

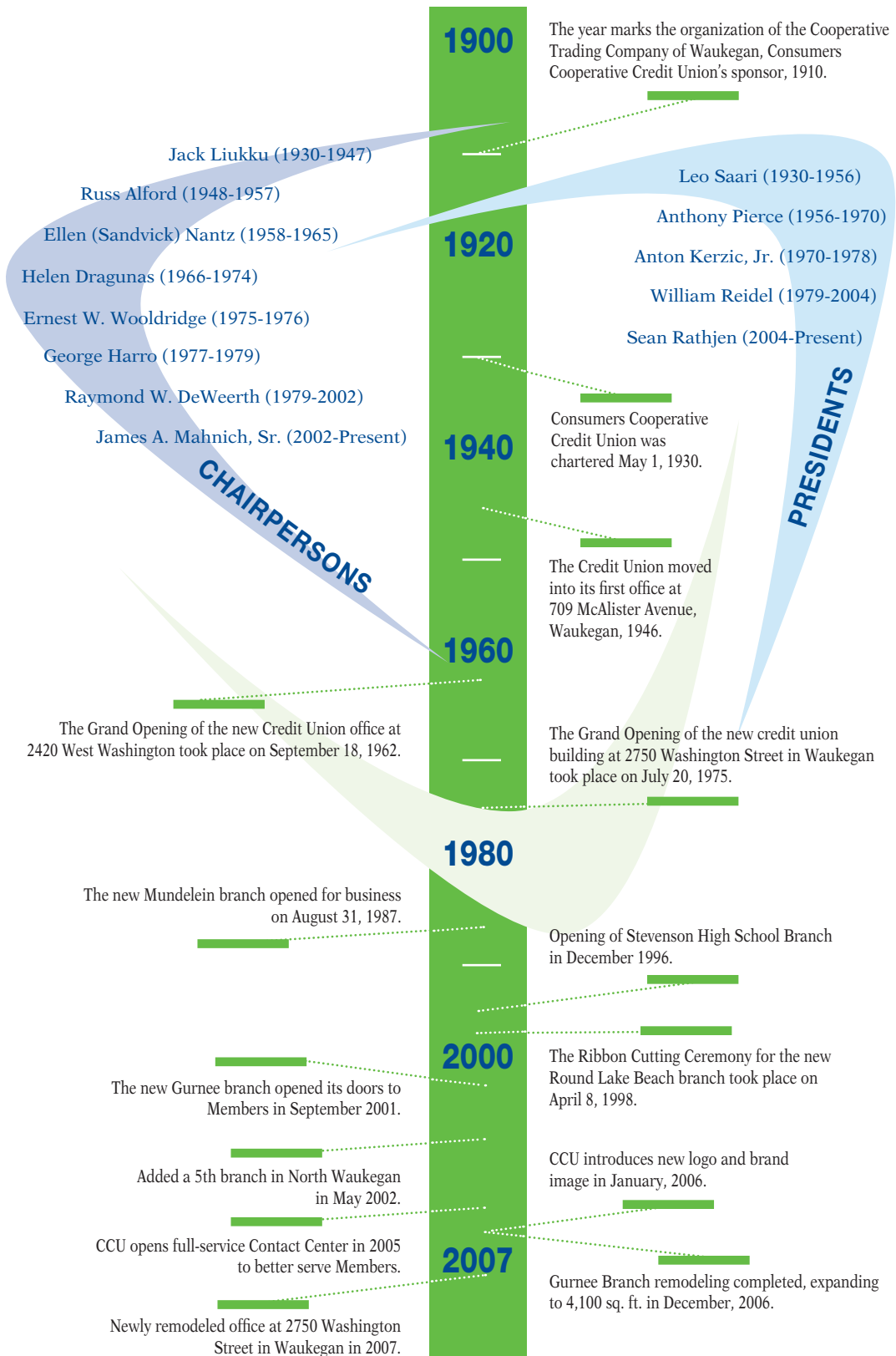
Dare to Dream

2007 ANNUAL REPORT



Your life. Our commitment.

