849,439
Accrued interest receivable	3,891,881	3,489,856
Property and equipment, net (Note 5)	1,357,772	1,583,225
Investments in credit union service organizations (Note 6)	3,307,446	2,651,817
Other assets	3,588,706	4,258,308
<b>Total Assets</b>	<b>\$ 2,108,053,905</b>	<b>\$ 1,639,527,718</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>Liabilities</b>		
Accrued interest payable	\$ 5,988,890	\$ 5,784,302
Accrued expenses and other liabilities	1,160,283	1,099,549
<b>Total Liabilities</b>	<b>\$ 7,149,173</b>	<b>\$ 6,883,851</b>
Commitments and Contingent Liabilities (Note 13)		
<b>Members' Equity</b>		
Members' accounts (Note 7)	\$ 1,961,980,109	\$ 1,503,355,068
Perpetual contributed capital	54,322,879	54,322,879
Equity acquired in merger	1,679,681	1,679,681
Retained earnings	90,483,804	83,491,111
Accumulated other comprehensive loss	(7,561,741)	(10,204,872)
<b>Total Members' Equity</b>	<b>\$ 2,100,904,732</b>	<b>\$ 1,632,643,867</b>
<b>Total Liabilities and Members' Equity</b>	<b>\$ 2,108,053,905</b>	<b>\$ 1,639,527,718</b>

The accompanying notes are an integral part of the financial statements.

**MILLENNIUM CORPORATE CREDIT UNION**

Wichita, Kansas

**STATEMENTS OF COMPREHENSIVE INCOME**

Years ended December 31

	<b>2025</b>	<b>2024</b>
<b>Interest income</b>		
Interest on investments	\$ 93,874,463	\$ 75,239,770
Interest on loans	203,969	1,301,761
	<u>\$ 94,078,432</u>	<u>\$ 76,541,531</u>
<b>Interest expense</b>		
Interest and dividends on members' accounts	\$ 79,435,057	\$ 61,560,359
Interest on borrowings (Note 8)	116	16,049
	<u>\$ 79,435,173</u>	<u>\$ 61,576,408</u>
Net Interest Income	<u>\$ 14,643,259</u>	<u>\$ 14,965,123</u>
<b>Non-interest income</b>		
Financial services fees, net	\$ 2,886,926	\$ 3,018,991
Asset-liability management fees	493,191	496,319
Credit union service organizations	284,768	26,348
U.S. Central Estate Asset Management Repayments	-	1,528
Gain on the sale of securities available-for-sale	32,594	-
Other, net	602,127	429,663
Total non-interest income	<u>\$ 4,299,606</u>	<u>\$ 3,972,849</u>
<b>Non-interest expenses</b>		
Payroll and benefits	\$ 4,590,201	\$ 4,254,285
Office operations	2,499,976	2,446,801
Professional and outside services	1,136,470	862,955
Special distribution to member credit unions	-	(2,119)
Other	827,022	553,352
Total non-interest expenses	<u>\$ 9,053,669</u>	<u>\$ 8,115,274</u>
<b>NET INCOME</b>	<u>\$ 9,889,196</u>	<u>\$ 10,822,698</u>
Unrealized holding gains on securities available-for-sale	\$ 2,675,725	\$ 4,287,606
Reclassification adjustments for gains realized in net income	(32,594)	-
Other comprehensive gains	<u>\$ 2,643,131</u>	<u>\$ 4,287,606</u>
<b>COMPREHENSIVE INCOME</b>	<u><u>\$ 12,532,327</u></u>	<u><u>\$ 15,110,304</u></u>

The accompanying notes are an integral part of the financial statements.

**MILLENNIUM CORPORATE CREDIT UNION**  
Wichita, Kansas

**STATEMENTS OF MEMBERS' EQUITY**  
Years ended December 31

	<b>Perpetual Contributed Capital</b>	<b>Equity Acquired in Merger</b>	<b>Retained Earnings</b>	<b>Accumulated Other Comprehensive Income</b>
Balance, December 31, 2023	\$ 54,322,879	\$ 1,679,681	\$ 76,084,224	\$ (14,492,478)
Net Income	-	-	10,822,698	-
Dividends paid on perpetual contributed capital	-	-	(3,415,811)	-
Other comprehensive gains	-	-	-	4,287,606
Balance, December 31, 2024	<u>\$ 54,322,879</u>	<u>\$ 1,679,681</u>	<u>\$ 83,491,111</u>	<u>\$ (10,204,872)</u>
Net Income	-	-	9,889,196	-
Dividends paid on perpetual contributed capital	-	-	(2,896,503)	-
Other comprehensive gains	-	-	-	2,643,131
Balance, December 31, 2025	<u><u>\$ 54,322,879</u></u>	<u><u>\$ 1,679,681</u></u>	<u><u>\$ 90,483,804</u></u>	<u><u>\$ (7,561,741)</u></u>

The accompanying notes are an integral part of the financial statements.

