Pentegra Defined Contribution Plan for Financial Institutions

Employer Identification Number: 13-6321489
Plan Number: 333

Financial Statements as of December 31, 2012 and 2011, and for the Year Ended December 31, 2012, Supplemental Schedule as of December 31, 2012, and Independent Auditor's Report

PENTEGRA DEFINED CONTRIBUTION PLAN FOR FINANCIAL INSTITUTIONS

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NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Participants of
Pentegra Defined Contribution Plan for Financial Institutions

We have audited the accompanying financial statements of Pentegra Defined Contribution Plan for Financial Institutions (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, the related statement of changes in net assets available for benefits for the year ended December 31, 2012, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Pentegra Defined Contribution Plan for Financial Institutions as of December 31, 2012 and 2011, and the changes in net assets available for benefits for the year ended 2012 in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Schedule

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule of Assets (Held at Year End) as of December 31, 2012 is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This schedule is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such schedule has been subjected to the auditing procedures applied in our audits of the financial statements and certain additional procedures, including comparing and reconciling such schedule directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such schedule is fairly stated in all material respects in relation to the financial statements as a whole.

Deloitte & Touche LLP

October 9, 2013

PENTEGRA DEFINED CONTRIBUTION PLAN FOR FINANCIAL INSTITUTIONS

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2012 AND 2011
(In thousands)

	2012	2011
ASSETS:		
Cash	$ 4,298	$ 1,151
Investments — at fair value	1,349,420	1,180,390
Receivables:		
Notes receivable from participants	30,992	27,688
Accounts receivable — administrative	163	2
Employer contributions	4,359	3,221
Participant contributions	297	265
Total receivables	35,811	31,176
Other		8
Total assets	1,389,529	1,212,725
LIABILITIES:		
Accrued administrative expenses	21	95
Payables for securities purchased		45
Other liabilities	6,116	4,091
Total liabilities	6,137	4,231
NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE	1,383,392	1,208,494
ADJUSTMENT FROM FAIR VALUE TO CONTRACT VALUE FOR FULLY BENEFIT-RESPONSIVE STABLE VALUE FUND	(11,229)	(9,117)
NET ASSETS AVAILABLE FOR BENEFITS	$1,372,163	$1,199,377

See accompanying notes to financial statements.

PENTEGRA DEFINED CONTRIBUTION PLAN FOR FINANCIAL INSTITUTIONS

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2012
(In thousands)

ADDITIONS:	
Contributions:	
Employers	$ 35,674
Participants	59,194
Rollovers	12,493
Total contributions	107,361
Investment income:	
Net appreciation in fair value of investments	124,252
Earnings on self-directed brokerage accounts	374
Interest bearing cash-including STIF and government STIF	181
Dividends	479
Net investment income	125,286
Interest income on notes receivable from participants	1,270
Other income	7,845
Total income	241,762
DEDUCTIONS:	
Benefits paid to participants	97,767
Corrective distributions	303
Management fees	7,071
Other expenses	8,494
Total deductions	113,635
NET INCREASE IN NET ASSETS BEFORE PLAN TRANSFERS	128,127
TRANSFERS OF ASSETS:	
Transfers into the Plan	51,411
Transfers out of the Plan	(6,752)
Net transfers into the Plan	44,659
TOTAL INCREASE IN NET ASSETS	172,786
NET ASSETS AVAILABLE FOR BENEFITS:	
Beginning of year	1,199,377
End of year	$1,372,163

See accompanying notes to financial statements.

1. DESCRIPTION OF THE PLAN

The following description of the Pentegra Defined Contribution Plan for Financial Institutions (the "Plan") is provided for general information purposes only. Participants should refer to their respective Summary Plan Descriptions ("SPD") for more complete information.

