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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public
▶ Information about Form 990 and its instructions is at *www.IRS.gov/form990*

OMB No 1545-0047

2014

Open to Public Inspection

A For the 2014 calendar year, or tax year beginning 01-01-2014 , and ending 12-31-2014

B Check if applicable
☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization
STATE CHARTERED CREDIT UNIONS IN MS
MEMBERS EXCHANGE CREDIT UNION

Doing business as
MEMBERS EXCHANGE CREDIT UNION

Number and street (or P O box if mail is not delivered to street address) | Room/suite
PO BOX 31049

City or town, state or province, country, and ZIP or foreign postal code
JACKSON, MS 392861049

D Employer identification number
64-0344965

E Telephone number
(601)923-4324

G Gross receipts $ 8,453,818

F Name and address of principal officer
MITZI TATE
PO BOX 31049
JACKSON,MS 392861049

H(a) Is this a group return for subordinates? ☐ Yes ☑ No

H(b) Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☐ 501(c)(3) ☑ 501(c) (14) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW MECUANYWHERE COM

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1954 **M** State of legal domicile MS

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
TO PROVIDE THRIFT OPPORTUNITIES AND LOW COST LOANS TO MEMBERS

2 Check this box ▶☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	7
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	7
5	Total number of individuals employed in calendar year 2014 (Part V, line 2a)	5	48
6	Total number of volunteers (estimate if necessary)	6	10
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	50,635
b	Net unrelated business taxable income from Form 990-T, line 34	7b	-9,898

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	0	0
	9	Program service revenue (Part VIII, line 2g)	4,425,606	4,600,991
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	170,956	378,614
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3,160,627	3,249,605
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	7,757,189	8,229,210
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	0
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	2,467,894	2,590,300
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	4,003,994	4,370,129
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	6,471,888	6,960,429
	19	Revenue less expenses Subtract line 18 from line 12	1,285,301	1,268,781
Net Assets or Fund Balances			Beginning of Current Year	End of Year
	20	Total assets (Part X, line 16)	85,007,533	87,979,023
	21	Total liabilities (Part X, line 26)	71,805,492	73,502,622
	22	Net assets or fund balances Subtract line 21 from line 20	13,202,041	14,476,401

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

****** | 2015-05-20
Signature of officer | Date

MITZI TATE PRESIDENT/CEO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
CYNTHIA A HUDSON CPA	CYNTHIA A HUDSON CPA			P00029332

Firm's name ▶ BARFIELD MURPHY SHANK & SMITH LLC | Firm's EIN ▶ 46-1498870

Firm's address ▶ 1121 RIVERCHASE OFFICE RD
BIRMINGHAM, AL 35244 | Phone no (205) 982-5500

May the IRS discuss this return with the preparer shown above? (see instructions) ☑ Yes ☐ No

Part III **Statement of Program Service Accomplishments**

Check if Schedule O contains a response or note to any line in this Part III . . . . ☐

1 Briefly describe the organization's mission

TO PROVIDE THRIFT OPPORTUNITIES AND LOW COST LOANS TO MEMBERS

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ including grants of $) (Revenue $)

15,601 MEMBERS SERVED TO PROMOTE THRIFT OPPORTUNITIES AND LOW COST LOANS

4b (Code) (Expenses $ including grants of $) (Revenue $)

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1		No
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2		No
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b		No
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I* (see instructions)	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		No
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		No
22	Did the organization report more than $5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If "Yes," complete Schedule L, Part II*	26	Yes	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34		No
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		No
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V . . . . ☐

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	**1a**	2,301			
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	**1b**	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			**1c**	Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	**2a**	48			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			**2b**	Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .			**3a**	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .			**3b**	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			**4a**		No
b	If "Yes," enter the name of the foreign country ▶ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .			**5a**		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			**5b**		No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?			**5c**		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .			**6a**		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			**6b**		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			**7a**		
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**		
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			**7e**		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			**7f**		
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			**7g**		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			**7h**		
8	**Sponsoring organizations maintaining donor advised funds.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?			**8**		
9a	Did the sponsoring organization make any taxable distributions under section 4966? . . .			**9a**		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? . . .			**9b**		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	**10a**				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10b**				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	**11a**				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	**11b**				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			**12a**		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	**12b**				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O			**13a**		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**				
c	Enter the amount of reserves on hand	**13c**				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			**14a**		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			**14b**		

Part VI **Governance, Management, and Disclosure** *For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

Check if Schedule O contains a response or note to any line in this Part VI . . . . . . ☑

Section A. Governing Body and Management

					Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year . . .	1a	7			
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O					
b	Enter the number of voting members included in line 1a, above, who are independent . . .	1b	7			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . .			2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .			3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . .			4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .			5		No
6	Did the organization have members or stockholders? . . .			6	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? . . .			7a	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? . . .			7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following					
a	The governing body? . . .			8a	Yes	
b	Each committee with authority to act on behalf of the governing body? . . .			8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O* . . .			9		No

Section B. Policies (*This Section B requests information about policies not required by the Internal Revenue Code.*)

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates? . . .	10a	Yes	
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	Yes	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? . . .	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990 . . .			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13* . . .	12a	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . .	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done* . . .	12c	Yes	
13	Did the organization have a written whistleblower policy? . . .	13	Yes	
14	Did the organization have a written document retention and destruction policy? . . .	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official . . .	15a	Yes	
b	Other officers or key employees of the organization . . .	15b	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . .	16a		No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? . . .	16b		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, address, and telephone number of the person who possesses the organization's books and records
▶SUSAN BOSHART SENIOR VICE PRESIDENT

107 MARKETRIDGE DRIVE
RIDGELAND, MS 39157 (601) 923-4324

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII . . . . ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
(1) KENNETH ALLISON BOARD CHAIRMAN	1 00	X						0	0	0
(2) ERNIE J HOPKINS BOARD VICE-CHAIRMAN	1 00	X						0	0	0
(3) BARBARA MANGUM BOARD SECRETARY	1 00	X						0	0	0
(4) OSCAR POPE DIRECTOR	1 00	X						0	0	0
(5) MARY WASHINGTON-GARNER DIRECTOR	1 00	X						0	0	0
(6) DOCK E GRAVES DIRECTOR	1 00	X						0	0	0
(7) LORI MOAK DIRECTOR	1 00	X						0	0	0
(8) MITZI TATE PRESIDENT/CEO	40 00			X				175,335	0	15,916
(9) KAREN ROOT SENIOR VICE PRESIDENT	40 00			X				127,879	0	9,645
(10) SUSAN BOSHART SENIOR VICE PRESIDENT	40 00			X				121,902	0	9,674
(11) MALEIGH HALFORD VICE PRESIDENT	40 00			X				82,553	0	5,553
(12) LADONNA JACOBS VICE PRESIDENT	40 00			X				92,459	0	9,433

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations

1b	**Sub-Total** . . . . ▶			
c	**Total from continuation sheets to Part VII, Section A** . . . . ▶			
d	**Total (add lines 1b and 1c)** . . . . ▶	600,128	0	50,221

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶3

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
MEMBER DRIVEN TECHNOLOGIES 7415 CHICAGO RD WARREN, MI 48092	DATA PROCESSING	252,341
FISERV 255 FISERV DR BROOKFIELD, WI 53045	ATM PROCESSING	176,918
BANCVUE 4516 SEATON PARKWAY SUITE 300 AUSTIN, TX 78759	REWARD CHECKING PRODUCTS & MARKETING	152,556
MAD GENIUS 279 SOUTH PERKINS STREET RIDGELAND, MS 39157	ADVERTISING/MARKETING	136,445

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶4

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII . . . . ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	**1a**	Federated campaigns . .	**1a**				
	b	Membership dues	**1b**				
	c	Fundraising events	**1c**				
	d	Related organizations . . .	**1d**				
	e	Government grants (contributions)	**1e**				
	f	All other contributions, gifts, grants, and similar amounts not included above	**1f**				
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f . . . . ▶					
Program Service Revenue			Business Code				
	2a	LOAN INTEREST INCOME	522130	4,600,991	4,600,991		
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . ▶		4,600,991			
Other Revenue	**3**	Investment income (including dividends, interest, and other similar amounts) . . . . ▶		209,934			209,934
	4	Income from investment of tax-exempt bond proceeds . . ▶					
	5	Royalties . . . . ▶		23,283			23,283

	(i) Real	(ii) Personal
6a Gross rents		
b Less rental expenses		
c Rental income or (loss)		

