



# 2007 ANNUAL REPORT

*freedom to choose*

## COMPARATIVE BALANCE SHEET

Balances as of December 31

ASSETS	2007	2006
Unsecured Loans	4,444,349	4,011,236
Mortgage/Home Equity Loans	10,429,249	9,926,521
New and Used Vehicle Loans	18,233,688	16,892,322
Other Secured Loans	420,191	1,479,543
<b>TOTAL LOANS</b>	<b>\$ 33,527,477</b>	<b>\$ 32,309,622</b>
Allowance for Loan Losses	(195,312)	(204,369)
<b>NET LOANS TO MEMBERS</b>	<b>\$ 33,332,165</b>	<b>\$ 32,105,253</b>
Cash & Investments	35,833,431	41,275,816
Accrued Income Receivable	323,846	301,861
Land & Building	3,890,127	3,965,774
Other Fixed Assets	1,039,792	1,255,137
Other Assets	2,986,965	2,820,506
<b>TOTAL ASSETS</b>	<b>\$ 77,406,326</b>	<b>\$ 81,724,347</b>

### LIABILITIES & EQUITY

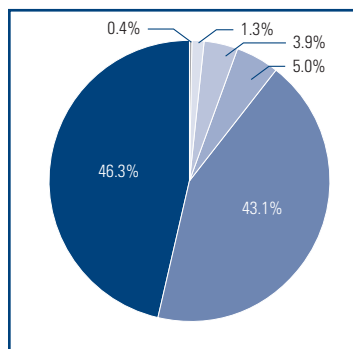
Accounts Payable/Accrued Expenses	1,345,748	2,114,689
Member's Accounts	56,715,157	61,061,875
Reserves and Undivided Earnings	19,345,421	18,547,783
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 77,406,326</b>	<b>\$ 81,724,347</b>

## COMPARATIVE STATEMENT OF INCOME

For the year ending December 31

	2007	2006
Interest and Fees on Loans	2,416,863	2,369,400
Interest on Investments	1,887,298	1,914,047
Other Income	3,269,883	3,349,185
<b>TOTAL REVENUE</b>	<b>\$ 7,574,044</b>	<b>\$ 7,632,632</b>
Operating Expenses	5,806,589	5,583,810
Provision for Loan Losses (Recovery)	61,162	118,210
(Loss) on Disposition of Assets	0	0
Dividends Paid to Members	1,187,008	1,033,974
<b>ADDITIONS TO RESERVES &amp; UNDIVIDED EARNINGS</b>	<b>\$ 519,285</b>	<b>\$ 896,638</b>

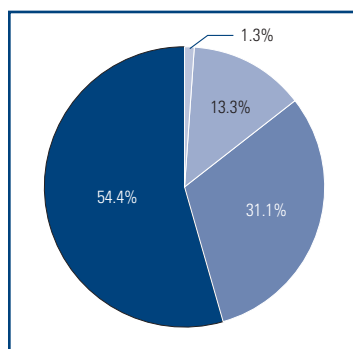
### ASSET COMPOSITION



Total Assets \$77,406,326 as of December 31, 2007

- Cash & Investments
- Net Loans
- Land & Building
- Other Assets
- Other Fixed Assets
- Accrued Income Receivable

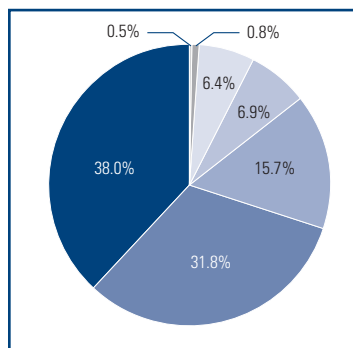
### LOAN PORTFOLIO



As of December 31, 2007

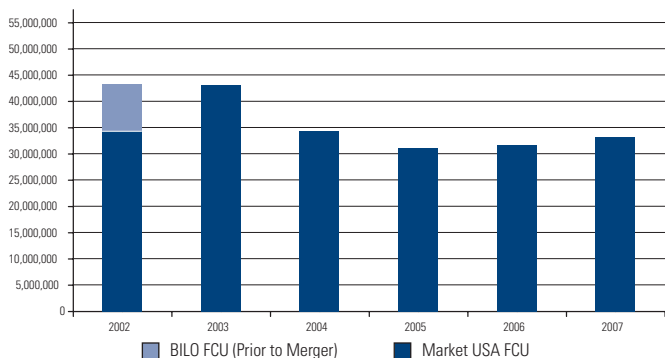
- New & Used Vehicles
- Mortgage/Home Equity
- Unsecured
- Other Secured Loans