General — The Plan is a multiple-employer, tax-exempt trusteed savings plan. The Board of Directors ("the Board") of the Plan controls and manages the operation and administration of the Plan. Reliance Trust Company serves as the trustee of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Contributions — Participating employers may, at their option, elect the 401(k) feature of the Plan which permits participants to defer current federal income tax, and the income taxes of most states, on the amounts contributed to and earned on the 401(k) account. These contributions are made in cash and are subject to certain Internal Revenue Code ("IRC") limitations. Certain participants, who meet the eligibility requirements, may contribute additional amounts (e.g., age 50 catch-up); these contributions shall, at the employer's election, be eligible for matching contributions. Contributions on behalf of each participant are invested in accordance with the participant's instructions, entirely in one fund or in any combination of funds in increments of 1%. If a participant fails to make an investment election, contributions by participants or on their behalf are invested in the Plan's qualified default investment option (State Street Global Advisors Target Retirement Fund Series). The profit sharing feature offers employers the option of allowing participant-directed investments as described above or investing at the employer's discretion. Additional employer contributions may be made in accordance with the Plan at the employer's discretion. Participants may also contribute amounts representing certain distributions from other qualified defined benefit or defined contribution plans. An employer may elect automatic 401(k) elective deferrals on behalf of a participant in accordance with the Automatic Enrollment feature. The automatic contributions would cease if the participant affirmatively elects to make contributions in a different amount or percentage or not to have deferrals made on his behalf. Automatic 401(k) elective deferrals will be invested in a Qualified Default Investment Alternative until a participant affirmatively indicates how such amounts shall be invested.

Participant Accounts — Individual accounts are maintained for each Plan participant. Each participant's account is credited with participant contributions, the employer contributions, forfeiture allocation if applicable, loan repayments and investment earnings and charged with withdrawals, administrative expenses, loan advances and investment losses. Allocations, if any, are based on participant account balances or compensation. Any additions to the participant's account purchase units based on the unit values of the respective investment funds. Any distributions from the account result in a decrease in units. The difference between the value of a participant's account at the end of the previous day and the value at the end of the current day, net of all transactions occurring during the current day (contributions, withdrawals, etc.), is the amount of earnings (losses) credited to the participant's account. The total value of a participant's account is determined by multiplying the number of units in each investment fund by the unit value of such fund and aggregating the results. The benefit to which a participant is entitled is their vested account balance. Participating employers select the vesting schedule that will apply to employer contributions made to the Plan.

Investments — Total nonparticipant-directed investments in the Plan were $3,096 and $2,644 as of December 31, 2012 and 2011, respectively. In addition, $2,230 and $3,691 as of December 31, 2012 and 2011, respectively, is held by the Plan for liquidity purposes, which is primarily used to pay expenses incurred by the Plan. Generally, participants direct the investment of their contributions into various investment options offered by the Plan. Participants should refer to their SPD. The Plan offers a wide variety of investment options spanning the risk/return spectrum, including stock, bond and allocation funds. Plan assets are generally invested in common collective trust funds ("CCTs") under one menu (Option I), and in CCTs and mutual fund companies under another menu (Option II). The investments are managed by State Street Global Advisors ("SSgA"), American Beacon Advisors, Inc., T. Rowe Price Associates, Inc., Capital Research and Management Company, Harbor Capital Advisors, Inc., Royce & Associates, LLC, Massachusetts Financial Services Company, Principal Management Corp., TD Ameritrade Trust Company and Invesco National Trust Company. In addition to the investment options managed by the listed advisors, employers, at their option, may offer expanded investment flexibility through the Personal Choice Retirement Account ("PCRA"). The PCRA is a self-directed brokerage feature that works in tandem with the other investment options, providing access to additional mutual funds and individual securities. It is administered through Charles Schwab and Company, Inc.

Vesting — Participants are vested immediately in their contributions plus actual earnings thereon. Participants should refer to their respective SPD to determine the vesting schedule for employer contributions.

Notes Receivable from Participants — Employers may also, at their option, make available a loan program to their employees. This program, depending on the option elected by the employer, allows a participant to borrow from their account balance subject to limitations imposed by federal law. The loans are secured by the balance in the participant's account. The rate of interest for the term of the loan is established as of the loan date and shall bear interest rates comparable to the rates of interest in effect at a major banking institution (the Barron's Prime Rate plus one percent). Loan repayments of principal and interest, less an administrative charge, are credited to participants' accounts. Loans initiated prior to 2000 had an administrative charge deducted from each repayment. For loans initiated during calendar year 2000 and later, a one-time setup fee and an annual maintenance fee is charged to participant accounts. Loan defaults are classified as withdrawals and treated as taxable distributions. Participants should refer to their respective SPD for more complete information. As of December 31, 2012, participant loans have maturities through 2027 at interest rates ranging from 2.45 percent to 10.50 percent.