**MILLENNIUM CORPORATE CREDIT UNION**  
Wichita, Kansas

**STATEMENTS OF CASH FLOWS**  
Years ended December 31

	<b>2025</b>	<b>2024</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income	\$ 9,889,196	\$ 10,822,698
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	331,932	314,934
Discount accretion and premium amortization, net	(120,741)	275,215
Gain on on sale of securities available-for-sale	(32,594)	-
Net change in credit union service organizations	(655,629)	(27,348)
Net change in accrued interest receivable	(402,025)	(992,508)
Net change in other assets	669,602	(457,808)
Net change in accrued interest payable	204,588	1,801,797
Net change in accrued expenses and other liabilities	60,734	(381,753)
Net cash provided by operating activities	<u>\$ 9,945,063</u>	<u>\$ 11,355,227</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of securities available-for-sale	\$ (544,695,968)	\$ (391,156,960)
Maturities and paydowns on securities available-for-sale	250,751,431	138,843,821
Proceeds from the sale of securities available-for-sale	5,992,593	-
Net change in securities purchased under agreements to resell	25,000,000	-
Net change in other investments	1,100	4,024,200
Net change in loans to members	12,849,439	33,844,534
Expenditures for property and equipment	(106,479)	(402,641)
Net cash used in investing activities	<u>\$ (250,207,884)</u>	<u>\$ (214,847,046)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net change in members' accounts	\$ 458,625,041	\$ 443,157,626
Net change in borrowings	-	(104,005,500)
Dividends paid on perpetual contributed capital	(2,896,503)	(3,415,811)
Net cash provided by financing activities	<u>\$ 455,728,538</u>	<u>\$ 335,736,315</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	\$ 215,465,717	\$ 132,244,496
Cash and cash equivalents at beginning of year	<u>805,479,096</u>	<u>673,234,600</u>
Cash and cash equivalents at end of year	<u>\$ 1,020,944,813</u>	<u>\$ 805,479,096</u>
Cash paid during the year for interest	<u>\$ 79,230,585</u>	<u>\$ 59,774,610</u>
Other comprehensive gains	<u>\$ 2,643,131</u>	<u>\$ 4,287,606</u>

The accompanying notes are an integral part of the financial statements.

**MILLENNIUM CORPORATE CREDIT UNION**  
Wichita, Kansas

**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2025 and 2024

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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**Date of Management's Review of Subsequent Events**

Management has evaluated subsequent events through March 17, 2026, the date which the financial statements were available to be issued.

**Nature of Business**

Millennium Corporate Credit Union (Millennium Corporate) is a cooperative association organized in accordance with the provisions of the Kansas Credit Union Act for the purpose of providing correspondent banking services as well as investment products and a source of credit for its member credit unions. Millennium Corporate is a cooperative that is owned and directed by its member credit unions. Membership is available to retail credit unions and approved affiliates located in the United States; however, most of the members are in Kansas, Missouri, Montana, and Nebraska.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Specifically, management has made estimates based on assumptions for fair value of financial instruments and the assessment of other than temporary impairment on investments. Actual results could differ from these estimates.

**Basis of Accounting**

Millennium Corporate uses the accrual basis of accounting, which includes in the total of net income all revenues earned and expenses incurred, regardless of when actual cash payments are received or paid. Millennium Corporate is also required to report comprehensive income, of which net income is a component. Comprehensive income is defined as the change in equity (net assets) of a business enterprise during a period from transactions and other events and circumstances from non-owner sources, including all changes in equity during a period, except those resulting from investments by, and distributions to, owners. Accumulated other comprehensive income consists entirely of net unrealized gains (losses) on available-for-sale debt securities.

**MILLENNIUM CORPORATE CREDIT UNION**

Wichita, Kansas

**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2025 and 2024

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Cash and Cash Equivalents**

For purposes of the statement of cash flows, cash and cash equivalents includes cash in vaults, cash on deposit, and cash held in interest bearing accounts at the Federal Reserve Bank of Kansas City and the Federal Home Loan Bank of Topeka as follows:

	<u>12/31/25</u>	<u>12/31/24</u>
Cash	\$ 22,439,067	\$ 17,987,239
Cash on deposit - FRB	998,352,853	787,484,728
Cash on deposit - FHLB	<u>152,893</u>	<u>7,129</u>
Cash and Cash Equivalents	<u>\$ 1,020,944,813</u>	<u>\$ 805,479,096</u>

Except for amounts held at the Federal Reserve Bank, cash and cash equivalents are insured to \$250,000. The aggregate uninsured portion of cash and cash equivalents over \$250,000 was \$993,844,665 and \$786,020,207 for the years ended December 31, 2025, and December 31, 2024, respectively. Of the aggregate uninsured portion of cash and cash equivalents on December 31, 2025, and December 31, 2024, all was with the Federal Reserve Bank of Kansas City.

**Debt Securities**

Available-for-Sale: Mortgage backed pass-throughs, agency notes and small business administration debentures of United States government agencies, asset backed pass-throughs, and private-issue securities are classified as available-for-sale when Millennium Corporate anticipates that the securities could be sold in response to rate changes, prepayment risk, liquidity, availability of and the yield on alternative investments, and other market and economic factors. These securities are reported at fair value. The fair values on available-for-sale securities are based on quoted market prices, where available. If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments.

Unrealized gains and losses on securities available-for-sale are recognized as direct increases or decreases in other comprehensive income. Purchase premiums and discounts are typically recognized in interest income using the interest method over the terms of the securities. Management assesses the financial condition and near-term prospects of the issuer, industry and/or geographic conditions, credit ratings as well as other indicators at the individual security level. Impairments below cost in the estimated fair value of individual available-for-sale securities when there is an intent to sell or for which it more likely than not the credit union will be required to sell before the impairment is recovered, are realized in noninterest income in the statements of income.

**MILLENNIUM CORPORATE CREDIT UNION**

Wichita, Kansas

**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2025 and 2024

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

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**Debt Securities (Cont'd)**

When there is not an intent to sell or it is more likely than not the credit union will not be required to sell the security before the impairment is recovered, management assesses whether the decline in fair value has resulted from credit losses or other factors. If the decline in fair value is attributed to credit deterioration, when the present value of discounted cash flows expected to be collected is less than the amortized cost basis, a credit loss exists and an allowance for available-for-sale credit losses is recorded. Such losses are limited to the amount that amortized cost exceeds fair value, even if the amount of the credit loss is greater. Any future changes in the allowance for credit losses are recorded as provision for (reversal of) credit losses. Losses attributable to other factors are charged to accumulated other comprehensive income. Gains and losses on the sale of available-for-sale securities are recorded on the trade date and the costs of securities sold are determined using the specific identification method.