		(A)	(B)	(C)	(D)
d	Net rental income or (loss) . . . . ▶				

	(i) Securities	(ii) Other
7a Gross amount from sales of assets other than inventory		393,288
b Less cost or other basis and sales expenses		224,608
c Gain or (loss)		168,680

			(A)	(B)	(C)	(D)
d	Net gain or (loss) . . . . ▶		168,680			168,680
8a	Gross income from fundraising events (not including $ ____________ of contributions reported on line 1c) See Part IV, line 18 . . **a**					
b	Less direct expenses . . . **b**					
c	Net income or (loss) from fundraising events . . ▶					
9a	Gross income from gaming activities See Part IV, line 19 . . . **a**					
b	Less direct expenses . . . **b**					
c	Net income or (loss) from gaming activities . . ▶					
10a	Gross sales of inventory, less returns and allowances . **a**					
b	Less cost of goods sold . . **b**					
c	Net income or (loss) from sales of inventory . . ▶					
	Miscellaneous Revenue	Business Code				
11a	ACCOUNT SERVICE AND CH	522130	1,825,062	1,825,062		
b	ACH FEE INCOME	522130	496,426	496,426		
c	INTERCHANGE ACCOUNT CH	522130	244,414	244,414		
d	All other revenue		660,420	609,785	50,635	
e	**Total.** Add lines 11a–11d . . . . ▶		3,226,322			
12	**Total revenue.** See Instructions . . . . . ▶		8,229,210	7,776,678	50,635	401,897

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns All other organizations must complete column (A)

Check if Schedule O contains a response or note to any line in this Part IX . . . .

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21				
2 Grants and other assistance to domestic individuals See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	650,349			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	1,449,302			
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	66,747			
9 Other employee benefits	263,475			
10 Payroll taxes	160,427			
11 Fees for services (non-employees)				
a Management	52,336			
b Legal	7,453			
c Accounting	41,429			
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	44,217			
12 Advertising and promotion	281,478			
13 Office expenses	447,309			
14 Information technology	41,687			
15 Royalties . .				
16 Occupancy	300,338			
17 Travel	14,446			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	11,404			
20 Interest	544,514			
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	273,696			
23 Insurance	87,447			
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a BAD DEBTS	1,087,063			
b DATA PROCESSING	335,313			
c OUTSIDE SERVICES	252,341			
d ATM EXPENSE	237,179			
e All other expenses	310,479			
25 **Total functional expenses.** Add lines 1 through 24e	6,960,429			
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X **Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X . . . . ☐

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		4,193,365	1	4,351,272
	2	Savings and temporary cash investments		27,354,764	2	25,820,425
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net			4	
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		1,479,547	5	1,690,465
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net		44,258,108	7	48,755,152
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges		323,796	9	311,009
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 7,862,863			
	b	Less accumulated depreciation	10b 1,822,119	6,342,920	10c	6,040,744
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11		11,354	13	10,620
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		1,043,679	15	999,336
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		85,007,533	16	87,979,023
Liabilities	17	Accounts payable and accrued expenses		1,265,137	17	1,372,374
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		70,540,355	25	72,130,248
	26	**Total liabilities.** Add lines 17 through 25		71,805,492	26	73,502,622
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets			27	
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		0	30	0
	31	Paid-in or capital surplus, or land, building or equipment fund		0	31	0
	32	Retained earnings, endowment, accumulated income, or other funds		13,202,041	32	14,476,401
	33	Total net assets or fund balances		13,202,041	33	14,476,401
	34	Total liabilities and net assets/fund balances		85,007,533	34	87,979,023

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI . . . . ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	8,229,210
2	Total expenses (must equal Part IX, column (A), line 25)	2	6,960,429
3	Revenue less expenses Subtract line 2 from line 1	3	1,268,781
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	13,202,041
5	Net unrealized gains (losses) on investments	5	5,579
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	14,476,401

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII . . . . ☑

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other ____________ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
	If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b		No
	If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c		
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.
Information about Schedule D (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
STATE CHARTERED CREDIT UNIONS IN MS
MEMBERS EXCHANGE CREDIT UNION

Employer identification number
64-0344965

Part I **Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate value of contributions to (during year)		
3	Aggregate value of grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II **Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education)
☐ Preservation of an historically important land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

			Held at the End of the Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶________

4 Number of states where property subject to conservation easement is located ▶________

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶________

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ ________

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.** Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenue included in Form 990, Part VIII, line 1 ▶ $ ________

(ii) Assets included in Form 990, Part X ▶ $ ________

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenue included in Form 990, Part VIII, line 1 ▶ $ ________

b Assets included in Form 990, Part X ▶ $ ________

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table

			Amount
c	Beginning balance	1c	
d	Additions during the year	1d	
e	Distributions during the year	1e	
f	Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII . . . . ☐

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

		(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance					
b	Contributions					
c	Net investment earnings, gains, and losses					
d	Grants or scholarships					
e	Other expenditures for facilities and programs					
f	Administrative expenses					
g	End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ▶

b Permanent endowment ▶

c Temporarily restricted endowment ▶

The percentages in lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

			Yes	No
	(i) unrelated organizations	3a(i)		
	(ii) related organizations	3a(ii)		
b	If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		1,311,512		1,311,512
b Buildings		5,322,471	897,825	4,424,646
c Leasehold improvements				
d Equipment		1,228,880	924,294	304,586
e Other				
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* . . . . ▶				6,040,744

Part VII **Investments—Other Securities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII **Investments—Program Related.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶		

Part IX **Other Assets.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . ▶	

Part X **Other Liabilities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1 (a) Description of liability	(b) Book value
Federal income taxes	
MEMBER DEPOSITS	72,130,248
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	72,130,248

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☐

Part XI **Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements			1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains (losses) on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	

Part XII **Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements			1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	
4	Amounts included on Form 990, Part IX, line 25, but not on line **1**:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	

Part XIII **Supplemental Information**

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

Return Reference	Explanation

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93493177005225

Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.
▶ Attach to Form 990.
▶ Information about Schedule J (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
STATE CHARTERED CREDIT UNIONS IN MS
MEMBERS EXCHANGE CREDIT UNION

Employer identification number
64-0344965

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☑ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III ☐ Compensation committee ☑ Written employment contract ☑ Independent compensation consultant ☐ Compensation survey or study ☐ Form 990 of other organizations ☑ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III	**4c**		No
	Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		
b	Any related organization? If "Yes," to line 5a or 5b, describe in Part III	**5b**		
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		
b	Any related organization? If "Yes," to line 6a or 6b, describe in Part III	**6b**		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column(B) reported as deferred in prior Form 990
		(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
1 MITZI TATE, PRESIDENT/CEO	**(i)**	134,003	31,226	10,106	6,284	9,632	191,251	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II
Also complete this part for any additional information

Return Reference	Explanation
PART I, LINE 1A	THE CREDIT UNION REIMBURSES UP TO $425 FOR A TRAVEL COMPANION'S AIRLINE TICKET AND $150 FOR A TRAVEL COMPANION'S BAGGAGE THE FOLLOWING BOARD MEMBERS RECEIVED REIMBURSEMENT FOR A TRAVEL COMPANION'S TICKET AND BAGGAGE AS DESCRIBED ABOVE BARBARA MANGUM $575 DOCK E GRAVES $575 OSCAR POPE $575 ERNIE HOPKINS $573 KENNETH ALLISON $575 THESE PAYMENTS DID NOT MEET THE 1099-MISC FILING REQUIREMENT

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ.
▶ Information about Schedule L (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047
2014
Open to Public Inspection

Name of the organization
STATE CHARTERED CREDIT UNIONS IN MS
MEMBERS EXCHANGE CREDIT UNION

Employer identification number
64-0344965

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only)

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1 (a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected? Yes	No

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958 . . . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ $

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization? To	From	(e) Original principal amount	(f) Balance due	(g) In default? Yes	No	(h) Approved by board or committee? Yes	No	(i) Written agreement? Yes	No
See Additional Data Table												
Total ▶ $						1,690,465						

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

Part IV **Business Transactions Involving Interested Persons.**
Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No

Part V **Supplemental Information**
Provide additional information for responses to questions on Schedule L (see instructions)

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 64-0344965
Name: STATE CHARTERED CREDIT UNIONS IN MS
MEMBERS EXCHANGE CREDIT UNION