Payment of Benefits — A participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in their account or a portion of their account, subject to limitations imposed by federal law or options elected by the participating employer. Participants should refer to their respective SPD for more information.

Participants are also eligible to make hardship withdrawals from their deferred contributions in the event of certain financial hardships. In order to determine if a hardship exists, the Plan uses the Fact and Circumstance test. The use of this method does not require a six month suspension of elective deferrals.

Transfers — Transfers into the Plan represent participant accounts related to new employers coming into the Plan and transfers out of the Plan represent monies related to participant accounts whose employers are leaving the Plan.

Forfeited Accounts — When certain terminations of participation in the Plan occur, the nonvested portion of the participant's account as defined by the Plan, represents a forfeiture. The Plan document permits the use of forfeitures to reduce future employer contributions, Plan administrative expenses or be reallocated among eligible participants for the Plan year. However, if a participant is reemployed and fulfills certain requirements, as defined in the Plan document, the account will be reinstated. At December 31, 2012 and 2011, forfeited non-vested accounts totaled $1,834 and $2,573, respectively. During the year ended December 31, 2012, forfeiture withdrawals of $1,068 were used to offset employer contributions or allocated to eligible participants and $181 were used to offset administrative fees.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting — The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Cash — The Plan's cash is in noninterest-bearing checking accounts that are used to process client activity, outside vendor transactions and administrative expenses.

Use of Estimates — The preparation of financial statements in conformity with GAAP requires Plan management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Risk and Uncertainties — The Plan provides various investment options to its participants. Investment securities in general are exposed to various risks, such as interest rate, credit risk and overall market volatility. Due to the level of risk associated with a majority of the investment options, management believes it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the financial statements (Notes 3 and 5).

Income Recognition — Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis. Dividend income is recorded on the ex-dividend date.

Management fees charged to the Plan for investments are reflected as an expense on the Statement of Changes in Net Assets Available for Benefits.

Realized gains or losses on investment transactions are recorded as the difference between proceeds received and cost. Cost is generally determined on the average cost basis for CCTs and the identified cost method for the mutual funds. Net appreciation or depreciation in fair value of investments includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Investment Valuation — The Plan's investments are stated at fair value, except for the stable value fund (the "SVF"), which is stated at fair value and then adjusted to contract value (Note 6). Fair value of a financial instrument is 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. A more detailed description of the individual types of securities and fair value measurement methods can be found in Note 3.

Notes Receivable from Participants — If applicable, notes receivable from participants are measured at their unpaid principal balances plus any accrued but unpaid interest. Delinquent participant loans are recorded as distributions based on the term of the Plan document. In accordance with the Internal Revenue Service ("IRS"), if a repayment is missed, the loan is treated as a distribution the end of the quarter following the quarter in which the repayment was missed.

Other Income — Other income includes asset-based and administrative fee income that is charged to employers and participants and is used to pay for administrative, management and professional expenses of the Plan.

Administrative Expenses — Other expenses include total administrative expenses paid by employers and those charged against the Plan's assets amounted to $8,011 for the year ended December 31, 2012. Management and transaction fees directly related to Plan investments amounted to $7,071 for the year ended December 31, 2012.

To the extent the amount of total administrative expense is greater or less than total collections, such amount is recorded as a prepaid asset or deferred liability, respectively, and is included in other liabilities in the Statements of Net Assets Available for Benefits. The net deferred liability at December 31, 2012 and 2011 was $1,132 and $1,910, respectively, which is adequately covered by a portion of the $2,230 and $3,691 as of December 31, 2012 and 2011, respectively, held by the Plan for liquidity purposes as discussed in the investments caption in Note 1.

Fiduciary liability insurance premiums aggregating $39 in 2012 were billed directly to and paid by participating employers and are not reflected in the Plan's financial statements.

Payment of Benefits — Benefit payments to participants are recorded upon distribution. At December 31, 2012 and 2011, there were no outstanding benefit payments.

Excess Contributions Payable — The Plan is required to return contributions received during the plan year in excess of the IRC limits.

New Accounting Standards — The accounting standard initially adopted in 2012 is described below.