Millennium Corporate has no investment securities classified as held-to-maturity or held-for-trading purposes.

**Securities Purchased Under Agreements to Resell**

Millennium Corporate has reverse repurchase agreements with parties through a tri-party arrangement with the Bank of New York, which is responsible for the administration of the transaction including collateral allocation, marking to market, and substitution of the collateral.

Millennium Corporate purchases investment securities from the parties for specified periods of time. Millennium Corporate has the right to pledge, sell, or otherwise transfer the securities if the transferor was to default on their obligation. Millennium Corporate requires a minimum margin based on pre-arranged spreads that are commensurate with the investment securities purchased. Millennium Corporate is obligated to resell identical or substantially the same securities to the transferor at the termination of the repurchase agreements under fixed-price arrangements.

**Federal Home Loan Bank Stock**

Millennium Corporate, as a member of the Federal Home Loan Bank (FHLB) of Topeka, is required to maintain an investment in capital stock of the FHLB based on a formula developed by the FHLB that considers the corporate credit union's total assets and outstanding advances from the FHLB. The FHLB stock is carried at cost within other investments and its disposition is restricted. No ready market exists for the FHLB stock, and it has no quoted market value.

**Federal Reserve Bank of Kansas City**

Millennium Corporate received approval from the Federal Reserve Bank (FRB) of its request to waive the bankers' bank exemption effective November 3, 2024. As such, Millennium Corporate may borrow from the FRB and incur daylight overdrafts. Subsequent to December 31, 2023, Millennium Corporate requested an increase in its net debit cap category to the "de minimis cap" level.

**MILLENNIUM CORPORATE CREDIT UNION**  
Wichita, Kansas

**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2025 and 2024

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

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**Investments in Credit Union Service Organizations**

Investments in credit union service organizations that Millennium Corporate has the ability to exercise significant influence over the operating and financial policies of the credit union service organization, are accounted for under the equity method.

Investments in credit union service organizations accounted for under the equity method of accounting report changes in value in net income. Income and losses are recognized based on Millennium Corporate's ownership applied to the earnings in the credit union service organization for the applicable period.

Investments in credit union service organizations that Millennium Corporate does not have the ability to exercise significant influence over the operating and financial policies of the credit union service organization, are accounted for under the cost method.

**Loans to Members**

Loans to members are stated at the amount of unpaid principal balance. Interest on loans is recognized over the terms of the loans and is calculated using the simple-interest method on principal amounts outstanding. Based on the availability of collateral, analyses of the creditworthiness of member borrowers, past loan performance, current conditions, and a reasonable and supportable forecast, management believes zero losses exist within the loan portfolio and therefore does not consider an allowance for credit losses necessary.

Regulatory agencies, as an integral part of their examination process, periodically review the Millennium Corporate's loan portfolio, and may require Millennium Corporate to provide an allowance for credit losses based on their judgment about information available to them at the time of their examinations.

**Property and Equipment**

Land is carried at cost. Property and equipment are recorded at cost, less accumulated depreciation, and amortization. Depreciation is provided for using the straight-line method over the estimated useful lives of the assets. Amortization of leasehold improvements is provided for using the straight-line method over the terms of the related leases.

**NCUSIF Deposit**

The deposit in the National Credit Union Share Insurance Fund (NCUSIF) is in accordance with NCUA regulations, which require the maintenance of a deposit by each insured credit union in an amount equal to one percent of its insured shares. The deposit would be refunded to Millennium Corporate if its insurance coverage is terminated or if the operations of the fund are transferred from the NCUA Board. Millennium Corporate is required to pay an annual insurance premium equal to one-twelfth of one percent of its total insured shares, unless the payment is waived, reduced, or increased by the NCUA Board of Directors. The NCUA assessed no premium in 2025 and 2024.

**MILLENNIUM CORPORATE CREDIT UNION**  
Wichita, Kansas

**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2025 and 2024

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

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**Members' Accounts**

Members' accounts are classified as equity to denote the ownership interest of its members. This classification conforms to the statutory definition and is consistent with past longstanding practice. Accounting principles generally accepted in the United States of America require that members' shares and deposits accounts be classified as liabilities, similar to deposit accounts at other financial institutions.

Members' accounts are subordinated to all other liabilities of Millennium Corporate upon liquidation. Interest on members' accounts is based on available earnings at the end of an interest period and is not guaranteed by the corporate credit union. Interest rates on members' share accounts are set by the Board of Directors based on an evaluation of current and future market conditions.

**Perpetual Contributed Capital**

Perpetual contributed capital (PCC) is perpetual, non-cumulative accounts with no stated maturity, and qualifies as equity under United States generally accepted accounting principles. In addition, PCC is not negotiable or assignable but may be transferable to another eligible member credit union under certain provisions.

Each member holding PCC is entitled to one vote on any matter subject to vote by the membership, including election of the Board of Directors. In accordance with NCUA Regulation 704.2, PCC is not subject to share insurance coverage by the NCUSIF and is available to cover losses that exceed retained earnings.

Dividends on PCC are not guaranteed and may be suspended if earnings are negative and/or capital levels fall below regulatory and/or policy minimum levels.

**Equity Acquired in Merger**

Equity acquired in a merger represents equity accounted for in accordance with the acquisition method of accounting. Under this accounting method, retained earnings, restricted and unrestricted, of the acquiree are combined on the acquirer's statement of financial condition as a component of equity called merged equity. This component is considered part of retained earnings as defined by regulations established by the NCUA.

