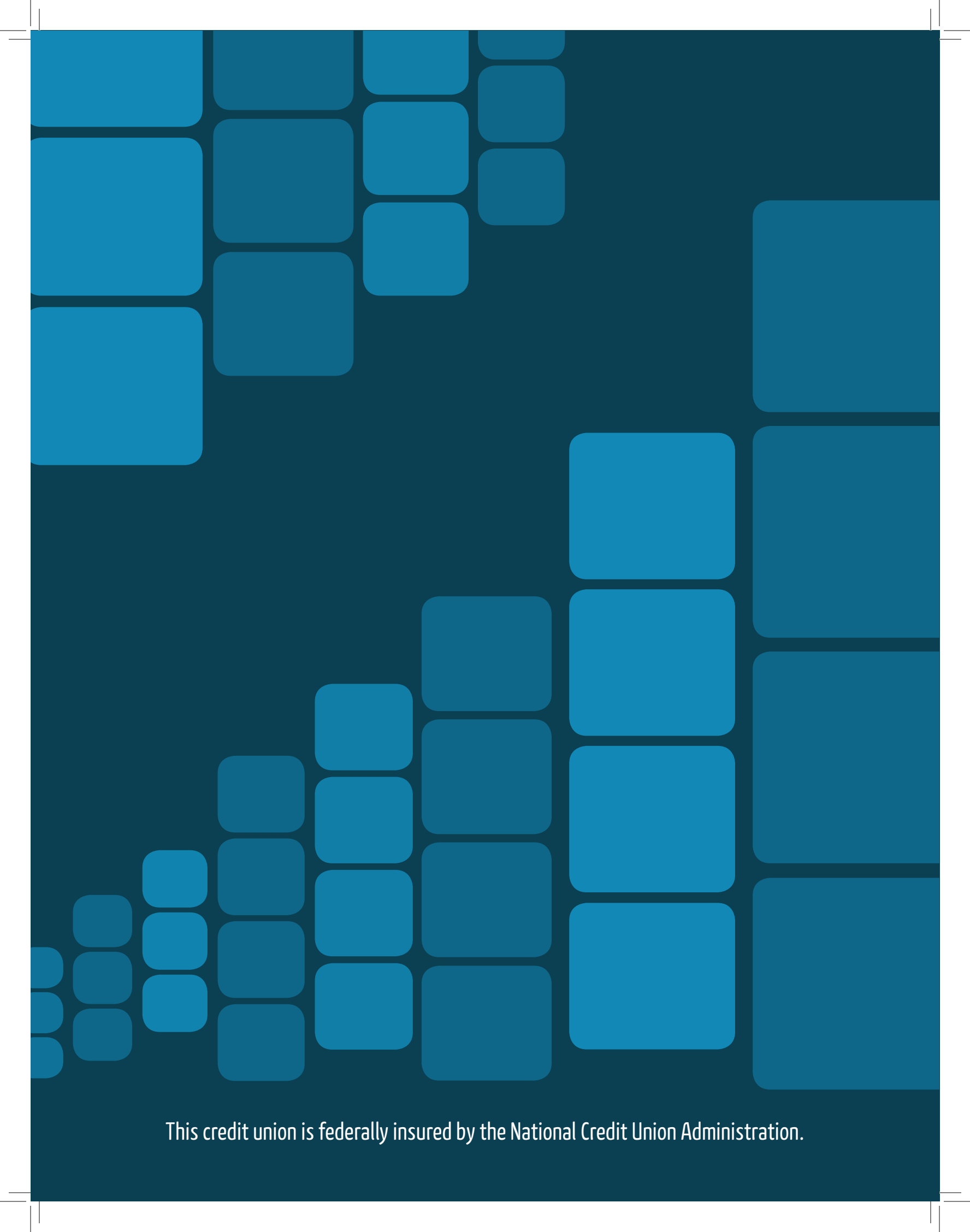




Annual Report

nymeo[®]
*a new way to look at money*SM

2015

The background of the entire page is a dark blue gradient. Overlaid on this are numerous squares of various sizes and shades of blue, ranging from a light sky blue to a dark navy blue. These squares are arranged in a non-uniform, somewhat grid-like pattern, with some squares appearing as solid colors and others as outlines or semi-transparent shapes. The squares are concentrated more on the left and bottom edges, with a few scattered towards the top right.