CONSUMERS CREDIT UNION TIMELINE

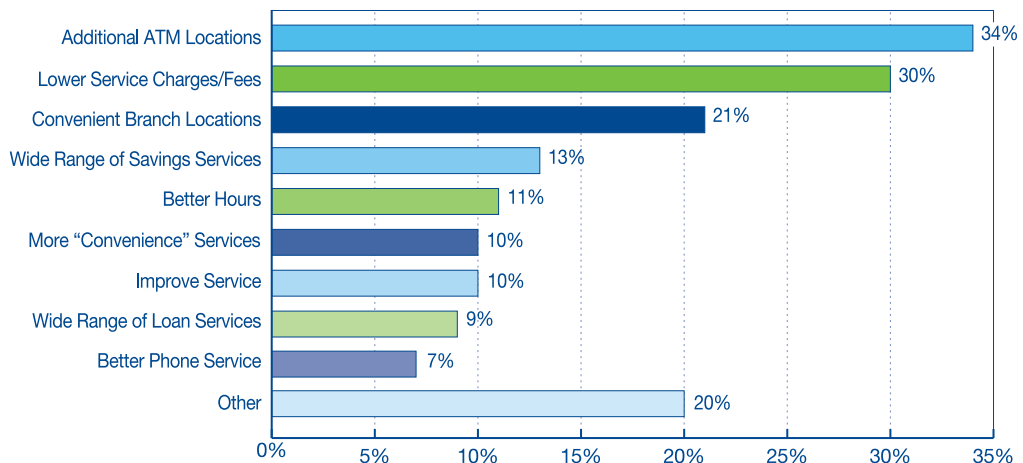


CONSUMERS CREDIT UNION MANAGEMENT

| | |
|--|--|
| Sean Rathjen, <i>President</i> | Patricia Sanchez, <i>Deposit Specialist</i> |
| Kevin Mayers, <i>Senior Vice-President</i> | Paula Tobey, <i>Internal Auditor</i> |
| John Pawlowski, <i>VP Finance & Investments</i> | Sandra DeJesus, <i>Waukegan Branch Manager</i> |
| Teresa O'Brien, <i>VP Operations</i> | Melissa Rostkowski, <i>Mundelein Branch Manager</i> |
| Hal Coxon, <i>VP Sales & Marketing</i> | Brian Romac, <i>Round Lake Beach Branch Manager</i> |
| Daniel J.T. Mathews, <i>VP Lending</i> | Derrick Jensen, <i>Gurnee Branch Manager</i> |
| Mike Mikkelson, <i>VP Information Technology</i> | Sue Jensen, <i>North Waukegan Branch Manager</i> |
| Karen Jarrett, <i>Human Resources Manager</i> | Katherine McCabe, <i>Contact Center Manager</i> |
| Sharon Jordan, <i>Accounting Manager</i> | James Eisert, <i>Waukegan Counter Service Manager</i> |
| Anupama Gupta, <i>Director, Information Technology</i> | Carmen Alba, <i>North Waukegan Counter Service Manager</i> |
| Gilbert Chavez, <i>Director, Mortgage Lending</i> | Tiffany Getsla, <i>Mundelein Counter Service Manager</i> |
| Jodi Gray, <i>VISA Manager</i> | Mary Jane Gariepy, <i>Round Lake Beach Counter Service Manager</i> |
| Michael Gaborek, <i>Credit Manager</i> | Bonny Johnson, <i>Gurnee Counter Service Manager</i> |
| Roseanne Welsand, <i>Adjustments Manager</i> | |

You spoke...Consumers Credit Union Listened!

Suggested Improvements



We asked Members for your input for suggestions on how to serve you better.

Your top nine responses are listed above. We've already gone to work to better serve your needs in 2008 and beyond! **Thank you for your feedback.**



CONSUMERS
CREDIT UNION

Your life. Our commitment.

*We promise to work with **you** to find personal solutions
to help you achieve your financial potential.*

MAIN OFFICE:

2750 Washington Street • P.O. Box 9119
Waukegan, IL 60079-9119

MUNDELEIN OFFICE:

1210 South Lake Street • P.O. Box 503
Mundelein, IL 60060-0503

ROUND LAKE BEACH OFFICE:

2626 North Route 83
Round Lake Beach, IL 60073

GURNEE OFFICE:

4946 Grand Avenue
Gurnee, IL 60031

NORTH WAUKEGAN:

3737 North Lewis Avenue
Waukegan, IL 60087

877 ASK CCCU

877.275.2228

www.myconsumers.org

2007 In Review

NEW

Expanded lineup of Real Estate Loan Products

Rewards Checking and **E-Statements**

Online account opening, with the ability
to instantly fund new accounts

AWARDS

Consumers Credit Union earns 1st Place,
State of Illinois, in the **Dora Maxwell Award** competition
for **Social Responsibility**

Consumers Credit Union earns 1st Place,
State of Illinois, in the **Louise Herring Award** competition
for demonstrating the **Credit Union Philosophy In Action**



Your life. Our commitment.

78TH ANNUAL MEETING

March 12, 2008

**Country Squire Restaurant
19133 West Highway 120 • Grayslake, Illinois**

Hal Coxon, Master of Ceremonies

Welcome &
Introduction of Guests

Mr. James A. Mahnich, Sr.,
Chairman of the Board

Dinner

Consumers Credit

Union is proud to serve Members in our newly-remodeled Waukegan office at 2750 Washington Street. Select pictures of the branch are included throughout the 2007 Annual Report.



AGENDA

Call to Order

Determination of Quorum

Reading and Approval of Agenda

Approval of Minutes of 77th Annual Meeting

Report to the Members Page 6-9

Year-End Comparisons Page 10

Liabilities and Shareholder's Equity Page 11

Operating Record Pages 12-13

Report of the Credit Committee Page 14

Report of the Supervisory Committee Page 15

Report of the Registration Committee

Report of the Nominating Committee

Election of Directors

Unfinished Business

New Business

A.

B.

C.

Adjournment



REPORT TO THE MEMBERS SUBMITTED BY:
SEAN RATHJEN, PRESIDENT

2007 – what an interesting year!

Last year will go down in history as a period of transition and turmoil for the financial services industry, both in the United States and around the world. Much of this turmoil was created by greed in the real estate and banking industry.

Consumers Credit Union is proud to report the results for your credit union are significantly different . . . and significantly better.

In fact, CCU generated financial results that exceeded historic norms, as well as for results turned in by other credit unions of similar size.

You may wonder, “How did this happen?” One simple reason: our focus is on **you** – the Member – and **not** on maximizing profits.

Let’s take a look at how this approach was reflected in our 2007 highlights!

1. **Loan Growth.** CCU’s loan growth exceeded 11%, including mortgage sales for 2007, fueled by a focus on creating products that are in the best interest of Members. For example, our expanded first mortgage options allowed Members to choose a plan that best met their personal situations. We also offered aggressive product specials with below-market rates – designed to meet your needs – such as our Home Equity and Home Equity Line of Credit promotions and our VISA cash advance and balance transfer specials.

The results speak for themselves: our VISA Credit Card portfolio grew by more than 16%; Home Equities by more than 50%.

2. **Community Service.** Consumers Credit Union has always been committed to serving the communities in and around our branches. This commitment takes on many shapes during the year, including participation in community festivals, marching in parades, sponsorship of youth programs, raising funds and contributing money for worthy causes, along with social outreach to every corner of the communities we serve.