**Accumulated Other Comprehensive Loss**

Accounting principles generally require that recognized revenue, expenses, gains, and losses be included in net income. Certain changes in assets and liabilities, such as unrealized gain and losses on available-for-sale securities, are reported as a separate component of the members' equity section of the statements of financial condition.

**MILLENNIUM CORPORATE CREDIT UNION**

Wichita, Kansas

**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2025 and 2024

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Income Taxes**

Millennium Corporate is exempted from most federal, state, and local taxes under the provisions of the Internal Revenue Code and state tax laws. FASB ASC 740-10-25, *Income Taxes, Overall Recognition* clarifies accounting for uncertain income taxes reported in the financial statements. The interpretation provides criteria for assessment of individual tax positions and a process for recognition and measurement of uncertain tax positions. Tax positions are evaluated on whether they meet the “more likely than not” standard for sustainability upon examination by tax authorities.

Millennium Corporate is a state-chartered credit union as defined in Internal Revenue Code (IRC) Section 501(c)(14). As such, Millennium Corporate is exempt from federal taxation of income derived from the performance of activities directly related to its exempt purposes. However, IRA Section 511 imposes a tax on unrelated business income (UBI) derived by a state-chartered credit union.

With few exceptions, Millennium Corporate is no longer subject to U.S. Federal or state and local income tax examinations by tax authorities for years before 2019.

**Off-Balance Sheet Credit Related Financial Instruments**

In the ordinary course of business, Millennium Corporate has entered into commitments to extend credit. Such financial instruments are recorded when they are funded.

**NOTE 2 SECURITIES AVAILABLE-FOR-SALE**

Securities available-for-sale consists of the following as of December 31, 2025:

<b>December 31, 2025 Securities Available-for-Sale</b>	<b>Amortized Cost</b>	<b>Gross Unrealized Gains</b>	<b>Gross Unrealized Losses</b>	<b>Fair Value</b>
U.S. government and agencies:				
Mortgage backed pass-throughs	\$ 623,532,084	\$ 842,231	\$ (9,881,020)	\$ 614,493,295
Agency notes	116,000,000	309,658	(934,798)	115,374,860
SBA debentures	192,579,161	1,844,150	(7,277)	194,416,034
Asset backed pass-throughs	124,304,278	317,675	(52,332)	124,569,621
Private-issue security	2,405	-	(28)	2,377
Total Investments	<u>\$ 1,056,417,928</u>	<u>\$ 3,313,714</u>	<u>\$ (10,875,455)</u>	<u>\$ 1,048,856,187</u>

**MILLENNIUM CORPORATE CREDIT UNION**

Wichita, Kansas

**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2025 and 2024

**NOTE 2 SECURITIES AVAILABLE-FOR-SALE (CONT'D)**

Securities available-for-sale consists of the following as of December 31, 2024:

<b>December 31, 2024 Securities Available-for-Sale</b>	<b>Amortized Cost</b>	<b>Gross Unrealized Gains</b>	<b>Gross Unrealized Losses</b>	<b>Fair Value</b>
U.S. government and agencies:				
Mortgage backed pass-throughs	\$ 365,635,520	\$ 188,154	\$ (10,483,281)	\$ 355,340,393
Agency notes	146,000,000	348,610	(1,390,365)	144,958,245
SBA debentures	122,295,058	996,679	(93,140)	123,198,597
Asset backed pass-throughs	134,371,431	316,133	(87,531)	134,600,033
Private-issue security	10,640	-	(131)	10,509
Total Investments	<u>\$ 768,312,649</u>	<u>\$ 1,849,576</u>	<u>\$ (12,054,448)</u>	<u>\$ 758,107,777</u>

The amortized cost and estimated market value of investment securities, by contractual maturity and expected maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

<b>Maturity</b>	<b>Contractual Maturity</b>		<b>Expected Maturity</b>	
	<b>Amortized Cost</b>	<b>Fair Value</b>	<b>Amortized Cost</b>	<b>Fair Value</b>
Due in one year or less	\$ 22,962,716	\$ 23,063,434	\$ 106,584,904	\$ 106,282,643
Due in one to three years	169,539,377	169,311,256	277,213,042	277,178,919
Due in three to ten years	534,179,365	534,254,249	633,788,367	625,875,384
After 10 years	329,736,470	322,227,248	38,831,615	39,519,241
	<u>\$ 1,056,417,928</u>	<u>\$ 1,048,856,187</u>	<u>\$ 1,056,417,928</u>	<u>\$ 1,048,856,187</u>

**MILLENNIUM CORPORATE CREDIT UNION**

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**NOTE 2 SECURITIES AVAILABLE-FOR-SALE (CONT'D)**

Below is information as of December 31, 2025 and December 31, 2024, respectively, that has aggregated gross unrealized losses by investment category and length of time that the individual securities have been in a continuous loss position:

December 31, 2025 Securities Available-for-Sale	Less Than Twelve Months		Greater Than Twelve Months	
	Market Value	Gross Unrealized Losses	Market Value	Gross Unrealized Losses
U.S. government and agencies:				
Mortgage backed pass-throughs	\$ 204,555,850	\$ (1,610,844)	\$ 176,335,501	\$ (8,270,177)
Agency notes	-	-	54,065,202	(934,798)
SBA debentures	8,190,537	(7,277)	-	-
Asset backed pass-throughs	49,779,293	(25,295)	5,263,779	(27,036)
Private-issue security	-	-	2,377	(28)
Totals	<u>\$ 262,525,680</u>	<u>\$ (1,643,416)</u>	<u>\$ 235,666,859</u>	<u>\$ (9,232,039)</u>

