

GROWING



 **MarketUSA**
Federal Credit Union
Financial Solutions For Life

ANNUAL REPORT 2009

COMPARATIVE BALANCE SHEET

Balances as of December 31,

ASSETS	2009	2008
Unsecured Loans	6,112,423	5,085,192
Mortgage/Home Equity Loans	13,022,496	11,949,860
New and Used Vehicle Loans	18,028,532	16,456,915
Other Secured Loans	334,275	329,463
TOTAL LOANS	37,497,726	33,821,430
Allowance for Loan Losses	(537,029)	(291,078)
NET LOANS TO MEMBERS	\$ 36,960,697	\$ 33,530,352
Cash & Investments	38,831,468	36,902,583
Accrued Income Receivable	199,198	345,217
Land & Building	3,731,557	3,810,772
Other Fixed Assets	615,667	788,332
Other Assets	2,817,786	3,037,307
TOTAL ASSETS	\$ 83,156,373	\$ 78,414,563

LIABILITIES & EQUITY

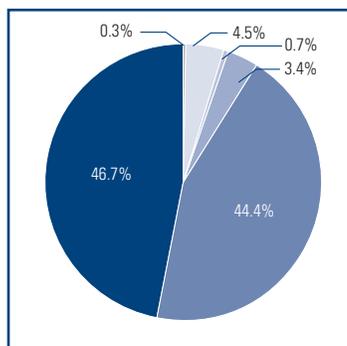
Accounts Payable/Accrued Expenses	1,402,175	1,141,868
Member's Accounts	63,068,758	57,848,741
Reserves and Undivided Earnings	18,685,440	19,423,954
TOTAL LIABILITIES & EQUITY	\$ 83,156,373	\$ 78,414,563

COMPARATIVE STATEMENT OF INCOME

Balances as of December 31,

	2009	2008
Interest and Fees on Loans	2,283,819	2,368,636
Interest on Investments	925,132	1,278,134
Other Income	3,307,339	3,218,759
TOTAL REVENUE	\$ 6,516,290	\$ 6,865,529
Operating Expenses	6,323,363	5,671,540
Provision for Loan Losses (Recovery)	501,707	270,956
Gain/(Loss) on Disposition of Assets	259,584	153,839
Dividends Paid to Members	679,875	1,073,972
ADDITIONS TO RESERVES & UNDIVIDED EARNINGS	(\$729,071)	\$ 2,900

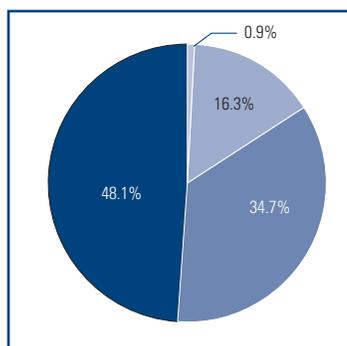
ASSET COMPOSITION



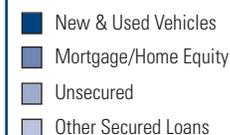
Total Assets \$83,156,373 as of December 31, 2009



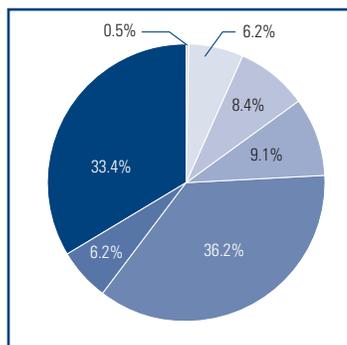
LOAN PORTFOLIO



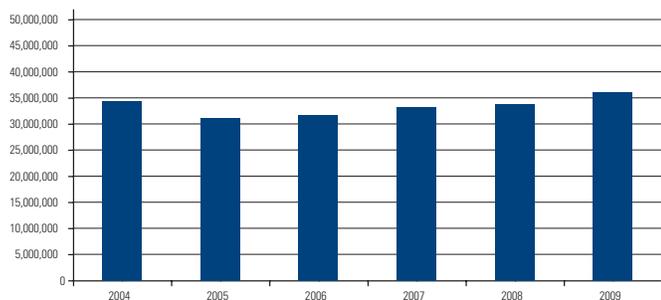
As of December 31, 2009



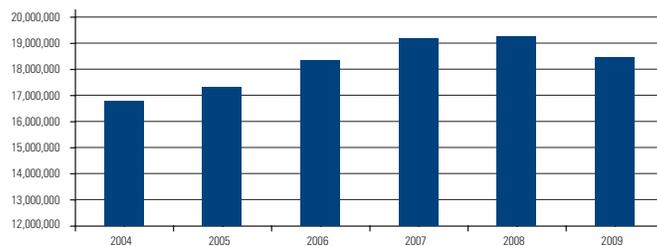
DISTRIBUTION OF 2009 REVENUES



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

Innovation, Strength and Security

We are pleased to report that in 2009, Market USA Federal Credit Union experienced a year of continued financial strength, high-quality service and growth for our valued members. Our success during the past year is an achievement given the challenges facing the financial industry.

Market USA Federal Credit Union continues to be a sound financial institution with an extremely strong reserve position. As of December 2009, our net worth to assets ratio of 22.4% was in the top 1% for U.S. credit unions with assets greater than \$50 million. That means that Market USA Federal Credit Union is one of the safest financial institutions around.