CCU’s commitment was recognized by the Illinois Credit Union League, as your credit union earned First Place in the State of Illinois in the 2007 Dora Maxwell Social Responsibility Award competition.

3. **Education.** Education is at the core of the credit union movement, and Consumers Credit Union is a strong supporter of this initiative. We also believe that well-educated staff are best equipped to meet the ever changing needs of our Members. In that spirit, we launched “Consumers University” at the start of 2007 – an initiative designed to provide continuing education for all employees.

REPORT TO THE MEMBERS

Consumers University was recognized with another First Place award by the Illinois Credit Union League: the Louise Herring Award for Philosophy In Action.

4. **First Mortgage Program Enhancements.** In 2007, CCU made two significant enhancements to our First Mortgage portfolio. As noted above, we expanded our options to provide more choices for Members. We also began selling first mortgage loans to the secondary market, while retaining the servicing for our Members.

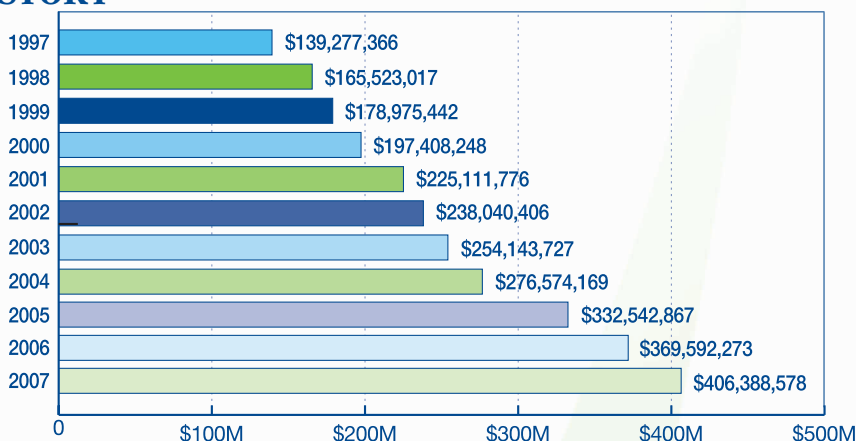
You might ask, “How does selling first mortgage loans benefit Members?” That’s a fair question – best answered by the following example.

When we sell a \$150,000 mortgage to the secondary market, it allows us to take that same \$150,000 and find *another* Member who would like to borrow the money to buy their dream home. Using this simple approach, a dozen or more families could wind up benefiting from the same \$150,000! This approach also stimulates the local economy, creating jobs right here in Lake, McHenry and Kenosha Counties.

One of the most important reasons many Members want their home loan with Consumers Credit Union is because they want us to service their loan. Here is my promise to you: your credit union will never sell the servicing on your home loan; your payment will always be sent to Consumers Credit Union.

The following chart demonstrates how the credit union delivered strong financial performance in the midst of these significant changes!

LOAN HISTORY



These accomplishments demonstrate our commitment to making a difference . . . a commitment that can be seen in our plans for 2008, too!

5. **Remodeled Waukegan Branch.** CCU made a significant investment in our office at 2750 Washington Street in Waukegan. This beautifully renovated facility can now serve you better, with improved processing time for routine transactions and private offices to provide a higher degree of professionalism and confidentiality for Members opening new accounts or expanding their relationship with CCU.

In that spirit, you are invited to join us for our Grand Re-Opening Celebration, starting Wednesday, March 19, 2008. The festivities begin on March 19 with an Open House, product specials, treats and a special gift . . . and watch for a month-long celebration that continues through Saturday, April 19, 2008.

6. **More Growth, More Improvements.** CCU laid the foundation for further progress in 2008 and beyond. Our plans for 2008 include an extensive remodel at our Mundelein office; and, opening a new branch in the Village of Volo. Our tradition of expanding to meet your needs along with our ongoing focus on Member service will never end!

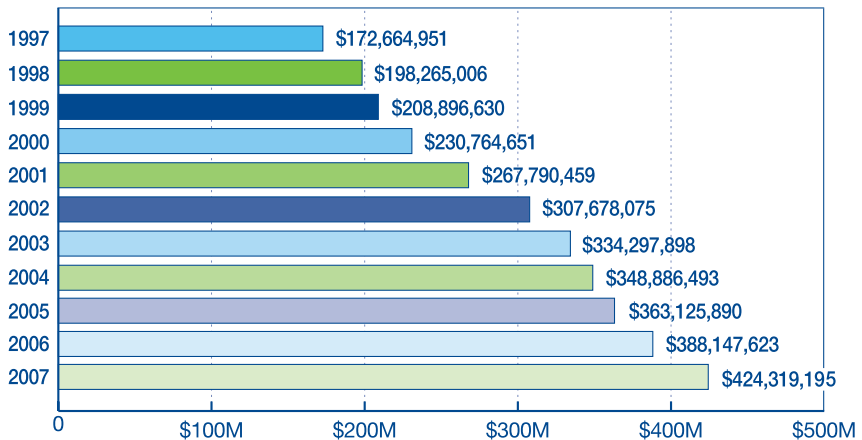
7. **Member Satisfaction.** Speaking of Member service, Consumers Credit Union hired an independent research firm to conduct a Member survey to measure how well we meet Member needs and to provide suggestions for how we can change to better serve you.

We are extremely proud that our Member satisfaction level was 95% – well above the credit union national average of 72% – and light years ahead of the 64% satisfaction ranking for banks. Consumers Credit Union exceeded industry averages because of our unwavering mission of providing quality services to Members.

For additional information from the 2007 Member Survey, please see the charts on pages 17, 18 and 19 of this Annual Report.

Consumers Credit Union has “raised the bar” – and raised expectations – for 2008. Where will those higher expectations take us? The following chart shows our deposit growth through 2007.