December 31, 2024 Securities Available-for-Sale	Less Than Twelve Months		Greater Than Twelve Months	
	Market Value	Gross Unrealized Losses	Market Value	Gross Unrealized Losses
U.S. government and agencies:				
Mortgage backed pass-throughs	\$ 181,910,334	\$ (951,927)	\$ 137,498,277	\$ (9,531,354)
Agency notes	-	-	53,609,635	(1,390,365)
SBA debentures	39,590,430	(93,140)	-	-
Asset backed pass-throughs	35,271,456	(67,739)	2,488,622	(19,792)
Private-issue security	-	-	10,509	(131)
Totals	<u>\$ 256,772,220</u>	<u>\$ (1,112,806)</u>	<u>\$ 193,607,043</u>	<u>\$ (10,941,642)</u>

The bulk of investment securities with unrealized losses are debt securities from federal agencies or government sponsored enterprises, which carry an implicit guarantee of the principal balances of these securities by the United States government. Currently, Millennium Corporate has 105 investment securities with unrealized losses, with 70 of the investment securities experiencing unrealized losses for greater than 12 months. On December 31, 2024, Millennium Corporate had 107 investment securities with unrealized losses, with 69 of the investment securities experiencing unrealized losses for greater than 12 months.

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**NOTE 2 SECURITIES AVAILABLE-FOR-SALE (CONT'D)**

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The credit union does not intend to sell any of these securities, and it is more likely than not that the credit union will not be required to sell any of these securities before a period of time sufficient to allow for any anticipated recovery in fair value. Management believes all above unrealized losses to be temporary and not related to credit factors, as all mortgage backed, agency notes, and SBA debentures, have been issued by the United States government, government agencies or government sponsored enterprises, while the asset backed securities are AAA rated.

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**NOTE 3 SECURITIES PURCHASED UNDER AGREEMENTS TO RESELL**

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Resale agreements are collateralized primarily with U.S. government or government agency securities. Such agreements provide Millennium Corporate with the right to maintain the relationship between the market value of the collateral and the receivable. Millennium Corporate uses Bank of New York to take physical possession of the collateral underlying Millennium Corporate's resale agreements.

At December 31, 2025 and 2024, Millennium Corporate received collateral under resale agreements that it is permitted by contract or custom to sell or repledge totaling \$25,387,799 and \$52,766,197, respectively. Of these amounts, none were repledged.

Millennium Corporate's securities purchased under agreements to resell in gross and net amounts at December 31, 2025 and 2024 are as follows:

	<u>12/31/25</u>	<u>12/31/24</u>
Gross amount of recognized assets	\$ 25,000,000	\$ 50,000,000
Amount offset in statement of financial condition	-	-
Net presented in statement of financial condition	<u>\$ 25,000,000</u>	<u>\$ 50,000,000</u>

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**NOTE 4 LOANS TO MEMBERS**

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The composition of loans to members consists of the following:

	<u>12/31/25</u>	<u>12/31/24</u>
Term loans	\$ -	\$ 10,200,000
Demand loans	-	2,649,439
Total Loans to Members	<u>\$ -</u>	<u>\$ 12,849,439</u>

An allowance for credit losses was not considered necessary at December 31, 2025 or 2024, for loans to members based on management's continuing review and evaluation of the loan portfolio.

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Wichita, Kansas

**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 5 PROPERTY AND EQUIPMENT, NET**

The following is a summary of property and equipment, at cost, less accumulated depreciation, and amortization:

	<u>12/31/25</u>	<u>12/31/24</u>
Land	\$ 92,432	\$ 92,432
Building	1,552,742	1,538,727
Furniture and equipment	1,796,337	1,703,873
Leasehold improvements	85,232	85,232
Operating right-of-use assets	476,899	476,899
Total Property and Equipment	<u>\$ 4,003,642</u>	<u>\$ 3,897,163</u>
Less: Accumulated depreciation and amortization	<u>(2,645,870)</u>	<u>(2,313,938)</u>
Property and Equipment, Net	<u>\$ 1,357,772</u>	<u>\$ 1,583,225</u>

Depreciation and amortization expense charged to operations totaled \$331,932 and \$334,934, as of December 31, 2025 and 2024, respectively.

**NOTE 6 INVESTMENT IN CREDIT UNION SERVICE ORGANIZATIONS**

The following is a summary of investment in credit union service organizations (CUSOs):

	<u>12/31/25</u>	<u>12/31/24</u>
Primary Financial	\$ 2,068,067	\$ 2,050,394
CU Investment Solutions	679,378	481,422
CURQL Collective	440,000	-
Credit Union Businss Group	120,000	120,000
CULedger	1	1
Investment in CUSOs	<u>\$ 3,307,446</u>	<u>\$ 2,651,817</u>

A summary of the above investments in CUSOs are as follows:

- **Primary Financial Company, LLC** – The investments as of December 31, 2025, represented 12% of the total equity and was made for the purpose of providing brokered certificate of deposit services to member credit unions. The investment is accounted for under the equity method.

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**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2025 and 2024

**NOTE 6 INVESTMENT IN CREDIT UNION SERVICE ORGANIZATIONS (CONT'D)**

- **CU Investment Solutions, LLC** –. The investment as of December 31, 2025, represents 22.22% of the total ownership and was made for the purpose of offering investment brokerage services to member credit unions, in addition to Millennium Corporate receiving net economic valuation reporting services. The investment is accounted for under the equity method.
- **CURQL Collective, LLC** –. The investment as of December 31, 2025, represents less than 1% of the total ownership and was made for the purpose of investing in fintech companies. The investment is accounted for under the cost method.
- **Credit Union Business Group (CUBG), LLC** –The investment as of December 31, 2025 represents 4.41% of the total ownership and was made for the purpose of offering business lending services to member credit unions. This investment is accounted for under the cost method.
- **CULedger Heartland, LLC** –The investment as of December 31, 2025 represents 7.692% of the total ownership and was made for the purpose of using block chain technology to offer call center services, fraud services, identity, etc. In 2022, this investment was written down to \$1. This investment is accounted for under the cost method.

