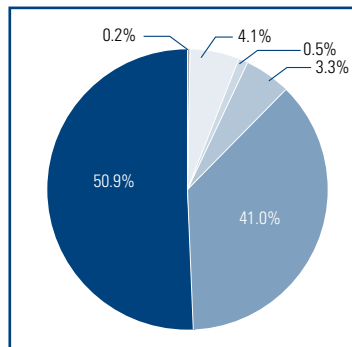


## COMPARATIVE BALANCE SHEET

Balances as of December 31,

ASSETS	2010	2009
Unsecured Loans	6,854,997	6,112,422
Mortgage/Home Equity Loans	12,561,605	13,022,496
New and Used Vehicle Loans	16,666,744	17,697,088
Other Secured Loans	592,472	665,720
<b>TOTAL LOANS</b>	<b>36,675,818</b>	<b>37,497,726</b>
Allowance for Loan Losses	(537,029)	(537,029)
<b>NET LOANS TO MEMBERS</b>	<b>\$ 36,138,789</b>	<b>\$ 36,960,697</b>
Cash & Investments	44,874,125	38,831,468
Accrued Income Receivable	145,798	199,198
Land & Building	3,652,341	3,731,557
Other Fixed Assets	468,920	615,667
Other Assets	2,931,996	2,817,786
<b>TOTAL ASSETS</b>	<b>\$ 88,211,969</b>	<b>\$ 83,156,373</b>
<b>LIABILITIES &amp; EQUITY</b>		
Accounts Payable/Accrued Expenses	1,365,877	1,402,175
Member's Accounts	68,537,663	63,068,758
Reserves and Undivided Earnings	18,308,429	18,685,440
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 88,211,969</b>	<b>\$ 83,156,373</b>

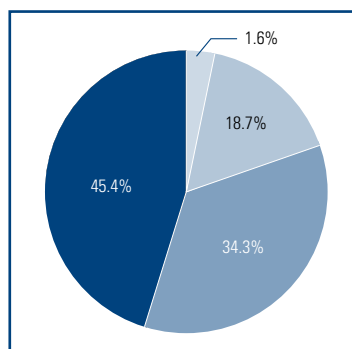
### ASSET COMPOSITION



Total Assets \$88,211,969 as of December 31, 2010

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

### LOAN PORTFOLIO



As of December 31, 2010

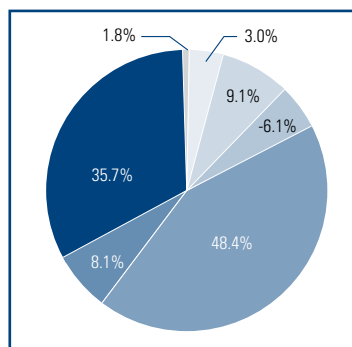
- New & Used Vehicles
- Mortgage/Home Equity
- Unsecured
- Other Secured Loans

## COMPARATIVE STATEMENT OF INCOME

Balances as of December 31,

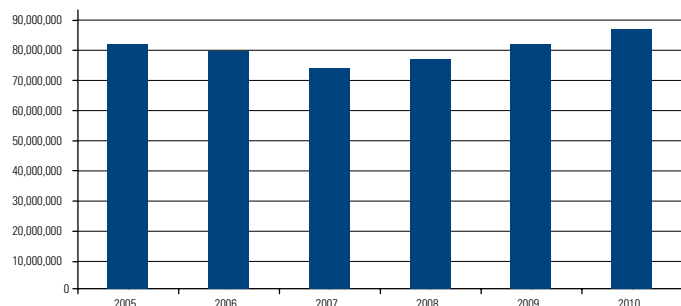
	2010	2009
Interest and Fees on Loans	2,264,313	2,283,819
Interest on Investments	683,465	925,132
Other Income	3,288,049	3,307,339
<b>TOTAL REVENUE</b>	<b>\$ 6,235,827</b>	<b>\$ 6,516,290</b>
Operating Expenses	5,774,698	6,323,363
Provision for Loan Losses (Recovery)	185,499	501,707
Gain/(Loss) on Disposition of Assets	(86,256)	259,584
Dividends Paid to Members	570,229	679,875
<b>ADDITIONS TO RESERVES &amp; UNDIVIDED EARNINGS</b>	<b>(\$380,855)</b>	<b>(\$729,071)</b>

### DISTRIBUTION OF 2010 REVENUES

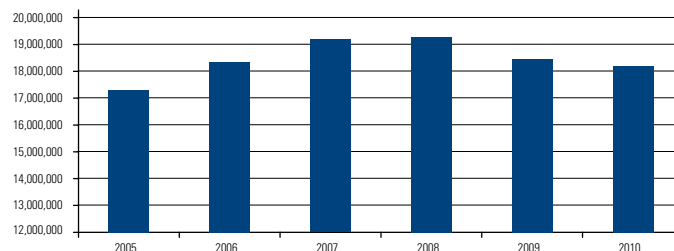


- Office Operations
- Office Occupancy
- Personnel
- Undivided Earnings
- Dividend
- Net-Charge Offs
- Other Expenses