DEPOSIT HISTORY



8. **Financial Performance.** Yes, CCU is extremely proud of our financial performance, too. We set a record for number of Members, deposits and assets, in addition to the strong loan performance indicated above. Three charts accompany this report, reflecting the trend for loans, deposits and assets over the past 10 years.

A complete recap of Consumers Credit Union’s 2007 financial performance is included on Pages 10 through 13 of this Annual Report.

Conclusion

We hope you, too, are proud of the success achieved by Consumers Credit Union – *your* credit union – in 2007. As illustrated by the highlights listed above, we strongly believe success is measured by more than just numbers; it also includes our commitment to continuing education, community service, improved facilities and creating an unparalleled Member experience as important parts of the equation.

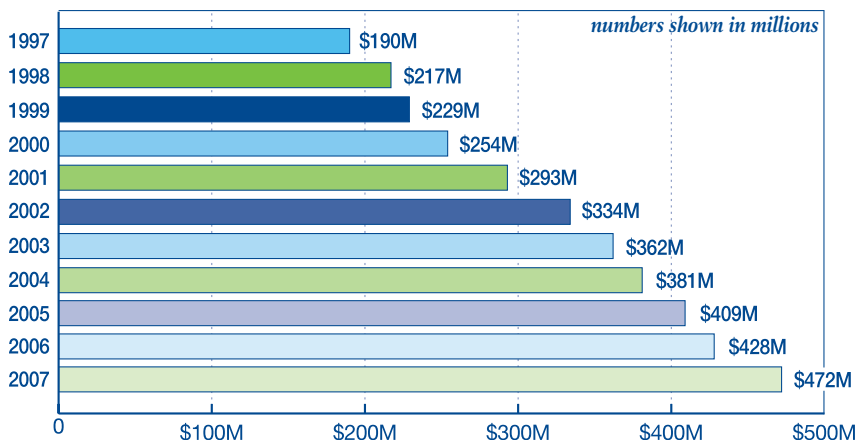
The future for Consumers Credit Union is bright, indeed. We promise we’ll continue to provide outstanding value backed by superior service in our relentless quest to better serve your needs.

After all: you are the very reason Consumers Credit Union exists – and we’ll never lose sight of the importance of that statement.

Thank you for your Membership at Consumers Credit Union!



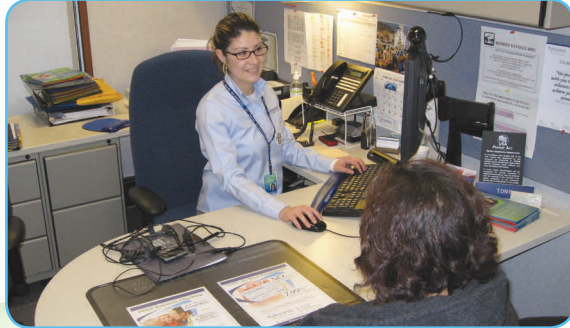
ASSET HISTORY



Consumers Credit Union continues to strive to live up to our promise to Members: “Your Life. Our Commitment.” Keeping that commitment means making a difference... for Members, for staff, for the communities we serve and for *your* credit union!

YEAR END COMPARISONS

Members will enjoy additional privacy in the newly remodeled Waukegan office.



ASSETS

Current Assets

| | | | |
|-----------------------------------|------------------|------------------|--------------------|
| Cash | \$ 4,509,668 | \$ 5,373,022 | \$ (863,354) |
| Current Assets | 1,898,563 | 2,317,180 | (418,617) |
| Total Current Assets | 6,408,231 | 7,690,202 | (1,281,971) |

LOANS

| | | | |
|------------------------------------|--------------------|--------------------|-------------------|
| Regular Loans | 119,535,572 | 116,874,686 | 2,660,886 |
| Mortgage Loans..... | 247,809,293 | 219,274,649 | 28,534,644 |
| VISA Loans..... | 39,043,713 | 33,442,938 | 5,600,775 |
| Gross Loans | 406,388,578 | 369,592,273 | 36,796,305 |
| Less Allowance for Loan Loss | (1,775,097) | (1,574,049) | (201,048) |
| Total Loans | 404,613,480 | 368,018,224 | 36,595,256 |

INVESTMENTS

| | | | |
|--|-------------------|-------------------|------------------|
| Due From's and Other Investments | 7,187,331 | 18,222,987 | (11,035,656) |
| U.S. Government - Agencies & Treasuries (NET) | 2,990,670 | 14,800,231 | (11,809,561) |
| Certificates of Deposit..... | 35,181,000 | 5,368,000 | 29,813,000 |
| Total Investments | 45,359,001 | 38,391,218 | 6,967,783 |

FIXED ASSETS

| | | | |
|---|-------------------|-------------------|----------------|
| Furniture & Equipment & Automobile (NET)..... | 4,220,940 | 3,428,120 | 792,820 |
| Buildings (NET) & Land..... | 6,775,876 | 6,768,138 | 7,738 |
| Total Fixed Assets | 10,996,816 | 10,196,258 | 800,558 |

OTHER ASSETS

| | | | |
|---------------------------|-----------------------|-----------------------|----------------------|
| | 4,612,336 | 4,119,142 | 493,194 |
| Total Assets | \$ 471,989,863 | \$ 428,415,044 | \$ 43,574,820 |

LIABILITIES AND SHAREHOLDERS EQUITY

CURRENT LIABILITIES

| | | | |
|--|-------------------|------------------|------------------|
| Notes Payable..... | \$ 10,000,000 | 5,000,000 | \$ 5,000,000 |
| Current Liabilities..... | 2,171,101 | 1,557,216 | 613,885 |
| TOTAL CURRENT LIABILITIES | 12,171,101 | 6,557,216 | 5,613,885 |