### DISTRIBUTION OF 2007 REVENUES

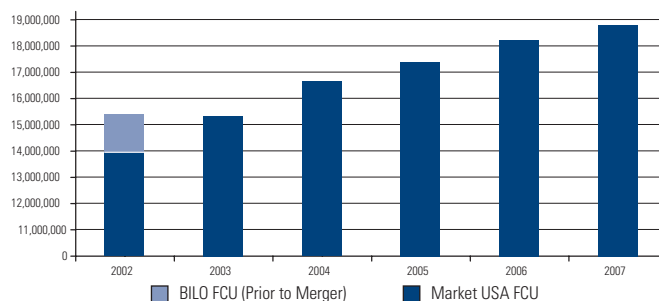


- Personnel
- Office Operations
- Dividend
- Undivided Earnings
- Office Occupancy
- Net-Charge Offs
- Other Expense

### LOAN BALANCES



### RESERVES & UNDIVIDED EARNINGS



Note: The financial statements presented in this annual report are for informational purposes only. Copies of the completed audited financial statements will be made available per member request.

## Message from Chairperson & CEO

**M**arket USA Federal Credit Union had a busy, productive year in 2007. With the help of our professional staff and our forward-thinking management team, we completed some important initiatives, strengthened relationships, and set the stage for future growth.

This is the time for us to review the facts and figures that reflect our successes over the course of the past year, but we also want to pause and think about the many ways we have impacted the lives of people. When we help a family buy a house, help a member pay off debt, or help a member prepare for retirement, we are fulfilling the credit union mission of "People Helping People."

### Helping people through service

We added some new technologies in 2007 to help our members enjoy greater convenience with increased security. Our Internet Banking system now offers online check image viewing, e-Alerts and e-Statements, with multifactor authentication providing an extra layer of protection against fraud. We upgraded our Internet Bill Pay Service so you can now receive electronic bills, bill pay reminders and schedule your bills to be paid exactly on the day they are due. Our Web page now has an ATM/branch locator service so you can easily find one of the 3,200 shared branches or 57,000 surcharge-free ATMs near you. Additionally, privilege pay information was integrated into Internet Banking so members can see their eligibility level at a glance.

The Loan Department completed some upgrades which allow VISA® cardholders to pay their bill over the phone or via the web. We implemented semi-annual credit line increases and credit card incentive pricing to enable more members to take advantage of our terrific VISA® cards and to provide exceptional rates for members with good credit.

Our Call Center staff is continuously training so that we can continue to offer our members the best service available.

### Helping people through education

Financial literacy is essential for people of all ages. In addition to providing ongoing information through our Web site and newsletters, we also conducted financial seminars in 2007.

Our Northeastern branch participated with the Stop & Shop Associate Resource Group to offer a "Build a Basic Budget" seminar, attracting over 30 participants. Our Mid-Atlantic Branches conducted three "Lunch and Learn" sessions at Giant-Landover's headquarters. Our Southeastern branch reached out to new and prospective members through Bi-Lo District Meeting Presentations and a 2-day Bi-Lo Management Conference. Our staff is always happy to sit down with members to discuss resources and solutions available through the Credit Union. The BALANCE Financial Fitness Program offers free, unbiased money management and debt counseling information and assistance via a toll-free call.

### Helping people through outreach

As a member-owned financial institution, Market USA Federal Credit Union is committed to the well-being of the communities we serve. Our Maryland Branches partnered with Giant in 2007 to sponsor the Checkout Hunger food drive, with donations benefiting the Capital Area Food Bank in Washington, D.C.

The Quincy Branch worked with Stop & Shop management and associates to support many charitable events including the Lewis G. Schaeneman Jr. Memorial Scholarship Foundation, Inc., the Stop & Shop Family Foundation, the National Hispanic Heritage Month and the Stop & Shop Scholarship program, just to name a few.

Market USA Federal Credit Union has 54 years of service behind us – and many more ahead! Thank you so much for being part of our credit union. Because of your loyalty and support, we can continue to help a wide variety of people in 2008 and the years to come.