Form 990, Schedule L, Part II - Loans to and from Interested Persons

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
(1) MITZI TATE	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	72,000	72,000		No	Yes		Yes	
(2) MITZI TATE	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	72,000	72,000		No	Yes		Yes	
(3) MITZI TATE	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	72,000	72,000		No	Yes		Yes	
(4) MITZI TATE	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	72,000	72,000		No	Yes		Yes	
(5) MITZI TATE	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	72,000	72,000		No	Yes		Yes	
(6) MITZI TATE	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	72,000	72,000		No	Yes		Yes	
(7) MITZI TATE	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	72,000	72,000		No	Yes		Yes	
(8) MITZI TATE	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	72,000	72,000		No	Yes		Yes	
(9) KAREN ROOT	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	75,000	75,000		No	Yes		Yes	
(10) KAREN ROOT	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	75,000	75,000		No	Yes		Yes	
(11) KAREN ROOT	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	75,000	75,000		No	Yes		Yes	
(12) KAREN ROOT	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	75,000	75,000		No	Yes		Yes	
(13) KAREN ROOT	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	75,000	75,000		No	Yes		Yes	
(14) KAREN ROOT	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	75,000	75,000		No	Yes		Yes	
(15) KAREN ROOT	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	75,000	75,000		No	Yes		Yes	
(16) KAREN ROOT	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	75,000	75,000		No	Yes		Yes	
(17) SUSAN BOSHART	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	24,000	24,000		No	Yes		Yes	
(18) SUSAN BOSHART	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	23,598	23,598		No	Yes		Yes	
(19) SUSAN BOSHART	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	23,598	23,598		No	Yes		Yes	
(20) SUSAN BOSHART	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	23,598	23,598		No	Yes		Yes	
(21) SUSAN BOSHART	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	23,597	23,597		No	Yes		Yes	
(22) SUSAN BOSHART	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	23,597	23,597		No	Yes		Yes	
(23) SUSAN BOSHART	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	23,597	23,597		No	Yes		Yes	
(24) SUSAN BOSHART	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	23,598	23,598		No	Yes		Yes	
(25) MALEIGH HALFORD	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	26,000	26,000		No	Yes		Yes	
(26) MALEIGH HALFORD	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	26,000	26,000		No	Yes		Yes	
(27) MALEIGH HALFORD	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	26,000	26,000		No	Yes		Yes	
(28) MALEIGH HALFORD	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	26,000	26,000		No	Yes		Yes	
(29) MALEIGH HALFORD	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	25,321	25,321		No	Yes		Yes	
(30) MALEIGH HALFORD	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	25,321	25,321		No	Yes		Yes	
(31) MALEIGH HALFORD	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	25,320	25,320		No	Yes		Yes	
(32) MALEIGH HALFORD	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	25,320	25,320		No	Yes		Yes	
(33) LADONNA JACOBS	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	15,000	15,000		No	Yes		Yes	
(34) LADONNA JACOBS	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	15,000	15,000		No	Yes		Yes	
(35) LADONNA JACOBS	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	15,000	15,000		No	Yes		Yes	
(36) LADONNA JACOBS	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	15,000	15,000		No	Yes		Yes	
(37) LADONNA JACOBS	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	15,000	15,000		No	Yes		Yes	
(38) LADONNA JACOBS	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	15,000	15,000		No	Yes		Yes	
(39) LADONNA JACOBS	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	15,000	15,000		No	Yes		Yes	
(40) LADONNA JACOBS	OFFICER	COLLATERAL ASSIGNMENT SPLIT DOLLAR INSURANCE		X	15,000	15,000		No	Yes		Yes	

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.
▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
STATE CHARTERED CREDIT UNIONS IN MS
MEMBERS EXCHANGE CREDIT UNION

Employer identification number
64-0344965

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6	MEMBERS EXCHANGE CREDIT UNION IS A NON-PROFIT FINANCIAL INSTITUTION THAT IS OWNED AND OPERATED BY ITS MEMBERS MEMBERSHIP IS OPEN TO PERSONS WHO LIVE, WORK, WORSHIP, VOLUNTEER OR ATTEND SCHOOL IN COPIAH, HINDS, MADISON, RANKIN, OR SIMPSON COUNTIES IN MISSISSIPPI IMMEDIATE FAMILY OF THE CREDIT UNION'S MEMBERS AND THE BUSINESSES AND OTHER LEGAL ENTITIES OF MEMBERS ARE ALSO ELIGIBLE TO BECOME MEMBERS

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	THE CREDIT UNION WILL CALL FOR NOMINEES FROM THE MEMBERSHIP IN THE CREDIT UNION'S 4TH QUARTER NEWSLETTER PRIOR TO THE FOLLOWING YEAR'S ANNUAL MEETING ANYONE INTERESTED IN SERVING WILL SUBMIT A BRIEF BIOGRAPHY DETAILING WHY HE/SHE WOULD LIKE TO SERVE ON THE BOARD APPROXIMATELY NINETY DAYS PRIOR TO EACH ANNUAL MEETING, THE CHAIRMAN OF THE BOARD OF DIRECTORS APPOINTS A NOMINATING COMMITTEE OF THREE OR MORE MEMBERS IT IS THE DUTY OF THE NOMINATING COMMITTEE TO REVIEW THE SUBMISSIONS AND DETERIMINE ELIGIBILITY THEY WILL THEN NOMINATE AT LEAST ONE MEMBER FOR EACH BOARD VACANCY, INCLUDING ANY UNEXPIRED TERM VACANCY, FOR WHICH THE ELECTIONS ARE BEING HELD THE NOMINATING COMMITTEE WILL THEN PUBLISH THE NOMINEES IN THE 1ST QUARTER NEWSLETTER, AND IN FEBRUARY, BALLOTS LISTING THE NOMINEES WILL BE MAILED TO THE MEMBERS ONCE RETURNED, ALL VOTES WILL BE DETERMINED BY PLURALITY VOTE, AND SHALL BE BY BALLOT EXCEPT WHERE THERE IS ONLY ONE NOMINEE FOR THE OFFICE. ELECTIONS MAY BE BY SEPARATE BALLOTS FOLLOWING THE SAME ORDER AS THE ABOVE NOMINATIONS OR, IF PREFERRED, MAY BE ONE BALLOT FOR ALL OFFICES

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B	MEMBERS TAKE PART IN THE VOTING PROCESS FOR DIRECTORS SERVING ON THE GOVERNING BODY

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	UPON COMPLETION OF MEMBERS EXCHANGE CREDIT UNION'S FORM 990, THE RETURN IS PRESENTED TO THE BOARD AT A BOARD OF DIRECTORS MEETING AT THE MEETING, THE BOARD MEMBERS REVIEW THE TAX RETURN AND ARE FREE TO ASK ANY QUESTIONS OR ENGAGE IN DISCUSSION REGARDING ANY TOPIC COVERED IN THE RETURN ONCE THE GOVERNING BODY HAS REVIEWED AND APPROVED THE FORM 990, THE RETURN IS FILED WITH THE INTERNAL REVENUE SERVICE

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	THE STAFF AND BOARD AT MEMBERS EXCHANGE CREDIT UNION REVIEW AND SIGN A CONFLICT OF INTEREST FORM ON A YEARLY BASIS

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	COMPENSATION FOR OFFICERS, EMPLOYEES AND TOP MANAGEMENT OFFICIALS IS DETERMINED ON A YEARLY BASIS MEMBERS EXCHANGE CREDIT UNION CONTRACTS WITH A COMPENSATION AND PERFORMANCE CONSULTING FIRM AS PART OF THE PROCESS FOR DETERMINING COMPENSATION THE CONSULTING FIRM PROVIDES THE CREDIT UNION WITH PERFORMANCE AND COMPENSATION SOFTWARE WHICH IS USED TO OBTAIN INFORMATION REGARDING SALARY RANGES FOR VARIOUS POSITIONS THE SOFTWARE CONTAINS SALARY RANGE DATA OF SIMILAR INSTITUTIONS OF SIMILAR SIZE AND LOCATION FROM THIS DATA, THE CREDIT UNION'S SALARY RANGES ARE UPDATED FOR THE CURRENT YEAR ONCE UPDATED, THE RANGES ARE SUBMITTED TO THE BOARD OF DIRECTORS FOR REVIEW AND APPROVAL THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS PERFORMS THE PRESIDENT/CEO'S PERFORMANCE EVALUATION ANNUALLY THEY REPORT TO THE ENTIRE BOARD OF DIRECTORS, WHO THEN VOTE ON A MERIT INCREASE PERCENTAGE. THE PRESIDENT/CEO IS THEN RESPONSIBLE FOR OVERSEEING ALL OTHER EMPLOYEE EVALUATIONS AND ANNUAL MERIT INCREASES

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	MEMBERS EXCHANGE CREDIT UNION MAKES AVAILABLE ITS FINANCIAL STATEMENTS VIA THE NCUA WEBSITE WHICH CAN BE FOUND AT WWW NCUA GOV OTHER DOCUMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST

