



Financial Solutions For Life

Growth

The graphic consists of a thin, dark brown branch extending from the bottom left towards the top right. Three teardrop-shaped leaves are attached to the branch. Each leaf is white with a green outline and a subtle green-to-white gradient. The word 'Growth' is centered on the top-left leaf in a bold, blue, sans-serif font.

Service

The word 'Service' is centered on the top-right leaf in a bold, blue, sans-serif font.

Outreach

The word 'Outreach' is centered on the bottom leaf in a bold, blue, sans-serif font.

2017 ANNUAL REPORT

Federally Insured by NCUA

Report to the Membership

“Growth” is the key word that sums up the year 2017 for Market USA. Your credit union experienced significant gains in all major areas: loans, deposits, assets and membership. Even more significant to us, however, is what underlies and supports that growth: Members are responding strongly to the products and services we provide to help ensure their financial success. As a member-owned, not-for-profit institution, we measure our success by our members’ success. Simply put, when you succeed, we succeed. We believe that our 2017 growth reflects that.

Strong Financial Gains

Our financial performance in 2017 demonstrates that Market USA remains a strong, stable and growing financial institution. Loans grew by an outstanding 23%, from \$59.5 million at year-end 2016 to \$73.3 million. Deposits rose from \$78.2 million to \$80.8 million. And, impressively, total assets hit a major benchmark – \$100 million and in fact grew past it, to \$103.6 million. In addition, as of 12/31/17 Market USA once again earned five stars, the highest rating, from the independent financial analysis firm BauerFinancial. Our financial strength is a reflection of our members’ trust in their credit union’s ability to serve their financial needs as well as a steadier overall economy.

Product & Service Progress

Market USA continually strives to serve each member’s financial needs, from those looking to invest retirement funds in our high-yield IRA certificates, to others who need a little extra help to build or rebuild credit, to those looking to fund a new or used car purchase, and any other financial situation. In 2017, we implemented a range of valuable new and improved products and services. Highlights include:

- Made it easier to join Market USA with online membership account opening.
- Launched Apple Pay to make payments fast and easy. In 2018, we will be launching Android Pay and Samsung Pay.
- Stopped charging the Bill Pay fee for under 2 payments a month.
- Eased requirements for our Fresh Start Loan designed to help build credit.
- Increased convenience by launching Saturday hours at our Landover branch. In 2018, we are also adding Saturday hours at the Mauldin branch.
- Started working on a new online and mobile banking service that will enable members to move funds to and from the credit union.
- Implemented an imaging system, electronic lien filing and made enhancements to our loan origination system, which increased efficiencies so we could better serve members.

Supervisory Committee Report

The Supervisory Committee, appointed by the Board of Directors, is charged with the responsibility of overseeing Market USA’s management and financial records to ensure the institution’s financial condition is fairly presented. The Supervisory Committee also works to strengthen the financial internal controls and to protect the assets of the credit union.

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 CliftonLarsonAllen LLP to fulfill that responsibility. We are pleased to report their audit resulted in an unmodified opinion.

In addition, each year an exam is conducted by the National Credit Union Administration (NCUA). The governmental body provides oversight for all US federally chartered credit unions.

- Improved our Dollar Dog program for children, promoting the benefits of teaching lifelong good financial management.
- One of our members won a \$1,000 scholarship through our participation in a competition offered through the Credit Union Foundation of MD/DC. We also participate in an annual scholarship contest through our teen program, Elements of Money.

Increased Community Outreach

We believe in reaching out to the surrounding community that we serve and in which we work and live. Market USA is committed to being a good neighbor and to the “People Helping People” principal of the credit union worldwide movement. In 2017, we increased our efforts to reach out to non-members, showing them how our products and services can benefit their financial lives. We were encouraged by the strong response: we gained 1,272 new members, a record-setting 8% increase. Our membership stood at 17,305 at year-end. We look forward to serving these new members – and all members – for a long time to come. Other ways in which we reached out in 2017 included:

- Promoted money management skills by presenting a Personal Finance Seminar at the Laurel Branch for members and non-members.
- Helped teens learn financial skills by sponsoring the Millionaire’s Club at St. Vincent Palotti High School.
- Reached out to the less fortunate in our community by donating 117 coats to the local One Warm Coat Drive, thanks to the generosity of our members and staff.

Growth & Strength in 2018 & Beyond

We’re proud that Market USA has reached its 65th year in 2018 as a robust, growing institution providing valuable services to our members. Major new and innovative endeavors this year will include a state-of-the-art digital banking system with greater functionality and convenience; an improved call center system; a website redesign; prepaid debit cards; instant issuance of plastic cards; a program for first-time homebuyers; Quick Pay for convenient loan payments via a bank card, and e-mailed teller line receipts.

We thank all members for your loyalty and pledge to continue working in your best financial interest in 2018 and beyond. Our gratitude also goes to our staff and volunteers, who work tirelessly for our members’ benefit.

Board of Directors & Management Team

The Supervisory Committee attends all credit union Board meetings to ensure that updated policies and procedures are presented and approved. In addition, the Supervisory Committee participates regularly in the credit union Oversight Committee meetings.

Our goal, through these activities, is to provide the credit union membership with independent assurance that the credit union Board and staff are meeting their fiduciary responsibilities.