SHAREHOLDER'S EQUITY

| | | | |
|--|--------------------|--------------------|-------------------|
| Shares | 67,287,844 | 72,357,964 | (5,070,120) |
| Money Market Shares..... | 66,984,712 | 67,833,949 | (849,237) |
| Rewards, Free & Power Pak Checking | 61,821,762 | 55,480,209 | 6,341,553 |
| Total Certificates..... | 180,691,112 | 149,306,216 | 31,384,896 |
| Total IRA Shares & IRA Certificates..... | 47,533,764 | 43,169,285 | 4,364,479 |
| TOTAL SHARES & CERTIFICATES | 424,319,195 | 388,147,623 | 36,171,571 |

RESERVES & EQUITY

| | | | |
|--|-------------------|-------------------|------------------|
| Regular Reserves..... | 22,281,203 | 22,281,203 | 0 |
| Undivided Earnings | 14,682,862 | 11,628,770 | 3,054,092 |
| Other Comprehensive Income..... | (1,455,167) | 0 | (1,455,167) |
| Allowance Gain (Loss) Investments..... | (9,330) | (199,769) | 190,439 |
| TOTAL RESERVES & NET INCOME | 35,499,568 | 33,710,204 | 1,789,364 |

TOTAL LIABILITIES &

SHAREHOLDERS EQUITY

| | | |
|-----------------------|-----------------------|----------------------|
| \$ 471,989,863 | \$ 428,415,044 | \$ 43,574,820 |
|-----------------------|-----------------------|----------------------|

| | | |
|----------------------|----------------------|-----------------|
| DEC. 31, 2007 | DEC. 31, 2006 | VARIANCE |
|----------------------|----------------------|-----------------|

| | | | |
|--|--------|--------|-----|
| Number of Members at End of Year | 49,906 | 49,451 | 455 |
|--|--------|--------|-----|



In Memory of...

Norma Quedenfeld

CCU extends our deepest sympathy to Norma's family and friends. Norma was a faithful credit union volunteer for decades, serving on CCU's Board of Directors, the Supervisory Committee and the Nominating Committee. CCU experienced major growth during Norma's years of service, adding branches in Mundelein, Round Lake Beach, Gurnee and North Waukegan, and new products, such as Mortgages and VISA Credit Cards, and supporting joining a nationwide ATM network. The credit union is a better place thanks to Norma.

OPERATING RECORD

INCOME

| | DEC. 31, 2007 | DEC. 31, 2006 | VARIANCE |
|---------------------------------|----------------------|----------------------|---------------------|
| Interest on Loans | \$ 25,104,951 | \$ 21,218,292 | \$ 3,886,659 |
| Investment Income | 2,202,308 | 1,479,087 | 723,221 |
| Fee Income | 6,971,666 | 5,642,469 | 1,329,197 |
| Other Income | 916,906 | 650,153 | 266,753 |
| TOTAL GROSS INCOME | \$ 35,195,830 | \$ 28,990,001 | \$ 6,205,829 |

OPERATING EXPENSES

SALARIES & BENEFITS

| | | | |
|--|------------------|------------------|----------------|
| Salaries, Holiday, PTO & Incentives..... | \$ 6,990,178 | \$ 6,428,249 | \$ 561,929 |
| Payroll Taxes | 555,291 | 506,118 | 49,173 |
| Employee Benefits..... | 1,600,486 | 1,447,692 | 152,794 |
| TOTAL SALARIES & BENEFITS | 9,145,954 | 8,382,059 | 763,895 |

OFFICE OCCUPANCY

| | | | |
|--------------------------------------|----------------|----------------|----------------|
| Building Depreciation..... | 197,667 | 198,342 | (675) |
| Building Maintenance | 210,785 | 149,313 | 61,472 |
| Utilities (Gas/Water/Electric) | 168,066 | 141,209 | 26,857 |
| Real Estate Tax..... | 257,553 | 225,697 | 31,856 |
| Rent Gurnee | 123,552 | 101,360 | 22,192 |
| TOTAL OFFICE OCCUPANCY..... | 957,623 | 815,922 | 141,701 |

OFFICE OPERATIONS

| | | | |
|---|------------------|------------------|----------------|
| Depreciation – FF&E | 1,053,948 | 759,519 | 294,429 |
| Janitorial & Other Outside Labor | 168,236 | 137,976 | 30,260 |
| Telephone | 264,341 | 231,522 | 32,819 |
| Maintenance & Maintenance Agreements..... | 610,303 | 477,164 | 133,140 |
| Office Supplies | 359,611 | 262,174 | 97,437 |
| Postage..... | 158,394 | 137,945 | 20,449 |
| Bank Service Charge..... | 209,704 | 158,945 | 50,760 |
| Insurance..... | 158,480 | 125,257 | 33,223 |
| TOTAL OFFICE OPERATIONS | 2,983,018 | 2,290,501 | 692,517 |

PROFESSIONAL SERVICES

| | | | |
|---|------------------|------------------|----------------|
| Member Statements..... | 311,357 | 277,765 | 33,592 |
| Professional Help | 171,730 | 142,096 | 29,634 |
| Cash Delivery..... | 64,665 | 60,579 | 4,087 |
| Personnel Recruitment | 57,665 | 36,597 | 21,068 |
| Outside Auditors | 93,816 | 76,932 | 16,884 |
| Outside Financial Consulting..... | 9,700 | 9,500 | 200 |
| Network (ATM) | 404,011 | 335,740 | 68,271 |
| Shared Branching | 13,818 | 6,032 | 7,786 |
| Debit Card | 289,954 | 216,209 | 73,745 |
| Bill Payment & Home Banking..... | 421,930 | 428,574 | (6,644) |
| D.F.I. Fees..... | 105,285 | 103,365 | 1,920 |
| Share Draft Expense | 79,300 | 93,478 | (14,177) |
| TOTAL PROFESSIONAL SERVICES..... | 2,023,231 | 1,786,866 | 236,365 |