### TOTAL ASSETS



### 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.

## 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.

Drive-thru: Monday – Friday 8:00 a.m. – 4:00 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 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 4,200 Branches to Serve You*

*Access to over 71,000 surcharge-free ATMs Worldwide*

*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*



# LEADING THE WAY

2010  
annual report

## Message from Chairperson & CEO

### LEADING THE WAY

In a year when external financial factors challenged all financial institutions, Market USA Federal Credit Union remained strong and set our own path to face the future. We took the opportunity in 2010 to look inwardly and accentuate our strengths to ensure continued growth and stability for the credit union and you—the membership.

### LEADING THE WAY with Protective Measures

Protecting the financial strength of the credit union is the responsibility of the Board and Management. We take this responsibility very seriously. This year we conducted an Enterprise wide Risk Assessment to ensure that we are aware and understand the broad spectrum of complex risks that an organization like ours faces. By staying informed, we can prepare and appropriately manage the factors that help us to identify and mitigate potential risks. When we secure a loan with collateral, we depend on the member's insurance to protect that asset. If a member does not provide us proof of insurance within a reasonable timeframe, Market USA FCU will purchase Collateral Protection Insurance and add the expense to the member's loan. This allows us to keep lending while protecting the interest of the entire membership.

### LEADING THE WAY with Sound Compliance

2010 was a very busy year for the financial industry to implement several sweeping reforms handed down by federal regulators. These new regulations and procedures will help inform and protect consumers; nevertheless, their swift implementation was quite a challenge for both Market USA FCU employee and fiscal resources. We rose to the challenge and successfully executed the Regulation E, Privacy Policy, Privilege Pay, and Regulation Z changes within all Federal and NCUA guidelines.

### LEADING THE WAY with our Best Face Forward

Market USA FCU reached out in 2010 to our members and our staff. We increased our in-person visits to allow our employees to meet and speak with members and management on a regular basis without a cumbersome process. We investigated and implemented a new Call Center monitoring software that will increase member service on the phone and give our employees renewed confidence in their abilities to provide that service. In addition, in keeping up with the fast-paced uses of social media and communications, we established a Twitter account and increased our use of Facebook to bring information and dialogue directly to you.

### LEADING THE WAY by Taking the Lead

We completed a merger with Epworth Federal Credit Union in June of 2010 bringing the clergy, church members, lay pastors, and employees of the Baltimore –Washington Conference of the United Methodist Church to membership at our credit union. Although we have closed the Reisterstown location, our new members will enjoy the access, economies of scale, and additional benefits that membership at Market USA FCU can provide.

### LEADING THE WAY with Exceptional Employees

One of the most valuable assets of any business is a talented and dedicated employee staff. Market USA FCU is no different. We search for the best and brightest people so that you are served with exceptional skill and enthusiasm. To make sure we remain a competitive and desirable place to work, we focused on operational efficiencies and improvements in our Human Resources area throughout 2010.

- Developed a comprehensive Employee Handbook
- Updated our Member Service Policy & Procedures Manual

- Decoupled from Ahold's employee benefits and analyzed and implemented our own plan
- Improved payroll processing by converting to ADP services
- Initiated internal employee benefits
- Wrote complete procedures to outline HR processing

### LEADING THE WAY by Planning Ahead

You may not notice all the improvements we implemented in 2010, but you will appreciate them if ever needed. Take for example, our Skip-A-Pay Club program launched in November, just in time for the holidays. Skip-A-Pay allows you to skip a scheduled loan payment during a month your budget might be extra tight and in need of extra cash. Even members who may not use this added convenience will benefit from the peace of mind of knowing it's there.

Another added benefit you may not appreciate until later is our Medicare Supplemental Coverage through Member Connect. For our members over 65, making Medicare decisions can be overwhelming and confusing. The eligibility factors and endless options are hard to navigate. Through a partnership with Humana (*a company dedicated to serving Medicare needs*) and CUNA Mutual Group's Member Connect (*a company dedicated to serving the needs of credit union members*) Market USA FCU now offers Medicare Supplemental Coverage. This team of experts will help you with no-cost consultations, toll-free numbers and a website to access plan information, and convenient online enrollment.

With bankruptcy filings rising nationally and the unemployment rates remaining high, we developed a loan modification policy that will protect the credit union and assist the member in their time of need. Most people do not plan to default on a loan and the credit union certainly does not want to make a hard situation worse. However, if you find yourself in this situation, rest assured that our new loan modification policy would streamline the procedures while protecting everyone involved.