Return Reference	Explanation
FORM 990, PART XII, LINE 2	THE FINANCIAL STATEMENTS AND DATA OF MEMBERS EXCHANGE CREDIT UNION ARE EXAMINED EVERY 18 MONTHS BY THE MISSISSIPPI STATE DEPARTMENT OF BANKING AND CONSUMER FINANCE AS WELL AS THE NATIONAL CREDIT UNION ASSOCIATION THESE ORGANIZATIONS EXAMINE THE CREDIT UNION'S FINANCIAL DATA THROUGH ACCESS TO VARIOUS FINANCIAL REPORTS AND INFORMATION IN ADDITION TO THESE EXAMINATIONS, MEMBERS EXCHANGE CREDIT UNION ENGAGES AN INDEPENDENT ACCOUNTING FIRM TO PERFORM QUARTERLY SUPERVISORY COMMITTEE AUDITS THE ACCOUNTING FIRM ALSO PERFORMS ANNUAL AGREED UPON PROCEDURES ON THE CREDIT UNION'S FINANCIAL STATEMENTS THESE PROCEDURES ARE NOT SUFFICIENT TO EXPRESS AN OPINION

Return Reference	Explanation
SECTION 1 263(A)-1(F) DE MINIMIS SAFE HARBOR ELECTION	MEMBERS EXCHANGE CREDIT UNION PO BOX 31049 JACKSON, MS 39286-1049 EMPLOYER IDENTIFICATION NUMBER 64-0344965 FOR THE YEAR ENDING DECEMBER 31, 2014 MEMBERS EXCHANGE CREDIT UNION IS MAKING THE DE MINIMIS SAFE HARBOR ELECTION UNDER REG SEC 1 263(A)-1(F)

Return Reference	Explanation
SECTION 1 263(A)-3(N) ELECTION	MEMBERS EXCHANGE CREDIT UNION PO BOX 31049 JACKSON, MS 39286-1049 EMPLOYER IDENTIFICATION NUMBER 64-0344965 FOR THE YEAR ENDING DECEMBER 31, 2014 MEMBERS EXCHANGE CREDIT UNION IS MAKING THE ELECTION TO CAPITALIZE REPAIR AND MAINTENANCE COSTS UNDER REG SEC 1 263(A)-3(N)

Form **3115**
(Rev December 2009)
Department of the Treasury
Internal Revenue Service

Application for Change in Accounting Method

OMB No 1545-0152

Name of filer (name of parent corporation if a consolidated group) (see instructions) **State Chartered Credit Unions in MS** **Members Exchange Credit Union**	**Identification number (see instructions)** **64-0344965** Principal business activity code number (see instructions) **522130**
Number, street, and room or suite no If a P O box, see the instructions **P.O Box 31049**	Tax year of change begins (MM/DD/YYYY) **01/01/2014** Tax year of change ends (MM/DD/YYYY) **12/31/2014**
City or town, state, and ZIP code **Jackson, MS 39286**	Name of contact person (see instructions) **Cynthia A. Hudson, CPA**
Name of applicant(s) (if different than filer) and identification number(s) (see instructions)	Contact person's telephone number **205-982-5500**

If the applicant is a member of a consolidated group, check this box ▶ ☐

If **Form 2848,** Power of Attorney and Declaration of Representative, is attached (see instructions for when Form 2848 is required), check this box . . ▶ ☐

Check the box to indicate the type of applicant.

- ☐ Individual
- ☐ Corporation
- ☐ Controlled foreign corporation (Sec 957)
- ☐ 10/50 corporation (Sec 904(d)(2)(E))
- ☐ Qualified personal service corporation (Sec 448(d)(2))
- ☑ Exempt organization Enter Code section ▶ **501(c)(14)**
- ☐ Cooperative (Sec 1381)
- ☐ Partnership
- ☐ S corporation
- ☐ Insurance co (Sec 816(a))
- ☐ Insurance co (Sec 831)
- ☐ Other (specify) ▶

Check the appropriate box to indicate the type of accounting method change being requested. (see instructions)

- ☑ Depreciation or Amortization
- ☐ Financial Products and/or Financial Activities of Financial Institutions
- ☐ Other (specify) ▶

Caution. *To be eligible for approval of the requested change in method of accounting, the taxpayer must provide all information that is relevant to the taxpayer or to the taxpayer's requested change in method of accounting This includes all information requested on this Form 3115 (including its instructions), as well as any other information that is not specifically requested.*

The taxpayer must attach all applicable supplemental statements requested throughout this form.

Part I Information For Automatic Change Request

		Yes	No
1	Enter the applicable designated automatic accounting method change number for the requested automatic change Enter only one designated automatic accounting method change number, except as provided for in guidance published by the IRS If the requested change has no designated automatic accounting method change number, check "Other," and provide both a description of the change and citation of the IRS guidance providing the automatic change See instructions ▶ (a) Change No **184,186,187** (b) Other ☐ Description ▶		
2	Do any of the scope limitations described in section 4 02 of Rev Proc 2008-52 cause automatic consent to be unavailable for the applicant's requested change? If "Yes," attach an explanation		

Note. *Complete Part II below and then Part IV, and also Schedules A through E of this form (if applicable).*

Part II Information For All Requests

		Yes	No
3	Did or will the applicant cease to engage in the trade or business to which the requested change relates, or terminate its existence, in the tax year of change (see instructions)? . If "Yes," the applicant is not eligible to make the change under automatic change request procedures		✓
4a	Does the applicant (or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) have any Federal income tax return(s) under examination (see instructions)? If "No," go to line 5		✓
b	Is the method of accounting the applicant is requesting to change an issue (with respect to either the applicant or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) either (i) under consideration or (ii) placed in suspense (see instructions)?		

Signature *(see instructions)*

Under penalties of perjury, I declare that I have examined this application, including accompanying schedules and statements, and to the best of my knowledge and belief, the application contains all the relevant facts relating to the application, and it is true, correct, and complete Declaration of preparer (other than applicant) is based on all information of which preparer has any knowledge

Filer	**Preparer (other than filer/applicant)**
Signature and date	**Signature of individual preparing the application and date**
	Cynthia A. Hudson, CPA
Name and title (print or type)	**Name of individual preparing the application (print or type)**
	Barfield, Murphy, Shank & Smith, LLC
	Name of firm preparing the application

Part II Information For All Requests (continued)

		Yes	No
4c	Is the method of accounting the applicant is requesting to change an issue pending (with respect to either the applicant or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) for any tax year under examination (see instructions)?		
d	Is the request to change the method of accounting being filed under the procedures requiring that the operating division director consent to the filing of the request (see instructions)?		
	If "Yes," attach the consent statement from the director		
e	Is the request to change the method of accounting being filed under the 90-day or 120-day window period?		
	If "Yes," check the box for the applicable window period and attach the required statement (see instructions) ☐ 90 day ☐ 120 day Date examination ended ► ______		
f	If you answered "Yes" to line 4a, enter the name and telephone number of the examining agent and the tax year(s) under examination Name ► ______ Telephone number ► ______ Tax year(s) ► ______		
g	Has a copy of this Form 3115 been provided to the examining agent identified on line 4f?		
5a	Does the applicant (or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) have any Federal income tax return(s) before Appeals and/or a Federal court?		✓
	If "Yes," enter the name of the (check the box) ☐ Appeals officer and/or ☐ counsel for the government, telephone number, and the tax year(s) before Appeals and/or a Federal court Name ► ______ Telephone number ► ______ Tax year(s) ► ______		
b	Has a copy of this Form 3115 been provided to the Appeals officer and/or counsel for the government identified on line 5a?		
c	Is the method of accounting the applicant is requesting to change an issue under consideration by Appeals and/or a Federal court (for either the applicant or any present or former consolidated group in which the applicant was a member for the tax year(s) the applicant was a member) (see instructions)?		✓
	If "Yes," attach an explanation		
6	If the applicant answered "Yes" to line 4a and/or 5a with respect to any present or former consolidated group, attach a statement that provides each parent corporation's **(a)** name, **(b)** identification number, **(c)** address, and **(d)** tax year(s) during which the applicant was a member that is under examination, before an Appeals office, and/or before a Federal court		
7	If, for federal income tax purposes, the applicant is either an entity (including a limited liability company) treated as a partnership or an S corporation, is it requesting a change from a method of accounting that is an issue under consideration in an examination, before Appeals, or before a Federal court, with respect to a Federal income tax return of a partner, member, or shareholder of that entity?		✓
	If "Yes," the applicant is **not** eligible to make the change		
8a	Does the applicable revenue procedure (advance consent or automatic consent) state that the applicant does not receive audit protection for the requested change (see instructions)?		✓
b	If "Yes," attach an explanation		
9a	Has the applicant, its predecessor, or a related party requested or made (under either an automatic change procedure or a procedure requiring advance consent) a change in method of accounting within the past 5 years (including the year of the requested change)?		✓
b	If "Yes," for each trade or business, attach a description of each requested change in method of accounting (including the tax year of change) and state whether the applicant received consent		
c	If any application was withdrawn, not perfected, or denied, or if a Consent Agreement granting a change was not signed and returned to the IRS, or the change was not made or not made in the requested year of change, attach an explanation		
10a	Does the applicant, its predecessor, or a related party currently have pending any request (including any concurrently filed request) for a private letter ruling, change in method of accounting, or technical advice?		✓
b	If "Yes," for each request attach a statement providing the name(s) of the taxpayer, identification number(s), the type of request (private letter ruling, change in method of accounting, or technical advice), and the specific issue(s) in the request(s)		
11	Is the applicant requesting to change its **overall** method of accounting?		
	If "Yes," check the appropriate boxes below to indicate the applicant's present and proposed methods of accounting Also, complete Schedule A on page 4 of this form **Present method:** ☐ Cash ☐ Accrual ☐ Hybrid (attach description) **Proposed method:** ☐ Cash ☐ Accrual ☐ Hybrid (attach description)		