This credit union is federally insured by the National Credit Union Administration.

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President and CEO's Report

2015 was a year of accelerating momentum for our credit union – one in which we saw continued growth as we adopted new technology, introduced innovative banking products and services, forged strategic community partnerships and focused on quality of service to help our members build a stronger future.


We jump-started 2015 by adopting a new core system that ultimately improved our processing, staff efficiency and moved Nymeo into the modern age of technology. This upgrade empowered our credit union to not just survive among larger financial institutions but thrive -- by providing top-notch online and mobile banking products, such as Bill Pay, Mobile Deposit, Apple Pay, CardValet and Pop Money. This core system will continue to allow us to improve our efficiencies and better serve our members.

Financial Recap

However, 2015 was also a year of “going back to the basics” for Nymeo. In the last several years, we rebuilt the credit union to provide a better future.

This year, we refocused on our mission: To actively promote each member's financial well-being. We challenged our staff to direct members to the *right product* at the *right time* for the *right reason*. Our staff shifted gears to have deeper conversations with our members, gain a better understanding of their dreams, and discover ways we could help meet needs.

“We jump-started 2015 by adopting a new core system that ultimately improved our processing, staff efficiency and moved Nymeo into the modern age of technology!”



Although our credit union continues to grow in membership, Nymeo confronted lending quality challenges in 2015; these were related to us assisting our members with loans. As a result, we have had to set aside additional reserves in order to anticipate potential loan losses. This additional reserve resulted in a loss for 2015. Due to effective stewardship and despite this loss, Nymeo reported a 10.97% net worth ratio at December 31, 2015 which exceeds all regulatory capital requirements and is considered “well-capitalized” according to regulatory guidelines.

To proactively address this credit quality challenge, we have taken immediate actions to strengthen our lending and underwriting guidelines and become more effective at collection efforts. We have hired additional staff including an experienced Chief Lending Officer with over twenty five years of experience as well as benefited from the guidance of independent credit experts to provide laser-like focus on addressing these issues in a timely and efficient fashion. So far in 2016, we see these remediation actions beginning to be effective and impactful.

While we have every confidence that these actions, over the course of the next 12 months, will fully address these challenges, 2016 will also be a net loss year for Nymeo. We are financially and operationally prepared to absorb additional loan losses in 2016 and have ample net worth to do so. We fully expect to remain “well-capitalized” and to exceed all regulatory capital requirements throughout this extended remediation period. Committed to always providing exceptional quality service to our membership, Nymeo continues safe and sound operations with members’ needs and interests foremost in our focus in 2016 and beyond.



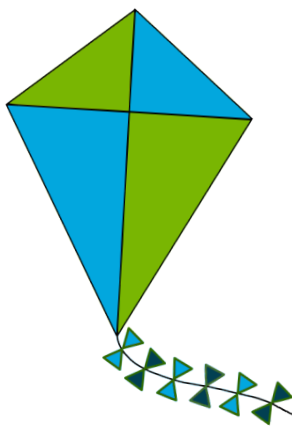
“Nymeo continues safe and sound operations with members’ needs and interests foremost in our focus in 2016 and beyond.”



Building Community

At Nymeo, we believe a strong community makes lives richer, so we develop relationships with community partners creating a larger impact on the people we serve. We focus on organizations that adopt sustainable initiatives for children, the hungry and animals.