Steve Marks

Supervisory Committee Chairperson

STATEMENTS OF FINANCIAL CONDITION

Balances As Of December 31

ASSETS	2017	2016
Unsecured Loans	9,396,009	8,671,160
Mortgage/Home Equity Loans	15,859,510	15,462,748
New and Used Vehicle Loans	41,658,464	28,380,639
All Other Loans	6,416,837	6,995,184

TOTAL LOANS **\$73,330,820** **\$59,509,731**

Allowance for Loan Losses (1,092,469) (788,843)

NET LOANS TO MEMBERS **\$72,238,351** **\$58,720,888**

Cash & Investments	24,087,671	35,350,828
Accrued Interest Receivable	268,327	218,526
Land & Building	3,142,141	3,205,469
Other Fixed Assets	407,687	227,871
Other Assets	3,523,681	1,757,648

TOTAL ASSETS **\$103,667,858** **\$99,481,230**

LIABILITIES & EQUITY

Accounts Payable/Accrued Expenses	1,823,293	1,437,870
Members' Accounts	80,830,604	78,195,088
Reserves and Undivided Earnings	21,013,961	19,848,272

TOTAL LIABILITIES & EQUITY **\$103,667,858** **\$99,481,230**

STATEMENTS OF INCOME

Balances As Of December 31

	2017	2016
Interest on Loans	4,176,547	3,117,322
Interest on Investments	432,459	540,675
Other Income	3,653,641	3,520,887

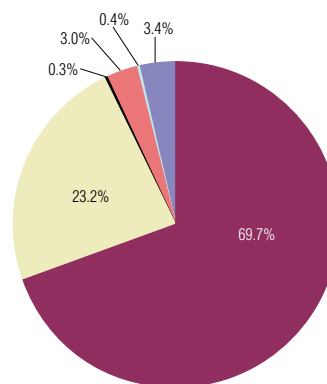
TOTAL REVENUE **\$8,262,647** **\$7,178,884**

Operating Expenses	5,811,768	5,588,957
Provision for Loan Losses	987,168	489,749
Gain/(Loss) on Disposition of Assets	2,814	0
Dividends Paid to Members	296,872	220,745

ADDITIONS TO RESERVES

& UNDIVIDED EARNINGS **\$1,169,653** **\$879,433**

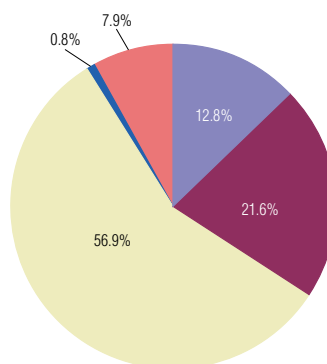
ASSET COMPOSITION



As of December 31, 2017

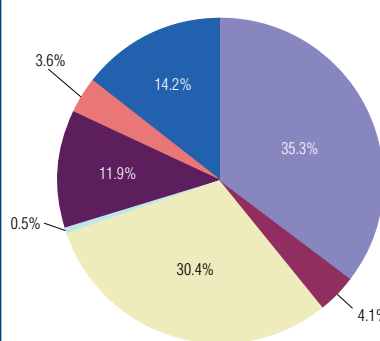
- Net Loans
- Cash & Investments
- Accrued Income Receivable
- Land & Building
- Other Fixed Assets
- Other Assets

LOAN PORTFOLIO



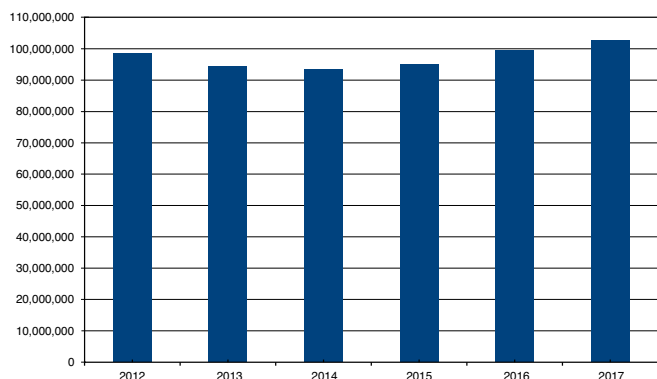
- Unsecured
- Mortgage/Home Equity
- New & Used Vehicles
- Other Secured Loans
- Loan Participations

DISTRIBUTION OF 2017 REVENUES

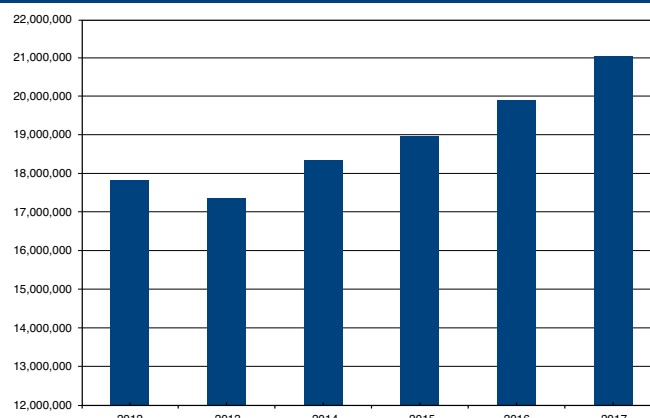


- Personnel
- Office Occupancy
- Office Operations
- Other Expense
- Net Charge-Offs
- Dividend
- Undivided Earnings

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.

Member Service Center

301-586-3400

800-914-4268

Laurel

8871 Gorman Road, Suite 100

Laurel, MD 20723

Landover

8200 Professional Place, Suite 105

Landover, MD 20785

Mauldin

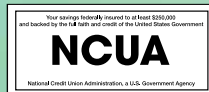
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Greenville, SC 29607



Financial Solutions For Life

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