OPERATING RECORD

OPERATING EXPENSES

MEETINGS, TRAVEL & CONFERENCE

| | DEC. 31, 2007 | DEC. 31, 2006 | VARIANCE |
|---|----------------|---------------|---------------|
| Conference & Meetings..... | \$ 96,140 | \$ 48,231 | \$ 47,910 |
| Mileage | 45,349 | 44,476 | 873 |
| TOTAL MEETINGS, TRAVEL & CONFERENCE ... | <u>141,490</u> | <u>92,707</u> | <u>48,783</u> |

EDUCATION & PROMOTION

| | | | |
|---|----------------|----------------|---------------|
| Education & Promotion (Marketing) | 778,965 | 724,015 | 54,950 |
| Employee Training..... | 42,263 | 31,497 | 10,766 |
| TOTAL EDUCATION & PROMOTION..... | <u>821,228</u> | <u>755,512</u> | <u>65,716</u> |

LOAN SERVICING EXPENSE

| | | | |
|------------------------------------|------------------|------------------|----------------|
| VISA | 1,319,294 | 996,459 | 322,835 |
| Collection..... | 107,917 | 86,010 | 21,907 |
| Credit Reports | 100,009 | 89,610 | 10,399 |
| Mortgage Expense..... | 308,654 | 226,806 | 81,847 |
| Other Loan Expenses..... | 21,084 | 34,370 | (13,286) |
| TOTAL Loan Servicing Expense | <u>1,856,956</u> | <u>1,433,255</u> | <u>423,702</u> |

MISC. OPERATING EXPENSES

| | | | |
|---|-------------------|-------------------|------------------|
| Computer Expense (Data Processing) | 88,280 | 140,484 | (52,204) |
| Cash Over & Short | 11,883 | 7,792 | 4,091 |
| Annual Meeting Expense | 24,641 | 14,678 | 9,963 |
| Bad Check Expense..... | 11,401 | 121,134 | (109,733) |
| Charge Off Exp. – ATM/ODP/Debit Card..... | 56,725 | 125,902 | (69,176) |
| VISA Fraud..... | 37,934 | 32,956 | 4,978 |
| Misc. Operating Expense..... | 117,179 | 73,459 | 43,721 |
| TOTAL MISC. OPERATING EXPENSES | <u>348,044</u> | <u>516,404</u> | <u>-168,360</u> |
| TOTAL OPERATING EXPENSES | <u>18,277,545</u> | <u>16,073,226</u> | <u>2,204,319</u> |

| | | | |
|------------------------------|-------------------|-------------------|------------------|
| Provision for Loan Loss..... | 1,136,916 | 812,554 | 324,362 |
| TOTAL EXPENSES | <u>19,414,460</u> | <u>16,885,780</u> | <u>2,528,681</u> |

| | | | |
|--|---|------|----|
| Gain (Loss) on Sale of Investments/Loans | 0 | 0 | 0 |
| Gain (Loss) on Disposal of Assets | 0 | (25) | 25 |

DIVIDEND EXPENSE

| | | | |
|------------------------------|-------------------|------------------|------------------|
| Borrowed Funds..... | 453,265 | 207,290 | 245,975 |
| Dividend Expense..... | 12,273,474 | 9,697,749 | 2,575,724 |
| TOTAL DIVIDEND EXPENSE | <u>12,726,738</u> | <u>9,905,039</u> | <u>2,821,699</u> |

| | | | |
|----------------------------|-------------------|-------------------|------------------|
| TOTAL EXPENSE | 32,141,199 | 26,790,844 | 5,350,355 |
|----------------------------|-------------------|-------------------|------------------|

| | | | |
|--------------------------------|---------------------|---------------------|-------------------|
| NET INCOME (LOSS) | <u>\$ 3,054,631</u> | <u>\$ 2,199,157</u> | <u>\$ 855,474</u> |
|--------------------------------|---------------------|---------------------|-------------------|

DISTRIBUTION OF NET INCOME

| | | | |
|----------------------------|--------------|--------------|------------|
| To Undivided Earnings..... | \$ 3,054,631 | \$ 2,199,157 | \$ 855,474 |
| To Regular Reserve | 0 | 0 | 0 |

REPORT OF THE CREDIT COMMITTEE

The Credit Committee acted on 21,032 loan applications. Of these, 14,197 were approved, 4,129 were rejected and 2,706 were cancelled. Loans were approved for a grand total of \$164,753,037.90 and this money was used for the following purposes:

| | 2007 NUMBER | 2007 AMOUNT | 2006 NUMBER | 2006 AMOUNT |
|--|---------------|--------------------------|---------------|--------------------------|
| New Auto | 540 | \$ 12,951,830.03 | 644 | \$ 14,483,401.51 |
| Used Auto | 1,634 | 28,604,898.54 | 1,734 | 26,741,311.42 |
| Motorcycle | 480 | 3,925,446.63 | 514 | 4,459,017.48 |
| Boats, Campers, and Motorhomes | 45 | 1,342,160.03 | 95 | 3,052,422.63 |
| ATVs, Snowmobiles, and Jetskis | 454 | 3,669,821.16 | 441 | 2,885,497.86 |
| Other Secured | 862 | 7,634,564.70 | 1,006 | 6,533,689.53 |
| Savings (includes Share and CD Secured) | 265 | 12,192,986.68 | 214 | 1,935,518.50 |
| Signature and Cosigner | 827 | 2,976,547.07 | 549 | 1,880,387.59 |
| Overdraft Loan* | 4,852 | 958,455.39 | 4,803 | 1,097,833.13 |
| NSGCU Read Cash | 100 | 75,462.44 | 102 | 175,510.85 |
| Home Equity Loans | 728 | 34,527,837.25 | 530 | 28,275,325.45 |
| Home Equity Lines of Credit (HELOC) | 3,266 | 24,731,186.09 | 3,549 | 33,405,194.38 |
| First Mortgages | 144 | 31,161,841.89 | 122 | 25,715,300.53 |
| Total | 14,197 | \$ 164,753,037.90 | 14,303 | \$ 150,640,410.86 |
| Rewrites and Extensions | 66 | \$ 725,126.54 | 29 | \$ 375,566.20 |
| Indirect Lending | 834 | \$ 6,131,712.48 | 1,499 | \$ 7,095,701.91 |