Part II Information For All Requests (continued)

Yes No

12 If the applicant is either (i) **not** changing its overall method of accounting, or (ii) is changing its overall method of accounting and also changing to a special method of accounting for one or more items, attach a detailed and complete description for each of the following

a The item(s) being changed

b The applicant's present method for the item(s) being changed

c The applicant's proposed method for the item(s) being changed

d The applicant's present overall method of accounting (cash, accrual, or hybrid)

13 Attach a detailed and complete description of the applicant's trade(s) or business(es), and the principal business activity code for each If the applicant has more than one trade or business as defined in Regulations section 1 446-1(d), describe whether each trade or business is accounted for separately, the goods and services provided by each trade or business and any other types of activities engaged in that generate gross income, the overall method of accounting for each trade or business, and which trade or business is requesting to change its accounting method as part of this application or a separate application.

14 Will the proposed method of accounting be used for the applicant's books and records and financial statements? For insurance companies, see the instructions — Yes ☐ No ✓
If "No," attach an explanation

15a Has the applicant engaged, or will it engage, in a transaction to which section 381(a) applies (e g , a reorganization, merger, or liquidation) during the proposed tax year of change determined without regard to any potential closing of the year under section 381(b)(1)? — Yes ☐ No ☐

b If "Yes," for the items of income and expense that are the subject of this application, attach a statement identifying the methods of accounting used by the parties to the section 381(a) transaction immediately before the date of distribution or transfer and the method(s) that would be required by section 381(c)(4) or (c)(5) absent consent to the change(s) requested in this application

16 Does the applicant request a conference with the IRS National Office if the IRS proposes an adverse response? — Yes ✓ No ☐

17 If the applicant is changing to either the overall cash method, an overall accrual method, or is changing its method of accounting for any property subject to section 263A, any long-term contract subject to section 460, or inventories subject to section 474, enter the applicant's gross receipts for the 3 tax years preceding the tax year of change

1st preceding year ended mo yr	2nd preceding year ended mo yr	3rd preceding year ended mo yr
$	$	$

Part III Information For Advance Consent Request

Yes No

18 Is the applicant's requested change described in any revenue procedure, revenue ruling, notice, regulation, or other published guidance as an automatic change request? — Yes ☐ No ☐
If "Yes," attach an explanation describing why the applicant is submitting its request under advance consent request procedures

19 Attach a full explanation of the legal basis supporting the proposed method for the item being changed Include a detailed and complete description of the facts that explains how the law specifically applies to the applicant's situation and that demonstrates that the applicant is authorized to use the proposed method Include all authority (statutes, regulations, published rulings, court cases, etc) supporting the proposed method Also, include either a discussion of the contrary authorities or a statement that no contrary authority exists

20 Attach a copy of all documents related to the proposed change (see instructions)

21 Attach a statement of the applicant's reasons for the proposed change.

22 If the applicant is a member of a consolidated group for the year of change, do all other members of the consolidated group use the proposed method of accounting for the item being changed? — Yes ☐ No ☐
If "No," attach an explanation

23a Enter the amount of **user fee** attached to this application (see instructions) ► $ ____________

b If the applicant qualifies for a reduced user fee, attach the required information or certification (see instructions)

Part IV Section 481(a) Adjustment

Yes No

24 Does the applicable revenue procedure, revenue ruling, notice, regulation, or other published guidance require the applicant to implement the requested change in method of accounting on a cut-off basis rather than a section 481(a) adjustment? — Yes ☐ No ☐
If "Yes," do not complete lines 25, 26, and 27 below

25 Enter the section 481(a) adjustment Indicate whether the adjustment is an increase (+) or a decrease (-) in income ► $ **0.00** Attach a summary of the computation and an explanation of the methodology used to determine the section 481(a) adjustment If it is based on more than one component, show the computation for each component If more than one applicant is applying for the method change on the same application, attach a list of the name, identification number, principal business activity code (see instructions), and the amount of the section 481(a) adjustment attributable to each applicant

Part IV	Section 481(a) Adjustment (continued)	Yes	No
26	If the section 481(a) adjustment is an increase to income of less than $25,000, does the applicant elect to take the entire amount of the adjustment into account in the year of change?		✓
27	Is any part of the section 481(a) adjustment attributable to transactions between members of an affiliated group, a consolidated group, a controlled group, or other related parties? If "Yes," attach an explanation		

Schedule A—Change in Overall Method of Accounting (If Schedule A applies, Part I below must be completed.)

Part I Change in Overall Method (see instructions)

1 Enter the following amounts as of the close of the tax year preceding the year of change If none, state "None " Also, attach a statement providing a breakdown of the amounts entered on lines 1a through 1g

		Amount
a	Income accrued but not received (such as accounts receivable)	$
b	Income received or reported before it was earned (such as advanced payments) Attach a description of the income and the legal basis for the proposed method	
c	Expenses accrued but not paid (such as accounts payable)	
d	Prepaid expenses previously deducted	
e	Supplies on hand previously deducted and/or not previously reported	
f	Inventory on hand previously deducted and/or not previously reported Complete Schedule D, Part II	
g	Other amounts (specify) Attach a description of the item and the legal basis for its inclusion in the calculation of the section 481(a) adjustment ►	
h	**Net section 481(a) adjustment** (Combine lines 1a–1g) Indicate whether the adjustment is an increase (+) or decrease (-) in income Also enter the net amount of this section 481(a) adjustment amount on Part IV, line 25	$

2 Is the applicant also requesting the recurring item exception under section 461(h)(3)? ☐ Yes ☐ No

3 Attach copies of the profit and loss statement (Schedule F (Form 1040) for farmers) and the balance sheet, if applicable, as of the close of the tax year preceding the year of change Also attach a statement specifying the accounting method used when preparing the balance sheet. If books of account are not kept, attach a copy of the business schedules submitted with the Federal income tax return or other return (e g , tax-exempt organization returns) for that period If the amounts in Part I, lines 1a through 1g, do not agree with those shown on both the profit and loss statement and the balance sheet, attach a statement explaining the differences

Part II Change to the Cash Method For Advance Consent Request (see instructions)

Applicants requesting a change to the cash method must attach the following information.