Accounting Standards Updates ("ASU") No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards ("IFRS")* — The financial statements reflect the prospective adoption of the Financial Accounting Standards Board ("FASB") ASU No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*, which amends ASC 820, as of the beginning of the year ended December 31, 2012 (see Note 3). ASU 2011-04 is effective for financial statements issued for fiscal years beginning after December 15, 2011 and expands certain disclosures about fair value measurement. The ASU requires the categorization by level for items that are only required to be disclosed at fair value and information about transfers between Level 1 and Level 2. It provides guidance on measuring the fair value of financial instruments managed within a portfolio and the application of premiums and discounts on fair value measurements. The ASU requires additional disclosure for Level 3 measurements regarding the sensitivity of fair value to changes in unobservable inputs and any interrelationships between those inputs. The effect of the adoption of ASU 2011-04 had no impact on the Plan's statements of net assets available for benefits and statement of changes in net assets available for benefits.

3. FAIR VALUE MEASUREMENTS

ASC 820, *Fair Value Measurements and Disclosures*, provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, as follows: Level 1, which refers to securities valued using unadjusted quoted prices from active markets for identical assets; Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available; and Level 3, which refers to securities valued based on significant unobservable inputs. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Asset Valuation Techniques — Valuation technologies maximize the use of relevant observable inputs and minimize the use of unobservable inputs. There have been no changes in the methodologies used at December 31, 2012 and December 31, 2011.

The following is a description of the valuation methodologies used for assets measured at fair value:

Self-Directed Brokerage Account — Valued at quoted market prices except for the fixed income investments which are valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond may be valued under a discounted cash flow approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote, if available.

Mutual Funds — Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission. The funds are required to publish their daily net asset value ("NAV") and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Short term Investment Fund ("STIF") and Government STIF Fund — Stated at estimated fair value based on the NAV practical expedient. The underlying investments for the Government STIF fund include short-term securities issued by the U.S. government, including treasuries and agencies. The STIF fund also includes short-term corporate and bank securities.

Common Collective Trust Funds — Stated at estimated fair value, based on the NAV practical expedient, which is based on the fair value of the underlying assets held by the CCTs. Unit values of the CCTs are determined by dividing the funds' net assets at fair value by their units outstanding at the valuation dates.

The following tables set forth by level within the fair value hierarchy a summary of the Plan's investments measured at fair value on a recurring basis at December 31, 2012 and 2011.

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	2012 Total
Self-directed brokerage account:				
Money market funds	$ 1,108	$ -	$ -	$ 1,108
Equity	2,332			2,332
Fixed income		12		12
Mutual funds	898			898
Total self-directed brokerage account	4,338	12	-	4,350
Common collective trust funds:				
Equity funds		599,724		599,724
Stable value fund		305,550		305,550
Fixed income funds		89,613		89,613
Asset allocation funds		260,906		260,906
Total common collective trust funds	-	1,255,793	-	1,255,793
Mutual funds:				
Equity funds	12,332			12,332
Fixed income funds	4,163			4,163
Total mutual funds	16,495	-	-	16,495
STIF fund		59,189		59,189
Government STIF fund		13,593		13,593
Total	$ 20,833	$ 1,328,587	$ -	$ 1,349,420

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	2011 Total
Self-directed brokerage account:				
Money market funds	$ 554	$ -	$ -	$ 554
Equity	1,831			1,831
Fixed income		73		73
Mutual funds	649			649
Total self-directed brokerage account	3,034	73	-	3,107
Common collective trust funds:				
Equity funds		519,475		519,475
Stable value fund		302,357		302,357
Fixed income funds		88,427		88,427
Asset allocation funds		189,924		189,924
Total common collective trust funds	-	1,100,183	-	1,100,183
Mutual Funds:				
Equity funds	2,626			2,626
Fixed income funds	972			972
Total mutual funds	3,598	-	-	3,598
STIF fund		59,870		59,870
Government STIF fund		13,632		13,632
Total	$ 6,632	$ 1,173,758	$ -	$ 1,180,390

Transfers Between Levels — The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the Plan's policy is to recognize significant transfers between levels at the end of the reporting period.

We evaluate the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the years ended, December 31, 2012 and 2011, there were no transfers between levels.

