

CAPITAL DISCLOSURE REQUIREMENTS AS REQUIRED UNDER THE PRUDENTIAL STANDARDS

AS AT 31 DECEMBER 2009

Electricity Credit Union Ltd. Capital Adequacy ratio was 15.12%. The minimum required capital adequacy ratio for Australian Authorised Deposit Taking Institutions (ADIs) as detailed in APS 110 is 8.0%.

Capital Structure	
Tier 1 Capital:	
Current year and Retained earnings:	14,954,467
Innovative Tier 1 capital instruments	2,500,000
Deductions	<u>(760,078)</u>
Net Tier 1 Capital	16,694,389
Net Tier 2 Capital	4,181,406
Total Capital Base	<u>20,875,795</u>

Capital Adequacy		
<u>Credit Risk</u>	RWA*	Charge
Claims against banks and other ADIs	8,677,123	0.95%
Claims secured against eligible residential mortgages	86,517,035	9.48%
Past Due Claims	481,790	0.05%
Corporate loans	1,559,077	0.17%
Other retail loans	19,598,587	2.15%
Other Assets	3,332,155	0.37%
Off Balance Sheet Commitments	3,820,855	0.42%
Total Credit Risk Weighted Assets	<u>123,986,621</u>	<u>13.59%</u>
<u>Market Risk</u>	0.00%	0.00%
<u>Operational Risk</u>	14,042,968	1.54%
Total RWA/Capital Adequacy ratio	<u>138,029,590</u>	<u>15.12%</u>
Tier 1 capital ratio		12.09%
<small>*Risk weighted Assets</small>		

Credit Risk Exposure								
<u>Gross Exposures by portfolio</u>	Total Gross	Average Gross						
Cash	1,343,214	1,310,252						
Liquid Investments with ADIs	34,385,614	32,817,448						
Loans	230,526,936	222,655,733						
Other assets	3,332,155	3,330,703						
Off balance sheet commitments with certainty of drawdown	4,160,583	6,402,720						
Other non-market off balance sheet exposures	25,837,920	25,656,741						
Total/Average gross credit risk exposures	<u>299,586,422</u>	<u>290,863,345</u>						
General Reserve for Credit Losses	435,044							
<u>Credit Risk</u>	Balances	Impaired	Past Due	Collective Provision	Collective Provision Charges	Specific Provision	Specific Provision Charges	Write Offs
Cash	1,343,214	-	-	-	-	-	-	-
Liquid Investments with ADIs	34,385,614	-	-	-	-	-	-	-
Eligible residential mortgages	208,748,748	-	521,421	-	-	-	-	-
Other Loans	21,694,986	53,943	-	35,925	(13,705)	47,277	12,121	4,642
Other assets	3,332,155	-	-	-	-	-	-	-
Off balance sheet commitments with certainty of drawdown	4,160,583	-	-	-	-	-	-	-
Other non-market off balance sheet exposures	25,837,920	-	-	-	-	-	-	-
Total Exposures	<u>299,503,220</u>	<u>53,943</u>	<u>521,421</u>	<u>35,925</u>	<u>(13,705)</u>	<u>47,277</u>	<u>12,121</u>	<u>4,642</u>