1 A description of inventory items (items whose production, purchase, or sale is an income-producing factor) and materials and supplies used in carrying out the business

2 An explanation as to whether the applicant is required to use the accrual method under any section of the Code or regulations

Schedule B—Change to the Deferral Method for Advance Payments (see instructions)

1 If the applicant is requesting to change to the Deferral Method for advance payments described in section 5 02 of Rev Proc 2004-34, 2004-1 C B 991, attach the following information:

a A statement explaining how the advance payments meet the definition in section 4 01 of Rev Proc 2004-34

b If the applicant is filing under the automatic change procedures of Rev Proc 2008-52, the information required by section 8 02(3)(a)-(c) of Rev Proc 2004-34

c If the applicant is filing under the advance consent provisions of Rev Proc 97-27, the information required by section 8 03(2)(a)-(f) of Rev Proc 2004-34

2 If the applicant is requesting to change to the deferral method for advance payments described in Regulations section 1 451-5(b)(1)(ii), attach the following

a A statement explaining how the advance payments meet the definition in Regulations section 1 451-5(a)(1)

b A statement explaining what portions of the advance payments, if any, are attributable to services, whether such services are integral to the provisions of goods or items, and whether any portions of the advance payments that are attributable to non-integral services are less than five percent of the total contract prices See Regulations sections 1 451-5(a)(2)(i) and (3)

c A statement explaining that the advance payments will be included in income no later than when included in gross receipts for purposes of the applicant's financial reports See Regulations section 1 451-5(b)(1)(ii)

d A statement explaining whether the inventoriable goods exception of Regulations section 1 451-5(c) applies and if so, when substantial advance payments will be received under the contracts, and how the exception will limit the deferral of income

Schedule C—Changes Within the LIFO Inventory Method (see instructions)

Part I General LIFO Information

Complete this section if the requested change involves changes within the LIFO inventory method Also, attach a copy of all **Forms 970,** Application To Use LIFO Inventory Method, filed to adopt or expand the use of the LIFO method

1 Attach a description of the applicant's present and proposed LIFO methods and submethods for each of the following items

a Valuing inventory (e g , unit method or dollar-value method)

b Pooling (e g , by line or type or class of goods, natural business unit, multiple pools, raw material content, simplified dollar-value method, inventory price index computation (IPIC) pools, vehicle-pool method, etc)

c Pricing dollar-value pools (e g , double-extension, index, link-chain, link-chain index, IPIC method, etc)

d Determining the current-year cost of goods in the ending inventory (i e , most recent acquisitions, earliest acquisitions during the current year, average cost of current-year acquisitions, or other permitted method)

2 If any present method or submethod used by the applicant is not the same as indicated on Form(s) 970 filed to adopt or expand the use of the method, attach an explanation.

3 If the proposed change is not requested for all the LIFO inventory, attach a statement specifying the inventory to which the change is and is not applicable

4 If the proposed change is not requested for all of the LIFO pools, attach a statement specifying the LIFO pool(s) to which the change is applicable

5 Attach a statement addressing whether the applicant values any of its LIFO inventory on a method other than cost For example, if the applicant values some of its LIFO inventory at retail and the remainder at cost, identify which inventory items are valued under each method

6 If changing to the IPIC method, attach a completed Form 970

Part II Change in Pooling Inventories

1 If the applicant is proposing to change its pooling method or the number of pools, attach a description of the contents of, and state the base year for, each dollar-value pool the applicant presently uses and proposes to use

2 If the applicant is proposing to use natural business unit (NBU) pools or requesting to change the number of NBU pools, attach the following information (to the extent not already provided) in sufficient detail to show that each proposed NBU was determined under Regulations section 1 472-8(b)(1) and (2):

a A description of the types of products produced by the applicant. If possible, attach a brochure

b A description of the types of processes and raw materials used to produce the products in each proposed pool

c If all of the products to be included in the proposed NBU pool(s) are not produced at one facility, state the reasons for the separate facilities, the location of each facility, and a description of the products each facility produces

d A description of the natural business divisions adopted by the taxpayer State whether separate cost centers are maintained and if separate profit and loss statements are prepared

e A statement addressing whether the applicant has inventories of items purchased and held for resale that are not further processed by the applicant, including whether such items, if any, will be included in any proposed NBU pool

f A statement addressing whether all items including raw materials, goods-in-process, and finished goods entering into the entire inventory investment for each proposed NBU pool are presently valued under the LIFO method Describe any items that are not presently valued under the LIFO method that are to be included in each proposed pool

g A statement addressing whether, within the proposed NBU pool(s), there are items both sold to unrelated parties and transferred to a different unit of the applicant to be used as a component part of another product prior to final processing

3 If the applicant is engaged in manufacturing and is proposing to use the multiple pooling method or raw material content pools, attach information to show that each proposed pool will consist of a group of items that are substantially similar See Regulations section 1 472-8(b)(3)

4 If the applicant is engaged in the wholesaling or retailing of goods and is requesting to change the number of pools used, attach information to show that each of the proposed pools is based on customary business classifications of the applicant's trade or business See Regulations section 1 472-8(c)

Schedule D—Change in the Treatment of Long-Term Contracts Under Section 460, Inventories, or Other Section 263A Assets (see instructions)

Part I Change in Reporting Income From Long-Term Contracts (Also complete Part III on pages 7 and 8.)

1 To the extent not already provided, attach a description of the applicant's present and proposed methods for reporting income and expenses from long-term contracts Also, attach a representative actual contract (without any deletion) for the requested change If the applicant is a construction contractor, attach a detailed description of its construction activities

2a Are the applicant's contracts long-term contracts as defined in section 460(f)(1) (see instructions)? ☐ Yes ☐ No

b If "Yes," do all the contracts qualify for the exception under section 460(e) (see instructions)? ☐ Yes ☐ No
If line 2b is "No," attach an explanation

c If line 2b is "Yes," is the applicant requesting to use the percentage-of-completion method using cost-to-cost under Regulations section 1 460-4(b)? ☐ Yes ☐ No

d If line 2c is "No," is the applicant requesting to use the exempt-contract percentage-of-completion method under Regulations section 1 460-4(c)(2)? ☐ Yes ☐ No
If line 2d is "Yes," attach an explanation of what cost comparison the applicant will use to determine a contract's completion factor.
If line 2d is "No," attach an explanation of what method the applicant is using and the authority for its use

3a Does the applicant have long-term manufacturing contracts as defined in section 460(f)(2)? ☐ Yes ☐ No

b If "Yes," attach an explanation of the applicant's present and proposed method(s) of accounting for long-term manufacturing contracts

c Attach a description of the applicant's manufacturing activities, including any required installation of manufactured goods

4 To determine a contract's completion factor using the percentage-of-completion method

a Will the applicant use the cost-to-cost method in Regulations section 1 460-4(b)? ☐ Yes ☐ No

b If line 4a is "No," is the applicant electing the simplified cost-to-cost method (see section 460(b)(3) and Regulations section 1 460-5(c))? ☐ Yes ☐ No

5 Attach a statement indicating whether any of the applicant's contracts are either cost-plus long-term contracts or Federal long-term contracts

Part II Change in Valuing Inventories Including Cost Allocation Changes (Also complete Part III on pages 7 and 8)

1 Attach a description of the inventory goods being changed

2 Attach a description of the inventory goods (if any) NOT being changed

3a Is the applicant subject to section 263A? If "No," go to line 4a ☐ Yes ☐ No

b Is the applicant's present inventory valuation method in compliance with section 263A (see instructions)? If "No," attach a detailed explanation ☐ Yes ☐ No

	Inventory Being Changed		Inventory Not Being Changed
	Present method	Proposed method	Present method
4a Check the appropriate boxes below			
Identification methods			
Specific identification .			
FIFO			
LIFO			
Other (attach explanation)			
Valuation methods			
Cost			
Cost or market, whichever is lower			
Retail cost			
Retail, lower of cost or market			
Other (attach explanation)			
b Enter the value at the end of the tax year preceding the year of change			

5 If the applicant is changing from the LIFO inventory method to a non-LIFO method, attach the following information (see instructions)

a Copies of Form(s) 970 filed to adopt or expand the use of the method

b **Only for applicants requesting advance consent.** A statement describing whether the applicant is changing to the method required by Regulations section 1 472-6(a) or (b), or whether the applicant is proposing a different method

c **Only for applicants requesting an automatic change.** The statement required by section 22 01(5) of the Appendix of Rev Proc. 2008-52 (or its successor)

Part III Method of Cost Allocation (Complete this part if the requested change involves either property subject to section 263A or long-term contracts as described in section 460 (see instructions)).