**NOTE 7 MEMBERS' ACCOUNTS**

The composition of members' accounts consists of the following:

	<u>12/31/25</u>	<u>12/31/24</u>
Managed liquidity	\$ 1,534,741,660	\$ 1,128,223,491
Daily shares	211,509,826	177,308,221
Certificates of deposits	210,509,380	193,834,799
Membership shares	<u>5,219,243</u>	<u>3,988,557</u>
Total Members' Accounts	<u>\$ 1,961,980,109</u>	<u>\$ 1,503,355,068</u>

The aggregate amount of members' time deposit accounts in denominations greater than \$250,000 was \$99,268,380 and \$87,188,316 as of December 31, 2025 and 2024, respectively.

The aggregate amount of members' insured accounts were \$60,719,703 and \$58,031,894 as of December 31, 2025 and 2024, respectively.

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**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2025 and 2024

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**NOTE 7 MEMBERS' ACCOUNTS (CONT'D)**

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The breakdown of members' accounts between interest bearing and non-interest-bearing deposits as of December 31, 2025 and December 31, 2024 are as follows:

	December 31, 2025		December 31, 2024	
	Interest Bearing	Non-Interest Bearing	Interest Bearing	Non-Interest Bearing
Managed liquidity	\$ 1,534,741,660	\$ -	\$ 1,128,223,491	\$ -
Daily shares	211,509,031	795	177,294,913	13,308
Certificates of deposits	210,509,380	-	193,834,799	-
Membership shares	5,219,243	-	3,988,557	-
<b>Total Members' Accounts</b>	<b>\$ 1,961,979,314</b>	<b>\$ 795</b>	<b>\$ 1,503,341,760</b>	<b>\$ 13,308</b>

Certificates of deposits by maturity as of December 31, 2025 are as follows:

	<b>Amount</b>
Certificates maturing within one year	\$ 89,306,552
Certificates maturing within one year to two years	53,932,828
Certificates maturing within two years to three years	40,298,000
Certificates maturing within three years to four years	12,560,000
Certificates maturing within four years to five years	14,412,000
<b>Total Certificates of Deposits</b>	<b>\$ 210,509,380</b>

Excess balance accounts (EBAs) are limited-purpose accounts for maintaining excess balances in an interest-earning account at the Federal Reserve Bank through a correspondent financial institution such as Millennium Corporate. EBAs are intended to allow eligible institutions, such as credit unions, to earn interest on their excess balances (i.e., overnight funds that exceed maximum balance limits) in an account relationship directly with the Federal Reserve Bank without significantly disrupting the established correspondent relationship with Millennium Corporate.

Millennium Corporate reserves the right to retain funds for liquidity purposes and deny instructions from eligible member credit unions to move funds into the EBA product. Millennium Corporate may terminate and/or suspend the EBA product without advanced notice. EBAs are a liability of the Federal Reserve Bank and, therefore, are not included on Millennium Corporate's statement of financial condition.

**MILLENNIUM CORPORATE CREDIT UNION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 8 BORROWINGS**

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Millennium Corporate has a secured line of credit available with Federal Home Loan Bank of Topeka totaling \$581,725,695. The line of credit is secured by eligible investment securities of Millennium Corporate under a blanket pledge agreement. At December 31, 2025, \$627,567,674 of Millennium Corporate's available-for-sale securities was pledged to the FHLB as collateral for the line of credit. As of December 31, 2025, there were no outstanding borrowings.

In November 2022, in conjunction with its relinquishment of its bankers' bank exemption, Millennium Corporate obtained a net debit cap category borrowing arrangement with the Federal Reserve Bank of Kansas City. At December 31, 2025, there were no outstanding borrowings on the available credit totaling \$116,426,573.

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**NOTE 9 401(k) PLAN**

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Millennium Corporate maintains a 401(k) Plan and Trust ("Plan") which is a qualified retirement plan that allows employees to defer a portion of their salary into the Plan. Employees are eligible to participate in the Plan after three months of service. Millennium Corporate contributes up to 5% of an employee's annual salary. Participants become 20% vested in the employer contributions per year and become 100% vested after five years of credited service. Beginning in 2021, participants are also 100% vested in employer safe harbor contributions.

The 401(k) expense for this Plan totaled \$157,814 and \$155,693 for the years ended December 31, 2025 and 2024, respectively.

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**NOTE 10 FAIR VALUE OF FINANCIAL INSTRUMENTS**

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**Determination of Fair Value**

Accounting guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 10 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)**

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**Fair Value Hierarchy**

To increase consistency and comparability in fair value and related disclosures, a three-level hierarchy prioritizes the inputs to valuation techniques used to measure fair value with the highest priority to Level 1 and lowest priority to Level 3 as further discussed below.

- Level 1 Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 Valuations based on quoted prices for similar assets or liabilities or identical assets or liabilities in less active markets, such as dealer or broker markets.
- Level 3 Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models, and similar techniques not based on market, exchange, dealer, or broker-traded transactions.