4. NAV PER SHARE

The following tables set forth a summary of the Plan's investments with a reported NAV at December 31, 2012 and 2011:

Investment	Fair Value	Unfunded Commitment	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
	Fair Value Estimated Using Net Asset Value per Share December 31, 2012				
Common collective trust funds:					
Equity funds (a)	$ 599,724	$ -	Immediate	None	None
Fixed income funds (b)	89,613		Immediate	None	None
Asset allocation funds (c)	260,906		Immediate	None	None
Stable value fund (d)	305,550		Immediate	None	2–3 days for redemptions greater than $1 million (g)
STIF fund (e)	59,189		Immediate	None	None
Government STIF fund (f)	13,593		Immediate	None	None
Total	$ 1,328,575	$ -			

Investment	Fair Value	Unfunded Commitment	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
	Fair Value Estimated Using Net Asset Value per Share December 31, 2011				
Common collective trust funds:					
Equity funds (a)	$ 519,475	$ -	Immediate	None	None
Fixed income funds (b)	88,427		Immediate	None	None
Asset allocation funds (c)	189,924		Immediate	None	None
Stable value fund (d)	302,357		Immediate	None	2–3 days for redemptions greater than $1 million
STIF fund (e)	59,870		Immediate	None	None
Government STIF fund (f)	13,632		Immediate	None	None
Total	$ 1,173,685	$ -			

(a) Equity — these funds seek to match the performance of an index of a particular segment of the financial market, such as the Standard & Poor's 500 Index.

(b) Fixed income — these funds seek to invest its assets in a diversified portfolio of bonds, including corporate bonds, government bonds, mortgage backed and asset backed securities and Treasury Inflation Protected securities. The strategies seek to match the performance of particular bond indexes such as the Barclays Capital U.S. Aggregate Bond Index.

(c) Asset allocation — these funds offer broad diversification and a disciplined rebalancing process. These funds seek to maintain the mix of U.S. and International stocks and U.S. bonds according to the asset allocation targets set at a conservative to aggressive asset mix or based on the target retirement date.

(d) Stable value fund — the SVF consists primarily of an actively-managed, highly diversified portfolio of investment grade, fixed and floating rate securities, synthetic guaranteed investment contracts ("synthetic GICs") and guaranteed investment contracts ("GICs"). The strategy's primary investment objectives are to provide preservation of principal, maintain a stable interest rate, and provide daily liquidity at contract value for participant withdrawals and transfers. The strategy's return consists of investment income from its components (see Note 6).

(e) STIF fund — the STIF fund seeks to provide safety of principal, daily liquidity and a competitive yield over the long term. It invests in a diversified portfolio of U.S. dollar denominated government and corporate securities and repurchase agreements.

(f) Government STIF fund — the Government STIF fund seeks to provide safety of principal, daily liquidity and a competitive yield over the long term. It invests in U.S. government and agency securities and repurchase agreements.

(g) See Note 11.

5. INVESTMENTS

The Plan's investments that represented five percent or more of the Plan's net assets available for benefits as of December 31, 2012 and 2011 are as follows:

	2012	2011
Invesco Stable Value Trust, at contract value (investment contracts — Note 6)*	$294,321	$293,240
SSgA S&P 500 (R) Indx NL SF CL A	193,996	173,495
SSgA S&P Midcap (R) Indx NL SF CL A	146,536	131,302

*The estimated fair value for the SVF at December 31, 2012 and 2011 was $305,550 and $302,357 respectively (see reconciliation of financial statements to Form 5500-note 10).

During the year ended December 31, 2012, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated / (depreciated) in value as follows:

Common collective trust funds:	
Equity funds	$ 87,922
Stable value fund	5,737
Fixed income funds	3,505
Asset allocation funds	26,723
Total common collective trust funds	123,887
Mutual funds:	
Equity funds	461
Fixed income funds	(96)
Total mutual funds	365
Net appreciation of investments	$ 124,252

Securities Lending — Several of the common collective trust funds managed by SSgA participate in a securities lending program. Under this program, the Plan's investment securities are loaned to investment brokers for a fee. Securities so loaned are fully collateralized by cash, letters of credit, and securities issued or guaranteed by the U.S. government, its agencies, and instrumentalities. Funds that engage in securities lending do so in order to benefit from the potential additional income that securities lending offers to institutional investors, whether to augment returns, offset plan expenses or other similar purposes. However, the disruption that the market and economic crisis has brought to the market for fixed income securities presents significant challenges for all securities lending programs. The collateral pools have not realized any material credit losses nor do they hold securities of issuers that have defaulted on their obligations.