Section A—Allocation and Capitalization Methods

Attach a description (including sample computations) of the present and proposed method(s) the applicant uses to capitalize direct and indirect costs properly allocable to real or tangible personal property produced and property acquired for resale, or to allocate and, where appropriate, capitalize direct and indirect costs properly allocable to long-term contracts Include a description of the method(s) used for allocating indirect costs to intermediate cost objectives such as departments or activities prior to the allocation of such costs to long-term contracts, real or tangible personal property produced, and property acquired for resale The description must include the following

1 The method of allocating direct and indirect costs (i e , specific identification, burden rate, standard cost, or other reasonable allocation method)

2 The method of allocating mixed service costs (i e , direct reallocation, step-allocation, simplified service cost using the labor-based allocation ratio, simplified service cost using the production cost allocation ratio, or other reasonable allocation method)

3 The method of capitalizing additional section 263A costs (i e , simplified production with or without the historic absorption ratio election, simplified resale with or without the historic absorption ratio election including permissible variations, the U S ratio, or other reasonable allocation method)

Section B—Direct and Indirect Costs Required To Be Allocated

Check the appropriate boxes showing the costs that are or will be fully included, to the extent required, in the cost of real or tangible personal property produced or property acquired for resale under section 263A or allocated to long-term contracts under section 460 Mark "N/A" in a box if those costs are not incurred by the applicant If a box is not checked, it is assumed that those costs are not fully included to the extent required Attach an explanation for boxes that are not checked

		Present method	Proposed method
1	Direct material . . .		
2	Direct labor . . .		
3	Indirect labor . . .		
4	Officers' compensation (not including selling activities)		
5	Pension and other related costs		
6	Employee benefits . .		
7	Indirect materials and supplies		
8	Purchasing costs . .		
9	Handling, processing, assembly, and repackaging costs		
10	Offsite storage and warehousing costs		
11	Depreciation, amortization, and cost recovery allowance for equipment and facilities placed in service and not temporarily idle		
12	Depletion		
13	Rent		
14	Taxes other than state, local, and foreign income taxes		
15	Insurance		
16	Utilities		
17	Maintenance and repairs that relate to a production, resale, or long-term contract activity		
18	Engineering and design costs (not including section 174 research and experimental expenses) . . .		
19	Rework labor, scrap, and spoilage		
20	Tools and equipment . .		
21	Quality control and inspection		
22	Bidding expenses incurred in the solicitation of contracts awarded to the applicant		
23	Licensing and franchise costs		
24	Capitalizable service costs (including mixed service costs)		
25	Administrative costs (not including any costs of selling or any return on capital)		
26	Research and experimental expenses attributable to long-term contracts		
27	Interest		
28	Other costs (Attach a list of these costs)		

Part III Method of Cost Allocation (see instructions) (continued)

Section C—Other Costs Not Required To Be Allocated (Complete Section C only if the applicant is requesting to change its method for these costs)

		Present method	Proposed method
1	Marketing, selling, advertising, and distribution expenses		
2	Research and experimental expenses not included in Section B, line 26		
3	Bidding expenses not included in Section B, line 22		
4	General and administrative costs not included in Section B		
5	Income taxes . . .		
6	Cost of strikes . . .		
7	Warranty and product liability costs		
8	Section 179 costs . .		
9	On-site storage . . .		
10	Depreciation, amortization, and cost recovery allowance not included in Section B, line 11		
11	Other costs (Attach a list of these costs)		

Schedule E—Change in Depreciation or Amortization (see instructions)

Applicants requesting approval to change their method of accounting for depreciation or amortization complete this section Applicants ***must*** provide this information for each item or class of property for which a change is requested

Note. *See the* ***List of Automatic Accounting Method Changes*** *in the instructions for information regarding automatic changes under sections 56, 167, 168, 197, 1400I, 1400L, or former section 168.* ***Do not*** *file Form 3115 with respect to certain late elections and election revocations (see instructions).*

1 Is depreciation for the property determined under Regulations section 1 167(a)-11 (CLADR)? ☐ **Yes** ☑ **No**
If "Yes," the only changes permitted are under Regulations section 1 167(a)-11(c)(1)(iii)

2 Is any of the depreciation or amortization required to be capitalized under any Code section (e g , section 263A)? . . . . . ☐ **Yes** ☑ **No**
If "Yes," enter the applicable section ▶ ____________

3 Has a depreciation, amortization, or expense election been made for the property (e g , the election under sections 168(f)(1), 179, or 179C)? ☐ **Yes** ☑ **No**
If "Yes," state the election made ▶ ____________

4a To the extent not already provided, attach a statement describing the property being changed Include in the description the type of property, the year the property was placed in service, and the property's use in the applicant's trade or business or income-producing activity

b If the property is residential rental property, did the applicant live in the property before renting it? ☐ **Yes** ☐ **No**

c Is the property public utility property? ☐ **Yes** ☑ **No**

5 To the extent not already provided in the applicant's description of its present method, attach a statement explaining how the property is treated under the applicant's present method (e g , depreciable property, inventory property, supplies under Regulations section 1 162-3, nondepreciable section 263(a) property, property deductible as a current expense, etc)

6 If the property is not currently treated as depreciable or amortizable property, attach a statement of the facts supporting the proposed change to depreciate or amortize the property

7 If the property is currently treated and/or will be treated as depreciable or amortizable property, provide the following information for both the present (if applicable) and proposed methods

a The Code section under which the property is or will be depreciated or amortized (e g , section 168(g))

b The applicable asset class from Rev Proc 87-56, 1987-2 C B 674, for each asset depreciated under section 168 (MACRS) or under section 1400L, the applicable asset class from Rev Proc 83-35, 1983-1 C B 745, for each asset depreciated under former section 168 (ACRS), an explanation why no asset class is identified for each asset for which an asset class has not been identified by the applicant

c The facts to support the asset class for the proposed method

d The depreciation or amortization method of the property, including the applicable Code section (e g., 200% declining balance method under section 168(b)(1))

e The useful life, recovery period, or amortization period of the property

f The applicable convention of the property

g A statement of whether or not the additional first-year special depreciation allowance (for example, as provided by section 168(k), 168(l), 168(m), 168(n), 1400L(b), or 1400N(d)) was or will be claimed for the property If not, also provide an explanation as to why no special depreciation allowance was or will be claimed

State Chartered Credit Unions in MS
Members Exchange Credit Union
EIN: 64-0344965
Attachment to Form 3115
Repair and Maintenance Costs (Auto. Change #184)
Materials and Supplies (Auto. Change #186 or #187)
Filed Pursuant to Section 10.11 of Appendix of Rev. Proc. 2011-14
as modified by Rev. Proc. 2014-16
Tax Year Ended December 31, 2014

Page 3, Part II, Line 12a, Item Being Changed

The Applicant is requesting a change in method of accounting under section 10.11 of the Appendix of Rev. Proc. 2011-14, as modified by Rev. Proc. 2014-16, to change its method of accounting to currently deduct incidental repair and maintenance costs specified below that were improperly capitalized.

The types of tangible property to which this method change request relates include, but are not limited to, the following:

- Real property/leasehold improvements
- Land improvements
- Equipment
- Furniture and fixtures
- Computers and components
- Software

The types of repair and maintenance costs to which this change applies are described below and are hereinafter collectively referred to as "repair and maintenance costs." Typical examples of such costs include, but are not limited to, the following:

- Roof repair
- Wall repair and maintenance
- Window/door repair
- Carpet repair and maintenance
- Electrical/plumbing repair
- HVAC repair
- Computer and components repair
- Equipment repair and maintenance
- Furniture and fixtures refinishing and recovering

These amounts are deductible under Reg. section 1.162-4, if the amounts are not otherwise required to be capitalized. Expenditures that meet any of the capitalization requirements under Reg. section 1.263(a)-3 (relating to betterments, restorations, adaptation, etc.) will continue to be capitalized under section 263(a) and are not included in this method change request.

The Applicant is requesting a change in method of accounting under section 10.11 of the Appendix of Rev. Proc. 2011-14, as modified by Rev. Proc. 2014-16, to change its method of accounting to capitalize repair and maintenance costs specified below as amounts paid to improve property that was previously deducted.

State Chartered Credit Unions in MS
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Repair and Maintenance Costs (Auto. Change #184)
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Filed Pursuant to Section 10.11 of Appendix of Rev. Proc. 2011-14
as modified by Rev. Proc. 2014-16
Tax Year Ended December 31, 2014

The types of tangible property to which this method change request relates include, but are not limited to, the following:

- Real property/leasehold improvements
- Land improvements
- Equipment
- Furniture and fixtures
- Computers and components
- Software

The types of repair and maintenance costs to which this change applies are described below and are hereinafter collectively referred to as “capital expenditures.” Typical examples of such costs include, but are not limited to, the following:

- Roof repair
- Wall repair and maintenance
- Window/door repair
- Carpet repair and maintenance
- Electrical/plumbing repair
- HVAC repair
- Computer and components repair
- Equipment repair and maintenance
- Furniture and fixtures refinishing and recovering

These amounts are capitalized under Reg. section 1.263(a)-3, if the amounts are not otherwise required to be deducted. Expenditures that meet any of the capitalization requirements under Reg. section 1.263(a)-3 (relating to betterments, restorations, adaptation, etc.) will continue to be capitalized under section 263(a) and are not included in this method change request. Expenditures paid for the repair or maintenance of rotable or temporary spare parts for which the optional method of accounting for spare parts is used are not included in this method change request.