Sincerely,



Walter Lutman  
*Board of Directors Chairperson*



Robert C. McClosky  
*President and CEO*





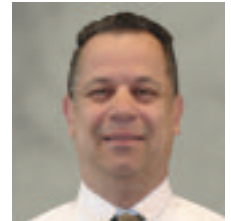
## SUPERVISORY COMMITTEE REPORT

The Supervisory Committee, appointed by the Board of Directors, is charged with the responsibility of overseeing Market USA Federal Credit Union's management and financial records to ensure the institution's financial condition is fairly presented.

An integral part of ensuring the fair presentation of financial condition is the execution of the annual independent audit. This year we appointed the firm of Schriener, Legge and Company to fulfill that responsibility. We are pleased to report their audit resulted in an unqualified opinion. The Supervisory Committee will also review any recommendations made by Schriener, Legge and Company that are

designed to strengthen the Credit Union's operating procedures. Additionally, we reviewed the National Credit Union Administration's examination report. The Supervisory Committee, along with the Board of Directors, is undertaking the recommendations made.

The Supervisory Committee looks forward to continuing to serve all members in this oversight capacity.



Steve Marks  
*Supervisory Committee  
Chairperson*

## FINANCIAL SOLUTIONS FOR LIFE

### SAVING & CHECKING

#### Savings Accounts

When your membership is processed, a Membership Savings Account is opened for you. With Direct Deposit or Payroll Deduction, you can conveniently build your savings. Enjoy no monthly maintenance fees, no minimum balance requirement (above \$5.00 opening deposit), ATM access, unlimited deposits and dividend rates paid monthly.

#### Checking Account

Our Regular Checking Account has no monthly maintenance fees, no minimum balance requirements and earns dividends on accounts with average daily balances of \$1000 or more. Enjoy more money-saving benefits when you sign up for Direct Deposit and have your paycheck deposited into your account. With Direct Deposit of net pay, you get access to 32,000 surcharge-free Allpoint ATMs, eight free ATM transactions, your initial signature style check order is free and you receive discounted pricing on subsequent orders. Our Checking Accounts offer a free VISA® Check Card and a variety of Overdraft Protection options.

#### Money Market Accounts

Our Money Market Account puts your excess savings at work. The minimum balance is just \$2,000 and tiered rates mean that as your balance grows, so will your earnings. You may make up to six withdrawals per month, including three by check. Maintain liquidity while you enjoy no monthly maintenance fees\*, unlimited deposits and competitive rates.

#### Certificates

We offer competitive rates and a variety of terms with only a \$500 minimum balance – so you are sure to find a Certificate that fits your needs. With our convenient Automatic Renewal Service, we will send you a notification prior to the renewal date. We also offer an Accumulator Certificate with a minimum balance of \$100.

#### IRAs

IRAs are tax-deferred savings plans designed to help you reach your retirement goals. Choose from Traditional or Roth IRAs and Coverdell Education Savings Accounts. As you have come to expect from Market USA FCU, we offer competitive rates and highly personalized service.

### REMOTE BANKING

#### Internet Banking [www.marketusafcu.com](http://www.marketusafcu.com)

You can access your account(s) via the Internet. It's free, secure and allows you access to your account 24 hours a day – transfer funds between your Market USA FCU accounts, open new accounts, view current account activity and much more!

#### Optional Internet Bill Pay Service

Our Bill Pay service allows you to pay recurring bills with the click of your mouse. Optional Internet Bill Pay is free if you pay at least two bills per month (otherwise a low fee of \$1.95 per month).

#### Telephone Banking

Telephone Banking allows you to access your account(s) from any touch-tone phone. Issue stop payments, request copies of checks, obtain balance information, transfer funds between your Market USA FCU accounts and more – just call 301-586-3450 or 800-764-4268.

#### National Shared Branches

As part of the National Shared Branch Network, you gain access to over 3,200 shared branch locations throughout the nation. At these locations you can make deposits, request withdrawals, make loan payments and more depending on the location.

## LENDING

### Auto Loans

**W**e finance new and used automobiles at attractive rates and terms, usually better than those of banks and finance companies. We offer terms of up to 84 months\* on new vehicles, 72 months\* on used cars. Finance up to 100% of the Black Book Retail Clean on used cars.

### Signature Loans

Our signature loans provide you with funds to get the things you want and need – as well as pay for other unexpected costs. Qualified borrowers may borrow up to \$20,000 with terms up to 48 months\*, with no collateral required.