Lou Paparigian, *Chairman*
 Horacio Lopez
 Larry May
 Dr. John Schwab



REPORT OF THE SUPERVISORY COMMITTEE

The Supervisory Committee met monthly to monitor and review credit union operations.

Our external auditors, Wipfli Ullrich Bertelson LLP (WIPFLi), conducted the Annual verification of share and loan accounts as of September 30, 2007, and the Annual Audit of our Financial Statements for the year ended September 30, 2007. It is WIPFLi's opinion that the financial statements present fairly, in all material respects, the financial position of Consumers Cooperative Credit Union at September 30, 2007, and the results of its operations and its cash flows for the year then ended are in conformity with generally accepted accounting principles in the United States. The results of this Audit were reviewed at the December, 2007 Board of Directors meeting, with each Director receiving a copy of these reports.

WIPFLi also audited our 401(k) Plan and Trust and Defined Benefit Plans as of December 31, 2006. In the opinion for these audits, WIPFLi stated that the form and content of the information included in the 2006 financial statements and schedules, other than that derived from the information certified by the trustee (CUNA Mutual), have been audited in accordance with generally accepted accounting principals in the United States and, in our opinion, are in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

American Share Insurance and the Illinois Department of Financial & Professional Regulation, Division of Financial Institutions Credit Union Section conducted examinations of the credit union's financial statements as of June 30, 2007 and found no major exceptions or material differences.

CUNA Mutual conducted a Risk Management Audit of credit union operations as of July, 2007 concentrating on plastic cards, employment practices, indirect lending, and wire transfers. Overall findings were satisfactory. Results were presented and discussed at the Supervisory Committee meeting on July 26, 2007.

During 2007, our Internal Auditor began performing required annual audits, including cash audits, Automated Clearing House (ACH) procedures, Shared Branching procedures, and Internal Control Policies. She assisted with compliance requirements due to state and federal regulation changes, provided compliance support with new products, such as Rewards Checking, and assisted with procedural changes and training. Monthly audit reports are submitted to the Supervisory Committee and Board of Directors.

Ann Campanella, Chairman
Jerry Larson, Secretary
Joseph Rajcevic
Kenneth Robinson
Paul Williams



BOARD OF DIRECTORS

DIRECTORS FOR 2007:

James A. Mahnich, Sr., *Chairman*

John R. Janezic, *Vice-Chairman*

Cynthia E. Lee, *Secretary*

Dr. John Schwab, *Treasurer*

Ann Campanella

Denise Twardy Charts

Alice Clements

Larry May

Lou Paparigian

Joseph Rajceвич

Kenneth Robinson

Paul Williams

COMMITTEE MEMBERS:

Timothy Hattendorf

Jerry P. Larson

Horacio Lopez

Roman Miller

BOARD CANDIDATES AS APPROVED BY THE NOMINATING COMMITTEE:

Jeffrey Camplin

Denise Twardy Charts (Incumbent)

John R. Janezic (Incumbent)

Roman Miller

Ruben Querubin

Dr. John Schwab (Incumbent)

David T. Sherman

Harold Sloan

Chester W. Splitt

Mary Turley

NOMINATING COMMITTEE:

Kenneth Robinson, *Chairman*

Lou Paparigian

Joseph Rajceвич

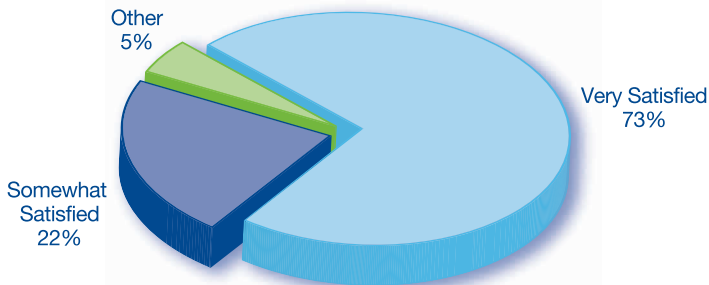
*Just for kids!
Children will enjoy
CCU's "Kids Corner,"
a place to play and
watch TV.*



2007 MEMBER SURVEY RESULTS

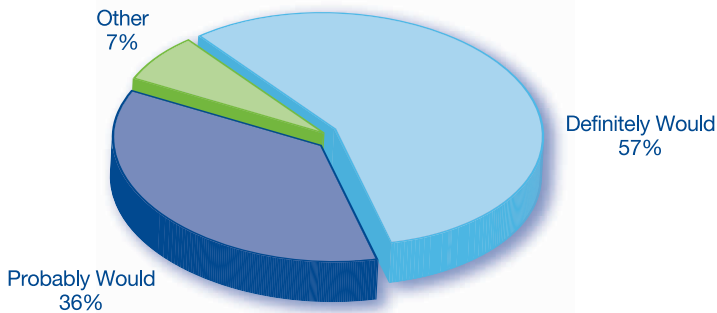
Consumers Credit Union conducted a Member Survey in the second quarter of 2007. The survey was designed to help CCU better meet your needs by identifying how we could serve you better. Nearly 1,000 Members responded to the survey. Thank you! Highlights from the survey follow.