Lastly, a self-service coin counter might not "wow" you today, but when the day comes for you to break your piggy bank or coin jar, or count the pennies from a school fundraiser, you will be thanking us. Started as a pilot in the Laurel branch in November, results will determine if we add the machines to additional branches.

As we look forward to 2011, we are optimistic that we are prepared to prosper in the future. The economy is showing signs of improvement and our members are sharing stories of rebounding and recovering. As we steer Market USA FCU forward, we will continue to provide you with the products and services that bring you value and help you build successful financial lives.

Thank you.  
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 Larson Allen LLP to fulfill that responsibility.

We are pleased to report their audit resulted in an unqualified opinion. The Supervisory Committee has reviewed all recommendations made by Larson Allen, including those of the National Credit Union Administration.

## 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

All of our checking accounts offer FREE checking with no monthly maintenance fees and no minimum balance requirements. We recently expanded our checking account options to better serve you by offering a high yield VIP Checking Account and a RockStar Checking Account which pays iTunes credits. This year we have added another checking product for those members who may need a second chance and the opportunity to achieve financial fitness. Upon completion of a few simple requirements, those members can now open a Fresh Start checking account. All accounts offer access to 28,000 surcharge-free CO-OP ATMs throughout the U.S. and accounts with direct deposit offer access to an additional 43,000 surcharge-free Allpoint ATMs Worldwide.

### Money Market Accounts

Our Money Market Accounts put your excess savings to 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. Maintain liquidity while you enjoy no monthly maintenance fees\*, unlimited deposits and competitive rates.

### Certificates

For members who want a guaranteed investment with safe returns, our Shared Certificates offer a variety of terms with excellent rates. With only a \$500 minimum balance, you're sure to find a certificate to fit your needs. In addition, by enrolling in direct deposit and e-statements, you can earn an additional .35% to the regular rate of any new certificate. We also offer an Accumulator Certificate with a minimum balance of \$100. With the convenience of our Automatic Renewal Service, you will receive a notification prior to your renewal date.

### 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.

Our Supervisory Committee, Board of Directors and Staff are addressing all recommendations made.

The Supervisory committee continues to strengthen the financial and internal controls to meet our fiduciary responsibility and to protect the assets of the Credit Union.



Steve Marks  
*Supervisory Committee Chairperson*

## 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, 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 \$2.95 per month.)

### e-Deposits

Make deposits into your account(s) while at home, on vacation or anywhere you have Internet access. With e-deposits, eligible Market USA FCU members can input check deposit information online and receive immediate account credit (restrictions on funds availability may apply.)

### 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 Market USA FCU accounts and more – just call 301-586-3450 or 800-764-4268.

### National Shared Branches

As a part of the National Shared Branch Network, you gain access to over 4,200 shared branch locations throughout the nation. At these locations you can make deposits, request withdrawals, make loan payments and more depending on the location.

### 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 e-mails or text (i.e.: when your balance drops below a certain amount.) To sign up, log onto Internet Banking and access the e-statement/e-alerts tab.

## 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 and used vehicles and we finance up to 100% of the Black Book Retail Clean value 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 can 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 members several home loan options, feature competitive rates and provide expert knowledge and personalized service.

### Home Equity Loans

When used properly, the equity in your home can be a powerful tool – excellent for making major purchases. Borrow up to 80% 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

(consult your tax advisor). Access funds by check, Internet or phone. We also offer no closing costs if the 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 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®.

### Skip-a-Payment

Skip-A-Payment is a valuable option to assist members with unexpected expenses. Qualified members can use this option to skip their loan payments twice per calendar year without impacting their credit report. It's a great way to get a break from your bills when you need it. (Interest and finance charges will continue to accrue on your loan during the month you skip your payment and the term will be extended. All Mortgage, Home Equity Loans and Credit Cards are excluded. A nominal fee is required. Other restrictions may apply. Visit [marketusafcu.com](http://marketusafcu.com) for more details.)

## INVESTMENTS

### Online Brokerage Services

**M**arket 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.

## INSURANCE

Through your membership with Market USA FCU, you can access valuable MEMBERS Insurance Products. Auto, Home Owners, Long Term Care, 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.

Market USA FCU offers Member's Choice Borrower Security for when the unexpected happens. Our voluntary payment protection program can cancel or postpone your loan balance or monthly loan payments, up to the policy maximum, if you are unable to make payments due to a covered illness or injury before the loan is repaid. Covered events may include death, disability, or involuntary unemployment, depending on which payment protection package you have.

Now through a partnership with Humana (a company dedicated to serving Medicare needs) and CUNA Mutual Group's Member Connect (a company dedicated to serving the needs of credit union members) Market USA FCU now offers Medicare Supplemental Coverage for our members who are over 65.

### 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 4.25% for 60 months are approximately \$18.76 per \$1,000. Signature Loans: Payments at 10.24% for 48 months are approximately \$25.49 per \$1,000.