Two years ago, Nymeo launched the \$wipe Out Hunger Campaign in which we donate a 1/2 cent for every debit card swipe our members make toward providing meals for children through the Maryland Food Bank's School Pantry Program in Frederick. I am happy to say that we have increased donations each year. In 2015, our members and Nymeo together donated \$8,478 equating to over 75,000 meals! In 2016, we hope to see these numbers increase. We are thrilled to partner with our members to feed children in our community!



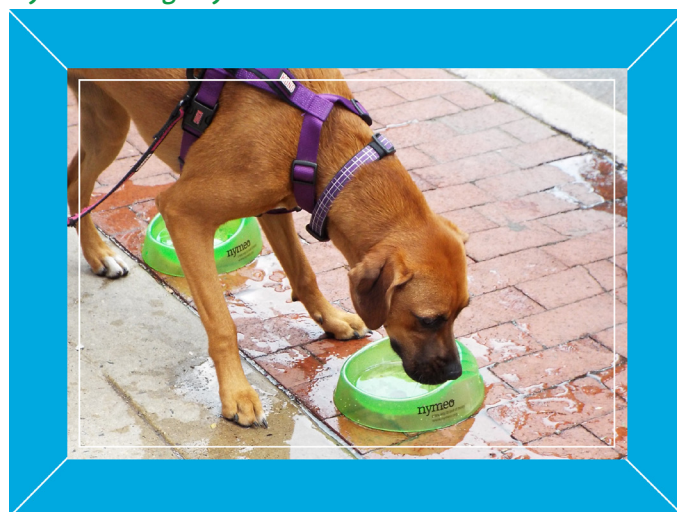
We also supported several animal related events in 2015 including Pet-Adopt-A-Thons at our branches, working with the Frederick County Animal Shelter and the Frederick Humane Society. These events attracted local media and gave shelter animals a higher chance for adoption.

Nymeo in the Frederick News Post.



“We also supported several animal related events in 2015 including Pet-Adopt-A-Thons at our branches, working with the Frederick County Animal Shelter and the Frederick Humane Society.”

Nymeo at Dog Days in Frederick.



As always, financial literacy remains top-of-mind at our credit union. Throughout 2015, Nymeo offered many free educational workshops to the public and members at our branches and throughout Frederick County. Topics included retirement and investing, estate planning, and first time home buyer education.

Strategic Partnerships

Serving the Fort Detrick military community remains a priority in our community outreach efforts. Nymeo is the sole financial institution on Fort Detrick, and we are honored to support programs for military families throughout the year including new soldier orientations, financial literacy and estate planning workshops.

In 2015, Nymeo received the naming rights to the *Frederick Keys* baseball field – Nymeo Field. This strategic partnership not only helped our credit union become better known in the Frederick community but also pushed us forward in the development of unique opportunities to increase our membership base. Our monthly New Member survey emphasizes this point. New members check off “Frederick Keys” as an option to where they learn about the credit union. I am excited for the continued collaboration with the Keys and leveraging this relationship further this year and into the future.

The Nymeo Brand

One Nymeo member told us, “Nymeo is everywhere in Frederick!” With our strategic partnerships and our adoption of new technology, products and services for our members, Nymeo is starting to become a household name in Frederick, our county charter. This fact is evident when the readers of the *Frederick News Post* selected us last year as the *Best Credit Union*! This is a direct reflection of the hard work from our employees and Board of Directors at Nymeo. On a similar note, Nymeo celebrated great employee-related awards this year with the selection of *Frederick County’s Best Places to Work for 2015* for the large business category, and the *Credit Union Journals Best Credit Unions to Work for in the United States (Assets \$200M and less than \$500M)*.

Making a Bright Future for Our Members

Our members’ needs are always changing, and as your financial institution of choice, we need to keep up with those changes. Moving forward into 2016 and beyond, we are excited about what we have to offer you. This spring, we will be launching our EMV Chip Card, and later, enhanced benefits in our credit card program. Our focus is to provide you, our member, an exceptional experience every time --no matter if you are using our ATM, visiting our branch, or conducting your banking online or with your mobile device.