There is no direct securities lending by the Plan; however certain investment funds permit securities lending. Should there be a default on loaned securities, the funds are generally reimbursed for the amount of the default. In certain market circumstances, there is the possibility that the funds may impose withdrawal restrictions. As of December 31, 2012 and 2011, there were no withdrawal restrictions and no effect on net asset values. There were no losses allocated to participants as a result of the loss of collateral with respect to securities lending programs as of December 31, 2011 and for the year ended December 31, 2012.

6. STABLE VALUE FUND

Invesco National Trust Company manages the SVF. The beneficial interest of each participant is represented by units. Units are issued and redeemed daily at the SVF's net unit value at contract value. (See "Circumstances That Impact the SVF" below for definition of contract value.) Contract value represents the principal plus accrued interest. The SVF is included at estimated fair value in the statements of net assets available for benefits, and an additional line is presented representing the adjustment for fair value to contract value. The statement of changes in net assets available for benefits is presented on a contract value basis. The SVF's primary investment objectives are to provide preservation of principal, maintain a stable interest rate, and provide daily liquidity at contract value for participant withdrawals and transfers. The SVF imposes certain restrictions on the Plan, and the SVF itself may be subject to circumstances that impact the ability to transact at contract value, as described.

Events Limiting Contract Value Treatment — Investment contracts are valued at contract value principally because participants are able to transact at contract value when initiating benefit-responsive withdrawals and transfers. Based on meeting the requirements for investment contract accounting, the SVF accounts for investment contracts in accordance with ASC 946-210 (formerly, FASB Staff Position (FSP) No. AAG INV-a, *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contributions Health and Welfare and Pension Plans*), which limits the circumstances in which the net assets of an investment company will be able to reflect the contract value of wrapper agreements and provides guidance with respect to the financial statement presentation and disclosure of fully benefit-responsive investment contracts.

Fair Value Estimation — Stated at estimated fair value. The SVF invests in an actively-managed, highly diversified portfolio of investment grade, fixed and floating rate securities. The estimated fair values of each Trust's investments are determined in accordance with valuation policies established by the Trustee. Estimated fair value may not represent the net amount that a Trust would have received had it sold an asset or the net amount that it would have paid had it transferred a liability. The SVF may enter into security investment contracts (sometimes called "wrap agreements") issued by banks and insurance companies. These contracts are linked to the fund's fixed income investments and are generally intended to allow for plan participant transactions to be effected at contract value and the amortization of underlying fixed income gains and losses over a specified period of time through adjustments to the future contract interest crediting rate (which is the rate earned by investors in the fund).

Circumstances that Impact the SVF — The SVF invests primarily in fully-benefit responsive GICs, Synthetic GICs, bank investment contracts and short term investments. Investments in bank, insurance company and other financial institution investment contracts are stated at contract value, which is equal to principal balance plus accrued interest. Synthetic investment contracts represent individual assets placed in a trust, with ownership by the SVF; a third party issues a "wrapper" that guarantees participant transactions are executed at contract value. For a wrap contract, the contract value is generally equal to the principal amounts invested in the underlying investments, plus interest accrued at a crediting rate established under the contract, less any adjustments for withdrawals (as a specified in the wrapper agreement). In a typical wrap contract, the wrap issuer agrees to pay a portfolio the difference between the contract value and the market value of the underlying assets once the market value has been totally exhausted. The wrap contracts generally contain certain provisions that limit the ability of the SVF to transact at contract value upon the occurrence of certain events. These events include termination of the Plan, a material adverse change to the provisions of the Plan, the employer elects to withdraw from a wrapper contract in order to switch to a different investment provider, or if the terms of a successor plan (in the event of the spin-off or sale of a division) do not meet the wrapper contract issuer's underwriting criteria for issuance of a clone wrapper contract. While it is possible that some of the Plans participating in the SVF may experience plan terminations or other events that would trigger fair value payouts under the SVF's wrapper agreements, based on prior experience, management believes it is not probable that such events would be of sufficient magnitude to limit the ability of the SVF to transact at contract value with the participants in the SVF. Given that such events are beyond the control of the SVF, however, there can be no guarantee that this will be the case. In addition, investment contracts have elements of risk due to lack of a secondary market and resale restrictions resulting in the inability of the SVF to sell a contract. Investment contracts may be subject to credit risk based on the ability of the wrapper providers to meet their obligations under the terms of the contract. Plan management believes that the occurrence of events that would cause the SVF to transact at less than contract value is not probable.