The Applicant is requesting a change in method of accounting under section 10.11 of the Appendix of Rev. Proc. 2011-14, as modified by Rev. Proc. 2014-16, to change its method of accounting in identifying the unit of property and in identifying the building structure or building systems.

The types of property to which this method change request relates include, but are not limited to, the following:

- Equipment
- Furniture and fixtures
- Computers and components

State Chartered Credit Unions in MS
Members Exchange Credit Union
EIN: 64-0344965
Attachment to Form 3115
Repair and Maintenance Costs (Auto. Change #184)
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as modified by Rev. Proc. 2014-16
Tax Year Ended December 31, 2014

- Software
- Building structure
- Land improvements
- HVAC
- Plumbing systems
- Electrical systems
- Elevators
- Escalators
- Fire protection/alarm systems
- Security systems
- Gas distribution systems

The unit of property for these property types is identified under Reg. section 1.263(a)-3(e).

The Applicant is requesting a change in method of accounting under section 10.11 of the Appendix of Rev. Proc. 2011-14, as modified by Rev. Proc. 2014-16, to change its method of accounting to deduct non-incidental material and supply costs when used or consumed in operations.

The types of non-incidental material and supply costs to which this change applies are described below and are hereinafter collectively referred to as "material and supply costs." Typical examples of such costs include, but are not limited to, the following:

- Office supplies

These amounts are deductible under Reg. section 1.162-3, if the amounts are not otherwise required to be capitalized. Expenditures for which the election to capitalize and depreciate certain materials and supplies under Reg. section 1.162-3(d) (relating to rotable spare parts, temporary spare parts, or standby emergency spare parts) is made will continue to be capitalized and are not included in this method change request. Expenditures for which the optional method of accounting for rotable and temporary spare parts under Reg. section 1.162-3(e) is used are not included in this method change request.

The Applicant has elected the de minimis safe harbor under Reg. section 1.263(a)-1(f). Expenditures paid for materials and supplies to which the de minimis safe harbor is applied are not treated as amounts paid for materials and supplies for this method change request.

The Applicant is requesting a change in method of accounting under section 10.11 of the Appendix of Rev. Proc. 2011-14, as modified by Rev. Proc. 2014-16, to change its method of accounting to deduct incidental material and supply costs in taxable year amounts are paid.

The types of incidental material and supply costs to which this change applies are described below and are hereinafter collectively referred to as "material and supply costs." Typical examples of such costs include, but are not limited to, the following:

State Chartered Credit Unions in MS
Members Exchange Credit Union
EIN: 64-0344965
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Repair and Maintenance Costs (Auto. Change #184)
Materials and Supplies (Auto. Change #186 or #187)
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as modified by Rev. Proc. 2014-16
Tax Year Ended December 31, 2014

- Office supplies

These amounts are deductible under Reg. section 1.162-3, if the amounts are not otherwise required to be capitalized.

Page 3, Part II, Line 12b, Present Method of Accounting

Under the present method of accounting, the Applicant capitalizes and depreciates these expenditures over a period of 3, 5, 10, 15 or 39 years, using the mid-month or half-year convention and straight-line or 200 percent declining balance method, as applicable.

Under the present method of accounting, the Applicant currently deducts these capital expenditures.

Under the present method of accounting, the Applicant's unit of property for the building structure consists the original purchase/construction costs and any subsequent improvements.

Under the present method of accounting, the Applicant has deducted materials and supplies hat do not fall under the category of inventory in the year paid.

Page 3, Part II, Line 12c, Proposed Method of Accounting

Under the proposed method of accounting, the Applicant will change the method of accounting to deduct amounts paid or incurred for repair and maintenance in accordance with Reg. section 1.162-4. Reg. section 1.162-4(a) provides that a taxpayer may deduct amounts paid for repairs and maintenance to tangible property if the amounts paid are not otherwise required to be capitalized.

Under the proposed method of accounting, the Applicant will change the method of accounting to deduct amounts paid or incurred for routine maintenance in accordance with Reg. section 1.162-4. Reg. section 1.162-4(i) provides that amounts paid for routine maintenance to tangible property is deemed not to improve the unit of property.

Under the proposed method of accounting, the Applicant will change the method of accounting to capitalize amounts paid or incurred for repair and maintenance in accordance with Reg. section 1.263(a)-3. Reg. section 1.263(a)-3 provides that a taxpayer may capitalize amounts paid for repairs and maintenance to tangible property as amounts paid to improve property if expenditures are not otherwise required to be deducted.

Under the proposed method of accounting, the Applicant will change the unit of property for all real property to the building system components. For personal property the Applicant will change

State Chartered Credit Unions in MS
Members Exchange Credit Union
EIN: 64-0344965
Attachment to Form 3115
Repair and Maintenance Costs (Auto. Change #184)
Materials and Supplies (Auto. Change #186 or #187)
Filed Pursuant to Section 10.11 of Appendix of Rev. Proc. 2011-14
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the unity of property determination based on functional interdependence and/or discrete and major functions unless industry specific guidance is published.

Under the proposed method of accounting, the Applicant will change the method of accounting to deduct non-incidental materials and supplies when first used or consumed in the applicant's operations

Under the proposed method of accounting, the Applicant will change the method of accounting to deduct incidental materials and supplies in the taxable year in which amount is paid.

Page 3, Part II, Line 12d, Present Overall Method

The Applicant's present overall method of accounting is an accrual method.

Page 3, Part II, Line 13, Description of Trade(s) or Business(es)

The Applicant is engaged in the trade or business of a credit union.

The Applicant's principal business activity code is 522130.

Page 3, Part II, Line 14, Books and Records and Financial Statements

The Applicant's books and records and financial statements will be maintained using Generally Accepted Accounting Principles.

Page 3, Part II, Line 16, Conference of Right

The Applicant requests a conference of right at the IRS National Office if the IRS proposes to rule adversely on this accounting method change. For these purposes, adversely is defined to include granting the method change on terms and conditions other than those requested by the Applicant.
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Page 8, Schedule E, lines 4a, 5, 6 and 7

See responses above under Page 3, Part II lines 12a, 12b, 12c and 12d.

Request for Faxed Documents

The Applicant requests that a copy of any document related to this request (e.g., a request for additional information or the letter ruling) for change in method of accounting be provided to the Applicant via fax (fax numbers provided below).

Applicant's Fax Number: (601) 922-1733, Attn: Susan Boshart

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IF APPLICANT IS CHANGING TO DEDUCT REPAIR & MAINTENANCE, INSERT:

The adjustment represents repair and maintenance expenditures previously capitalized as of December 31, 2013, less accumulated depreciation deducted through December 31, 2013, and is a decrease to taxable income. The adjustment will be computed relying on analysis of actual documentation.

5 Year Property			-/+	
10 Year Property			-/+	
15 Year Property			-/+	
39 Year Property			-/+	
Subtotal	-	-	**-/+**	-
10 Year Property			-/+	
39 Year Property			-/+	
Subtotal	-	-	**-/+**	-
Less: §263A Adjustment			-/+	
Total	-	-	**-/+**	**0.00**

no adjustment identified

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IF APPLICANT IS CHANGING TO CAPITALIZE REPAIR & MAINTENANCE, INSERT:

The adjustment represents repair and maintenance expenditures previously deducted as of December 31, 2013, less proposed accumulated depreciation deducted through December 31, 2013, and is an increase to taxable income. The adjustment will be computed relying on analysis of actual documentation.

5 Year Property			-/+	
10 Year Property			-/+	
15 Year Property			-/+	
39 Year Property			-/+	
Subtotal	**-**	**-**	**-/+**	**-**
10 Year Property			-/+	
39 Year Property			-/+	
Subtotal	**-**	**-**	**-/+**	**-**
Plus: §263A Adjustment			-/+	
Total	**-**	**-**	**-/+**	**0.00**

no adjustment identified

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IF APPLICANT IS CHANGING TO DEDUCT NON-INCIDENTAL OR INCIDENTAL MATERIALS & SUPPLIES, INSERT:

The adjustment represents material and supply expenditures previously capitalized as of December 31, 2013, less accumulated depreciation deducted through December 31, 2013, and is a decrease to taxable income. The adjustment will be computed relying on analysis of actual documentation.

[redacted]				
5 Year Property			-/+	
10 Year Property			-/+	
15 Year Property			-/+	
39 Year Property			-/+	
Subtotal	**-**	**-**	**-/+**	**-**
10 Year Property			-/+	
39 Year Property			-/+	
Subtotal	**-**	**-**	**-/+**	**-**
Less: §263A Adjustment			-/+	
Total	**-**	**-**	**-/+**	**0.00**

no adjustment identified