Overall Satisfaction With CCU



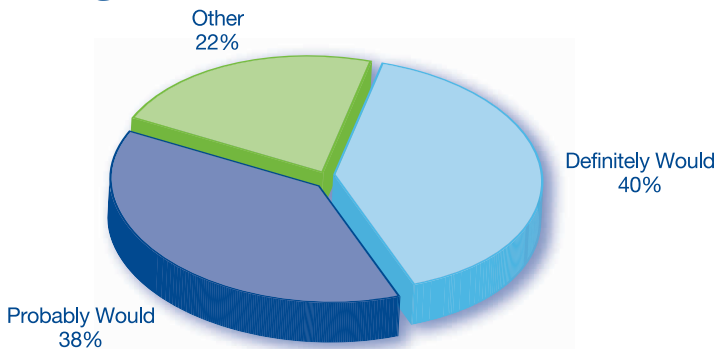
The chart above shows Member satisfaction with Consumers Credit Union. We are proud that 95% of our Members are satisfied with CCU. We'll work hard to increase satisfaction even further in the future!

Recommending CU to Others



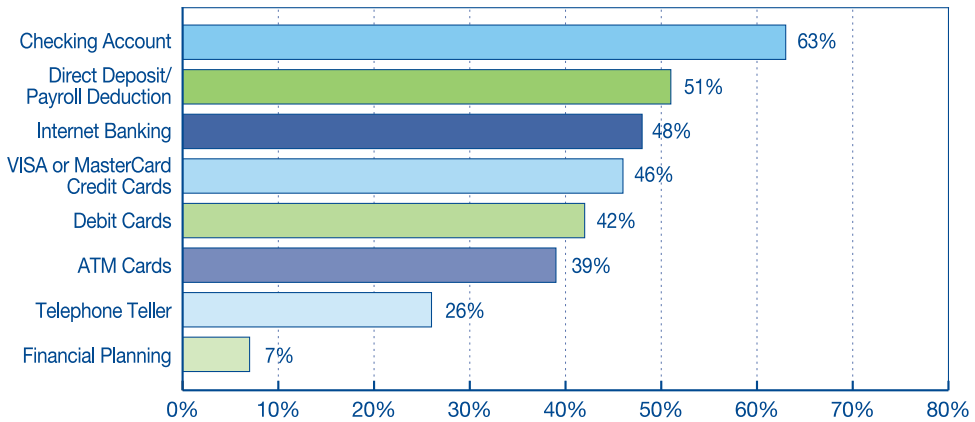
One of the most important questions we can ask is simply this: "Would you recommend Consumers Credit Union to your friends and neighbors?" 93% of Members said you would. Thank you!

Contacting CU for Future Financial Services



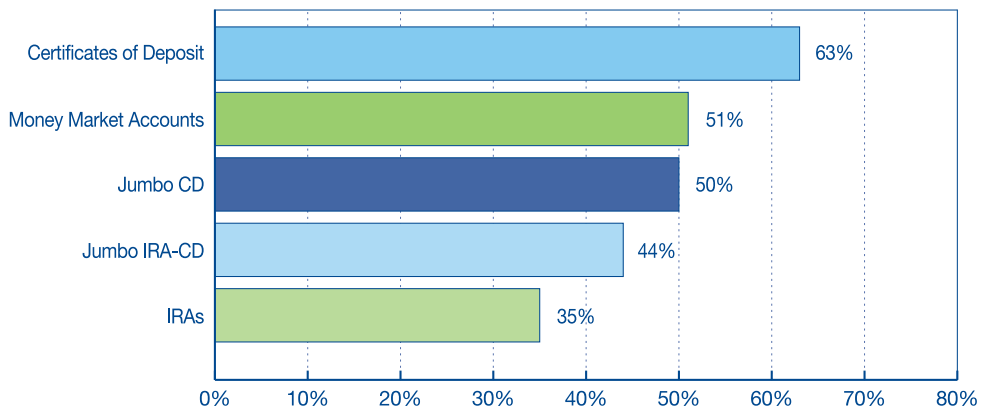
An equally important question: "Will you bring your future financial services needs to CCU?" More than three out of four Members say they will... and we're working to make that number even higher this year!

Use of CU Convenience Services



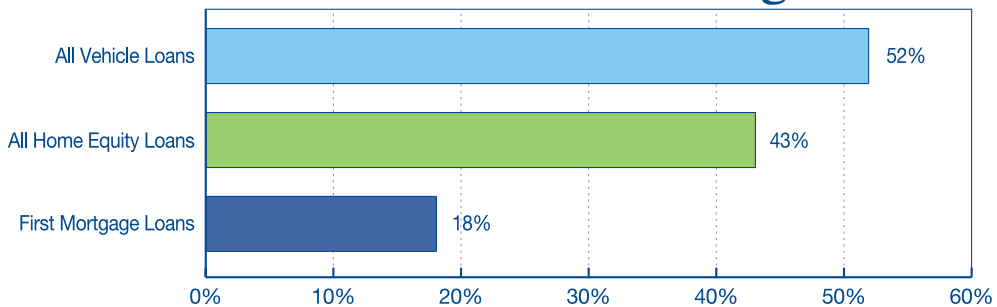
This chart illustrates the number of Members using convenience services at CCU. These services provide benefits for Members and CCU alike. Thank you!

Market Shares for Savings Programs



CDs, Money Market Accounts and IRAs provide important savings opportunities. CCU is proud of the number of Members who trust the credit union with your savings needs.

Market Shares for Loan Programs



Consumers Credit Union strives to meet the borrowing needs of Members, too. From first mortgages to home equity loans to vehicle loans and everything in between - we have the products you need.