7. EXEMPT PARTIES-IN-INTEREST TRANSACTIONS

The Board is comprised of executive officers of participating employers of the Plan and as such are participants in the Plan. Pentegra Services Inc. (“PSI”) and the Plan entered into a five year service agreement effective May 1, 2007 whereby PSI provides all administrative services to the Plan and is also a participating employer in the Plan. This agreement outlines the fees that PSI charges the Plan and as such the Plan and PSI are related parties. The agreement has remained in effect pursuant to automatic one-year renewals. For the period January 1, 2012 through December 31, 2012, the Plan incurred $7,890 in administrative expenses charged by PSI. Pentegra Trust Company, a wholly-owned subsidiary of PSI is the sub-advisor to Sunrise Retirement Funds sponsored by TD Ameritrade Trust Company. Total party-in-interest investments were $6,103 and $3,168 as of December 31, 2012 and 2011, respectively. These investments earned net investment income of $449 or .4% of Plan net investment income for the year ended December 31, 2012.

8. PLAN TERMINATION

The Board shall have the right to amend or terminate the Plan or trust agreement subject to the provisions set forth in ERISA, at any time in whole or in part, for any reason, and without the consent of any participating employer or participant, and each employer by its adoption of the Plan and trust agreement shall be deemed to have delegated this authority to the Board. No amendment, however, shall impair such rights of payment as the participant would have had, if such amendment had not been made, with respect to contributions made by them or on their behalf to the Plan.

9. FEDERAL INCOME TAX STATUS

The IRS has determined and informed the Plan by letter dated March 2, 2010 that the Plan and related trust are designed in accordance with the applicable regulations of the IRC. The Plan has been amended and restated since receiving the determination letter. The most recent restatement was timely submitted to the IRS on January 31, 2013. It is the view of the Plan administrator and the Plan’s counsel that the Plan continues to be designed and operated in compliance with the applicable requirements of the IRC and the Plan and related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan’s financial statements.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. Therefore, no provision for income taxes has been included in the Plan’s financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2009. However, in the event a correction would have to be made in connection with a future audit, both the IRS and DOL could review previous years.

10. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

A reconciliation of net assets available for benefits per the financial statements to the total net assets per the Form 5500 as of December 31, 2012 and 2011, and the increase in net assets per the financial statements to the net income per the Form 5500 for the year ended December 31, 2012, is as follows:

	2012	2011
Net assets available for benefits per the financial statements	$1,372,163	$1,199,377
Deemed distributions	(1)	
Adjustment from contract value to fair value for fully benefit-responsive stable value fund	11,229	9,117
Total net assets per the Form 5500	$1,383,391	$1,208,494
Net increase in net assets before plan transfers per the financial statements	$ 128,127	
Deemed distributions	(1)	
Adjustment from contract value to fair value for fully benefit-responsive stable value fund — December 31, 2012	11,229	
Adjustment from contract value to fair value for fully benefit-responsive stable value fund — December 31, 2011	(9,117)	
Net income per Form 5500	$ 130,238	

11. SUBSEQUENT EVENTS

Subsequent events were evaluated through October 9, 2013. Effective July 1, 2013, Invesco National Trust Company, based on product and investment considerations, will require a 24-month notice period for plan redemptions from the SVF. Management determined that there are no additional events requiring disclosures in the financial statements.

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SUPPLEMENTAL SCHEDULE

PENTEGRA DEFINED CONTRIBUTION PLAN FOR FINANCIAL INSTITUTIONS
Employer ID No.: 13-6321489
Plan No.: 333

FORM 5500, SCHEDULE H, PART IV, LINE 4i
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2012