**Valuation Techniques for Financial Instruments at Fair Value on a Recurring Basis**

Fair values of assets and liabilities measured on a recurring basis at December 31, 2025 are as follows:

<b>December 31, 2025</b>	<b>Total</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>
<b>Securities Available-for-Sale</b>	<b>Fair Value</b>	<b>1</b>	<b>2</b>	<b>3</b>
U.S. government and agencies:				
Mortgage backed pass-throughs	\$ 614,493,295	\$ -	\$ 614,493,295	\$ -
Agency notes	115,374,860	-	115,374,860	-
SBA debentures	194,416,034	-	194,416,034	-
Asset backed pass-throughs	124,569,621	-	124,569,621	-
Private-issue security	2,377	-	2,377	-
	<u>\$1,048,856,187</u>	<u>\$ -</u>	<u>\$1,048,856,187</u>	<u>\$ -</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 10 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)**

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**Valuation Techniques for Financial Instruments at Fair Value on a Recurring Basis**

Fair values of assets and liabilities measured on a recurring basis at December 31, 2024 are as follows:

<u>December 31, 2024</u> <u>Securities Available-for-Sale</u>	<u>Total</u> <u>Fair Value</u>	<u>Level</u> <u>1</u>	<u>Level</u> <u>2</u>	<u>Level</u> <u>3</u>
U.S. government and agencies:				
Mortgage backed pass-throughs	\$ 355,340,393	\$ -	\$ 355,340,393	\$ -
Agency notes	144,958,245	-	144,958,245	-
SBA debentures	123,198,597	-	123,198,597	-
Asset backed pass-throughs	134,600,033	-	134,600,033	-
Private-issue security	10,509	-	10,509	-
	<u>\$ 758,107,777</u>	<u>\$ -</u>	<u>\$ 758,107,777</u>	<u>\$ -</u>

**Valuation Techniques for Financial Instruments at Fair Value on a Non-Recurring Basis**

Millennium Corporate did not have any assets or liabilities that were measured at fair value on a non-recurring basis at December 31, 2025 and 2024.

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**NOTE 11 REGULATORY REQUIREMENTS**

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Millennium Corporate is considered to be a corporate credit union and therefore governed by NCUA Rules and Regulations Part 704.3. The rules include the capital framework, definition of various capital instruments, and the capital ratios a corporate credit union must meet.

As of December 31, 2025, and 2024, respectively, Millennium Corporate is required to meet the following capital ratio requirements:

- Retained earnings ratio
- Tier 1 capital ratio
- Tier 1 risk-based capital ratio
- Total risk-based capital ratio

**1. Retained Earnings Ratio**

This ratio is defined as Millennium Corporate's retained earnings (i.e., the sum of retained earnings and equity acquired in a merger) divided by the moving daily average net assets (MDANA).

Millennium Corporate is required to have a minimum of 1.00% (or 100 basis points) to be adequately capitalized.

**MILLENNIUM CORPORATE CREDIT UNION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2025 and 2024

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**NOTE 11 REGULATORY REQUIREMENTS (CONT'D)**

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**2. Tier 1 Capital Ratio**

This ratio is defined as Millennium Corporate's Tier 1 capital (i.e., the sum of retained earnings, perpetual contributed capital, and equity acquired in merger, modified by deducting equity and debt investments in unconsolidated CUSOs) divided by the MDANA.

Millennium Corporate is required to have a minimum 4.0% to be adequately capitalized and a minimum 5.0% level to be well capitalized.

**3. Tier 1 Risk-Based Capital Ratio**

This ratio is defined as Millennium Corporate's Tier 1 capital divided by moving monthly average net risk-weighted assets (MMANRA).

Millennium Corporate is required to have a minimum of 4.0% to be adequately capitalized and a minimum 6.0% level to be well capitalized.

**4. Total Risk-Based Capital Ratio**

This ratio is defined as Millennium Corporate's total capital (i.e., Tier 1 capital plus PCC excluded from regulatory capital) divided by MMANRA.

Millennium Corporate is required to have a minimum 8.0% to be adequately capitalized and a minimum 10.0% level to be well capitalized.

The following tables outlines the components of regulatory capital at December 31, 2025 and 2024, respectively:

	<u>12/31/25</u>	<u>12/31/24</u>
Perpetual contributed capital	\$ 54,322,879	\$ 54,322,879
Retained earnings	92,163,485	85,170,792
Investments in credit union service organizations	<u>(3,307,446)</u>	<u>(2,651,817)</u>
Tier 1 capital	<u>\$ 143,178,918</u>	<u>\$ 136,841,854</u>
PCC excluded from regulatory capital	<u>-</u>	<u>-</u>
Total capital	<u><u>\$ 143,178,918</u></u>	<u><u>\$ 136,841,854</u></u>

**MILLENNIUM CORPORATE CREDIT UNION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 11 REGULATORY REQUIREMENTS (CONT'D)**

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Millennium Corporate's moving daily average net assets (MDANA) and moving monthly average net risk-weighted assets (MMANRA) for December 31, 2025 and 2024, are as follows:

	<u>12/31/25</u>	<u>12/31/24</u>
Moving daily average net assets	<u>\$ 1,990,939,555</u>	<u>\$ 1,421,919,425</u>
Moving monthly average net risk-weighted assets	<u>\$ 169,299,003</u>	<u>\$ 131,732,888</u>

Millennium Corporate's calculated capital ratio requirements at December 31, 2025 and 2024, respectively, are as follows:

<u>Corporate Credit Unions Capital Ratio Requirements</u>	<u>Calculated Ratios</u>		<u>Adequately Capitalized Minimum</u>	<u>Well Capitalized Minimum</u>
	<u>12/31/25</u>	<u>12/31/24</u>		
Retained earnings ratio	4.63%	5.99%	1.00%	N/A
Tier 1 capital ratio	7.19%	9.62%	4.00%	5.00%
Tier 1 risk based capital ratio	84.57%	103.88%	4.00%	6.00%
Total risk based capital ratio	84.57%	103.88%	8.00%	10.00%

Millennium Corporate is also required under NCUA Regulation 704 to maintain a minimum net economic value ratio. The net economic value ratio is calculated by dividing the net economic value amount by the fair value of the assets. The net economic value is defined as the fair value of assets minus the fair value of liabilities.