### First Mortgage Loans

Market USA FCU makes your home ownership dream come true. We offer competitive rates, expert knowledge and personalized service. Whether you are financing your first home or your next, we work with all types of buyers as well as provide financing for secondary homes.

### Home Equity Loans

When used properly, the equity in your home can be a powerful tool – excellent for making major purchases. Borrow up to 90% of the equity in your primary residence

or up to 80% on secondary home. Your interest is often tax deductible (consult tax advisor), making this a highly attractive loan option.

### Home Equity Line of Credit

Home Equity lines are readily available sources of cash. You can borrow up to 85% of the equity in your home and we offer flexible repayment terms. The interest you pay may be tax deductible (ask your tax advisor). Access funds by check, Internet or phone. We also offer no closing costs if initial advance is at least \$10,000 and your account remains open for 24 consecutive months.

### Credit Cards

Equipped with a possible credit line of up to \$20,000, your Market USA FCU Visa® Card will be the most powerful piece of plastic in your wallet. Enjoy the savings of no annual fee for Classic, Platinum Visa® or Platinum Visa® with Rewards and low introductory and variable rates. Platinum Visa® with Rewards earns points, which can be redeemed for hotel stays, merchandise, air travel and more! And with a Credit Card from Market USA FCU, you are protected from identity theft through fraud detection software and Verified by Visa®.

## INVESTMENTS

### Online Brokerage Services

Market USA FCU has partnered with CUNA to bring you Online Brokerage Services. Your start-to-finish resource for researching, tracking and trading stocks is right at your fingertips. CUNA Brokerage provides the tools necessary for you to make informed investment decisions.

### My Financial Center

Connect with a network of financial solutions that make managing, maintaining and protecting your finances a snap. Trade online, research data, consult financial articles, get quotes and information on insurance products and sign up for your personalized page for tracking news, stock and mutual funds.

#### Important information:

\*Money Market Account — Monthly Maintenance Fee of \$2.50 applies if your average daily balance falls below \$2,000. Auto Loans: Payments at 5% for 60 months are approximately \$8.88 per \$1,000. Signature Loans: Payments at 9.74% for 48 months are approximately \$25.25 per \$1,000.

## INSURANCE

Through your membership with Market USA FCU, you can access valuable MEMBER Insurance products. Auto, Home Owners, AD & D and Life insurance policies are available. MEMBERS Insurance offers competitive group rates and online quotes you can access any time in the privacy of your home.

### E-Statements and E-Alerts

Why wait for your paper statement when you can receive your e-statement much quicker than through regular mail? You will receive an email notification when your e-statement becomes available. Plus with e-statements, you can sign up for e-alerts and receive important account status emails (ie: when your balance drops below a certain amount).

To sign up, log onto Internet Banking and access the e-statement/e-alerts tab.



## **Branch Offices**

### **Laurel**

8871 Gorman Road, Suite 100 • Laurel, MD 20723

Hours: M/T/W/F 9:00 a.m. – 5:00 p.m.  
Th 9:00 a.m. – 6:30 p.m.

### **Landover**

8200 Professional Place, Suite 105 • Landover, MD 20785

Hours: Monday – Friday • 9:00 a.m. – 5:00 p.m.

### **Mauldin**

201 BI-LO Boulevard • Greenville, SC 29607

Hours: Monday – Friday • 8:30 a.m. – 4:00 p.m.

### **Quincy**

1211 Hancock Street • Quincy, MA 02169

Hours: Monday – Friday • 9:00 a.m. – 5:00 p.m.

### **Find a branch near you:**

ATM/Branch locator  
[www.marketusafcu.com](http://www.marketusafcu.com)

### **Internet Banking:**

[www.marketusafcu.com](http://www.marketusafcu.com)

### **Member Service Call Center:**

(301) 586-3400 (800) 914-4268

Hours: M/W/F 8:30 a.m. – 5:00 p.m.  
Tu 9:00 a.m. – 5:00 p.m.  
Th 7:15 a.m. – 6:30 p.m.

### **Telephone Banking:**

(301) 586-3450 (800) 764-4268

***Over 3,200 Branches to Serve You***

***Access to over 57,000  
surcharge-free ATMs.***

***CO-OP Network ATMs are  
surcharge-free for all members.  
Select CO-OP ATMs even take deposits.***

***Allpoint Network ATMs are surcharge-free  
for members with Direct Deposit of net pay.***



*Financial Solutions For Life*