a)	b) Identity of Issue, Borrower, Lessor or Similar Party	c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, par, or Maturity Value	d) Cost **	e) Current Value
	Invesco National Trust Co.	Invesco Stable Value Trust***	**	$ 305,549,887
	State Street Global Advisors	S&P 500 (R) Indx NL SF CL A***	**	193,996,003
	State Street Global Advisors	S&P Midcap (R) Indx NL SF CL A***	**	146,536,465
	State Street Global Advisors	Moderate Strategic Balanced SL Fund***	**	57,835,551
	State Street Global Advisors	Russell Small Cap R Indx NL SF CL A***	**	51,545,648
	State Street Global Advisors	International Index NL SF CL A***	**	50,775,021
	State Street Global Advisors	S&P Large Cap Growth R Indx SL SF***	**	47,904,815
	State Street Global Advisors	US Long Treasury Indx NL SF CL A***	**	47,213,753
	State Street Global Advisors	Nasdaq 100 Index R NL SF CL A***	**	44,250,428
	State Street Global Advisors	S&P Large Cap Value R Indx SL SF***	**	41,134,110
	State Street Global Advisors	Aggressive Strategic Balanced SL Fund***	**	40,212,598
	State Street Global Advisors	Target Retirement 2015 NL SF CL A***	**	32,970,847
	State Street Global Advisors	Target Retirement 2025 NL SF CL A***	**	29,244,873
	State Street Global Advisors	Conservative Strategic Balanced SL Fund***	**	27,994,556
	State Street Global Advisors	US Bond Indx NL SF CL A***	**	24,728,517
	State Street Global Advisors	SSgA REIT Index Fund NL CL A***	**	23,581,148
	State Street Global Advisors	Target Retirement 2035 NL SF CL A***	**	19,135,352
	State Street Global Advisors	US Inflation Pro Bond Indx NL SF CL A***	**	17,670,422
	State Street Global Advisors	Target Retirement 2020 NL SF CL A	**	15,584,394
	State Street Global Advisors	Target Retirement 2045 NL SF CL A***	**	12,168,589
	State Street Global Advisors	Target Retirement 2030 NL SF CL A	**	7,987,209
	State Street Global Advisors	Target Retirement 2040 NL SF CL A	**	5,378,892
	State Street Global Advisors	Target Retirement 2050 NL SF CL A	**	2,334,559
	State Street Global Advisors	Target Retirement 2010 NL SF CL A	**	1,923,225
	State Street Global Advisors	Target Retirement Income NL SF CL A	**	1,555,690
	State Street Global Advisors	Target Retirement 2055 NL SF CL A	**	477,462
*	TD Ameritrade Trust Company	Sunrise Balanced Fund	**	2,609,705
*	TD Ameritrade Trust Company	Sunrise Balanced Equity Fund	**	1,882,046
*	TD Ameritrade Trust Company	Sunrise Diversified Income Fund	**	946,325
*	TD Ameritrade Trust Company	Sunrise Diversified Equity Fund	**	664,700
	Total investments in common collective trust funds**			1,255,792,790
	Harbor Funds	Harbor Bond Fund Institutional	**	4,163,088
	T. Rowe	T.Rowe Blue Chip Growth Fund	**	3,550,201
	American Funds	American Funds EuroPacific Growth Fund R-6	**	3,007,724
	American Beacon Funds	American Beacon Large Cap Value Fund Institutional	**	2,792,645
	Principal Global Investors	Principal Midcap Institutional	**	1,589,489
	Royce Funds	Royce Pennsylvania Mutual Fund Institutional	**	1,270,638
	Royce Funds	Royce Pennsylvania Mutual Fund Investment	**	4
	MFS	MFS Massachusetts Investors Trust I	**	121,080
	American Funds	Growth Fund Of America R-5	**	2
	Total investments in mutual funds			16,494,871
	Charles Schwab and Company, Inc.	Self Directed Brokerage Account	**	4,350,307
	State Street Global Advisors	Interest Bearing Cash Short Term Investment Fund***	**	59,188,837
	State Street Global Advisors	Interest Bearing Cash Government Short Term Investment Fund***	**	13,593,163
	Total investments			1,349,419,968
*	Notes receivable from participants	Loans — interest rates 2.45% to 10.50%, maturity date 1/10/2013 to 12/03/2027		30,991,388
		Adjustment from fair value to contract value for fully benefit-responsive stable value fund	**	(11,228,586)
	Total			$1,369,182,770

* Party-in-interest.

** Cost information not required for participant directed investments.

*** Common collective trust funds, short term investment fund and government short term investment fund include non-participant directed investments that have an aggregate cost and current value of $2,281,237 and $3,095,549 respectively, as of 12/31/12.

See accompanying Independent Auditors' Report.