In addition:

- We have never engaged in any sub-prime real estate lending
- We adhere to sound financial underwriting practices
- We are audited regularly by an independent auditing firm and examined periodically by the National Credit Union Administration
- Deposits are insured by the National Credit Union Administration, a U.S. Government Agency, up to \$250,000

Innovation: New loan products to meet today's needs

A healthy loan portfolio continues to be a key component for any financial institution's long-term success. While the "credit crisis" made lending difficult at other institutions, Market USA Federal Credit Union continued to help members buy cars, move into new homes, and accomplish other important financial goals.

We developed some innovative loan programs in 2009 which responded to our members' diverse financial situations:

- **Fresh Start Loan** – based on the popularity of the Fresh Start Checking Program, we introduced the no credit check, Fresh Start Loan in 2009 to help members to develop credit worthiness while learning to save money. With each payment made to the loan, an equal portion of that payment is deposited into the member's savings account. While the balance of the loan decreases with each full payment, the savings increase. The member's Fresh Start Savings Account is pledged as collateral for the Fresh Start Loan.
- **MEMBER'S CHOICE Borrower Security** – this is a voluntary debt cancellation program. MEMBER'S CHOICE Borrower Security is a convenient way for members to safeguard their loans, their families, their collateral, and their credit ratings against unforeseen events.

While working diligently to help our members with their borrowing needs, we have also maintained a low delinquency ratio of 1.1%, compared to the industry peer average of 1.67%.

Strength: Serving our members every day

As a cooperative, not-for-profit financial institution, Market USA Federal Credit Union has a well-defined mission: To serve the diverse financial needs of its members throughout their lifetimes.

This mission takes many different forms over the course of a year, as we communicate with current and prospective members, listen to your concerns, and respond with competitively priced relevant products, services and programs.

In addition to our new loan programs, in 2009 we saw terrific success with two new checking accounts: a high-yield VIP Checking Account and a RockStar Checking Account, where members earn i-Tunes credits. Our high-yield VIP Checking Account has had a 4.00% APY since it was launched in early 2009. If member feedback is any indication, these are possibly the best checking account products in the industry.

We also implemented a major service for our members' convenience: e-Deposits. With e-Deposits, eligible members can input check deposit information online and receive immediate credit. E-Deposits was an addition to our suite of other e-Services: Internet Banking, Online Bill Pay Service, e-Statements and e-Alerts. All of these e-Services help our members save time, reduce identity theft risk and help the environment. If you are not already taking advantage of these services, we encourage you to do so.

We also began email marketing in 2009 to give notice of special promotions more efficiently and at a lower cost. Please make sure that we have your current email address on file so you will be advised of special offers.

Throughout 2009, we found unique ways to support and interact with our sponsors. We supported many charitable events, including Stop & Shop/Giant's Helping Hands Program with a \$10,000 donation, as well as a \$5,000 donation to Bi-Lo's We Care Program.

Security: Ongoing trust in Market USA Federal Credit Union

As uncertainty in the financial markets continue, Market USA Federal Credit Union serves as a shelter from the storm. As a member, you can save and borrow with confidence, knowing that Market USA Federal Credit Union's reserves are extremely strong and your deposits are federally insured to an increased level of \$250,000 per depositor, through the end of 2013.

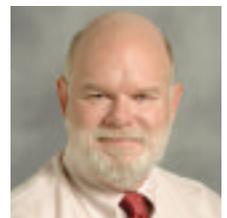
Moreover, you can use our online services with confidence, knowing that your transactions are protected by multiple layers of security and your financial data is secure. In 2009, we implemented additional information technology safeguards such as additional log management and an improved backup solution. Our disaster recovery plan was enhanced by creating our own hot site to be used if our main location was not operable.

When you have questions, concerns or other financial needs, you can turn to us with confidence knowing that we truly care about your financial well being. On behalf of the staff, management and Board of Directors, we want to thank you for playing a central role in the ongoing success of your Credit Union. We look forward to serving your needs for 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 LarsonAllen 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 LarsonAllen 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, Board of Directors and Credit Union Staff are addressing all recommendations made.

The Supervisory Committee looks forward to continuing to serve the Board and all the Members of our Credit Union in this oversight capacity.



Steve Marks
Supervisory Committee Chairperson

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 37,000 nationwide surcharge-free Allpoint ATMs.

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.

REMOTE BANKING

Internet Banking

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 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 4,000 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 emails or text (ie: 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

We 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. 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 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 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®.

Fresh Start Loan

The Fresh Start Loan is designed to help members who have challenged credit develop credit worthiness while learning to save money. The Fresh Start Loan allows you to borrow \$500 without a credit check and members may take up to 10 months to repay.

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:

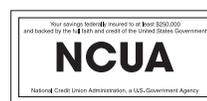
*Money Market Account- Monthly Maintenance Fee of \$2.50 applies if your average daily balance falls below \$2,000. Auto Loans: Payments at 4.25% for 60 months are approximately \$18.76 per \$1,000. Signature Loans: Payments at 10.24% for 48 months are approximately \$25.49 per \$1,000.

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.

NCUA share insurance temporarily increased from \$100,000 to \$250,000 on covered accounts through December 31, 2013.



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.

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

Internet Banking:

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 4,000 Branches to Serve You

Access to over 65,000 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