The regulations require corporate credit unions to have a minimum net economic value ratio of 2.00%. The regulation also requires the net economic ratio to not decline more than 15.00% at any one time when the portfolio undergoes an interest rate shock of plus or minus 300 basis points.

Millennium Corporate uses a third-party pricing service to calculate these ratios on a monthly basis. The net economic value ratios at December 31, 2025 and 2024, respectively, are as follows:

	<u>12/31/25</u>	<u>12/31/24</u>
Net economic value ratio	6.500%	7.947%
Percentage change with 300 basis points down	2.570%	1.482%
Percentage change with 300 basis points up	-10.930%	-4.038%

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 12 REVENUE FROM CONTRACTS WITH MEMBERS**

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Millennium Corporate has portions of its revenue within non-interest income that falls within the scope of new revenue recognition guidelines. The following table presents Millennium Corporate's sources of non-interest income for the twelve months ended December 31, 2025 and December 31, 2024. Items outside of the scope of the new guidelines are noted as such.

	<u>12/31/25</u>	<u>12/31/24</u>
Financial services fees, net	\$ 2,886,926	\$ 3,018,991
Asset-liability management fees	493,191	496,319
Other, net	602,127	429,663
Non-interest income outside scope	<u>284,768</u>	<u>26,348</u>
Total Non-Interest Income	<u>\$ 4,267,012</u>	<u>\$ 3,971,321</u>

**Financial Services Fees**

Millennium Corporate earns fees from payment services from its members for transaction-based and account maintenance services provided to its members by third-party providers. Transaction-based fees, which include services such as ACH fees, share draft processing fees, vault cash ordering and delivery, securities safekeeping, and wire transfer fees, are recognized at the time the transaction is executed as that is the point in time that Millennium Corporate fulfills the member's request (via third party providers). Account maintenance fees, which relate primarily to monthly maintenance and access fees, are earned over the course of the month, representing the period over which Millennium Corporate (via third-party providers) satisfies the performance obligation. Because Millennium Corporate (1) acts as an agent in arranging the relationship between the member and the third-party providers and (2) does not control the services rendered to the members, financial services fees are shown net of related costs, including \$3,359,963 and \$3,169,299 in third-party costs to provide these services for the years ending December 31, 2025 and December 31, 2024, respectively.

Millennium Corporate earns fees by providing item processing services to its members. The revenue from these fees is recognized when services or transactions are completed and are based on the type of services provided and agreed-upon rates. Payments for services provided are either withdrawn from the member's account as services are rendered or in the billing period following the completion of the service.

**Asset-Liability Management Fees**

Millennium Corporate earns fees by providing asset-liability advisory services to its members. These fees are primarily earned upon the completion of consulting services over a period of time. The services performed over time are typically billed monthly and the income is recognized over the period of time the performance obligation is fulfilled.

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**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2025 and 2024

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**NOTE 12 REVENUE FROM CONTRACTS WITH MEMBERS (CONT'D)**

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**Other**

Millennium Corporate earns fees from third parties by providing brokerage services. Millennium Corporate receives commissions from the third-party service providers on a monthly basis based upon member activity for the month. A portion of the commissions are recognized at the service date and a receivable is recorded until commissions are received typically the following month. The remaining portion of the commissions are recognized when the commissions are received. Because Millennium Corporate (1) acts as agent in arranging the relationship between the member and the third-party providers and (2) does not control the services rendered to the members, a portion of other income is shown net of related costs, including \$213,990 and \$119,457 in third-party costs to provide these services for the years ending December 31, 2025 and December 31, 2024, respectively.

Millennium Corporate also earns fees by providing annual line of credit reviews to its members. These fees are primarily earned upon the completion of credit evaluation services over a period of time. The services performed over time are typically once a year, and the income is recognized over the period of time the performance obligation is fulfilled.

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**NOTE 13 COMMITMENTS AND CONTINGENT LIABILITIES**

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**Off-Statement of Financial Condition Risk**

Millennium Corporate is a party to financial instruments with off-statement of financial condition risk in the normal course of business to meet the financing needs of its members and to reduce its own exposure to fluctuations in interest rates. These financial instruments are commitments to extend credit. These instruments involve, in varying degrees, elements of credit and interest rate risk in excess of the amount recognized in the statement of financial condition. The contract or notional amounts of those instruments reflect the extent of involvement the credit union has in particular classes of financial instruments.

Millennium Corporate's exposure to credit loss in the event of non-performance by the other party to the financial instrument for commitments to extend credit is represented by the contractual notional amount of those instruments. Millennium Corporate makes the same credit policies in making commitments as it does for on-statement of financial condition instruments.

Millennium Corporate requires collateral or other security to support financial instruments with credit risk.

Millennium Corporate had the following financial instruments whose contract amounts represent credit risk as of December 31, 2025 and 2024, respectively:

	<u>12/31/25</u>	<u>12/31/24</u>
Unused advised lines of credit	\$ 1,397,928,998	\$ 1,439,722,559
	<u>\$ 1,397,928,998</u>	<u>\$ 1,439,722,559</u>

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December 31, 2025 and 2024

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**NOTE 13 COMMITMENTS AND CONTINGENT LIABILITIES (CONT'D)**

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**Off-Statement of Financial Condition Risk (Cont'd)**

Commitments to extend credit are agreements to lend to a member if there is no violation of any condition established in the contract. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. Millennium Corporate annually evaluates each member's creditworthiness on a case-by-case basis.

**Contingent Liabilities**

Millennium Corporate management is unaware of any legal claims against Millennium Corporate that may have arisen in the normal course of business.