We are confident that we will meet the ever-changing member needs today and tomorrow. As always, thank you for your loyal membership.

Victoria M. Johnston

Victoria M. Johnston
President & CEO



Photo courtesy of Frederick Magazine.

Chairman's Report

Nymeo has been helping members with their financial dreams for over 80 years. We have always been focused on the financial needs of our members and the greater community we serve. We have always worked to make things better for our members by seeking out new products and services designed to give members faster, more efficient service, but delivered in a way as to not lose the personalized experience that is so very important as a credit union.

After converting to a new core processing system for managing members' accounts earlier this year, Nymeo has been busy expanding our product lines to better serve members and continue to focus on their ever changing financial needs in life. We are proud to introduce a new, online banking system that includes My Bill Pay – which makes paying bills better, easier and more convenient than ever.

Also, our new My Nymeo Mobile App provides members immediate access to their Nymeo accounts on their Apple devices. We are already bringing these benefits to Android users this year. While these modern products provide our members the latest ways to access

their accounts on-line and with their mobile devices or computer, Nymeo understands that members still desire and expect personal interaction and great customer service. We focused this year on “going back to the basics” of providing our members with a top-notch customer service experience.



Nymeo participated in many community events in Frederick in 2015 including the Dog Days of Summer hosted by the Downtown Frederick Partnership and benefiting the Humane Society.

Nymeo supported a school supply drive for Frederick County Public Schools in 2015.



As a credit union, we are committed to helping our community and our members outside of working with them as a financial partner. Nymeo has contributed to the Frederick community in the way of volunteer hours and financial support whether it be working side-by-side with the Frederick Humane Society, donating items-in-need to Frederick

County Public Schools, working with soldiers at Fort Detrick and supporting important programs developed by other nonprofits, such as the United Way. This is what a credit union is all about, and this is what Nymeo is all about – people helping people.

Thank you for being a member of Nymeo. We value your membership and strive to be the only financial partner you will ever need!

Charles Yancey
Chairman of the Board

Treasurer's Report

In 2015, Nymeo was confronted with some lending quality challenges; these were related to assisting our members with loans. As a result we have had to set aside additional reserves for potential loan losses. This additional reserve resulted in a loss in 2015. Due to effective stewardship and despite this loss, Nymeo remains well capitalized. Our reputation for safety, soundness, servicing our members and competitive rates encouraged continued growth in loans and deposits.

Total Assets as of December 2015 amounted to \$258.6 million. Total loans grew \$9.9 million or 5% from 2014, reaching \$190.4 million. Automobile and member business lending comprised the majority of the loan portfolio increase. The automobile portfolio increased by a net of \$3.9 million or 8%. The member business loan portfolio increased by \$3.1 million or 18%.

Total Shares as of December 2015 were \$215.3 million, an increase of \$13 million or 6% from 2014. Regular shares grew by \$3.3 million or 4% from 2014. Members continued to show confidence in the NCUSIF insured deposits of Nymeo.

Net worth, in the form of Regular Reserves and Undivided Earnings, is a common indicator of a financial institutions safety and soundness. Net worth also enables the credit union to provide new products and services at competitive prices. The National Credit Union Administration (NCUA) defines well capitalized as a level above 7%. Nymeo reported a 10.97% net worth ratio at December 31, 2015, which exceeds all regulatory capital requirements.

Assets	Regular Shares
▲ \$12.7 M	▲ \$3.3 M
Loan Growth	Total Equity
▲ \$9.9 M	▼ \$1.6 M
Auto Portfolio Growth	Member Business Loan Growth
▲ \$3.9 M	▲ \$3.1 M

Photos

Nymeo is the sole financial institution on Fort Detrick and participates in many programs, such as sponsoring the Thanksgiving Dinner for soldiers.



Nymeo volunteers every month at local elementary schools for the Maryland Food Bank School Pantry Program. Nymeo's \$wipe Out Hunger program also supports this initiative.



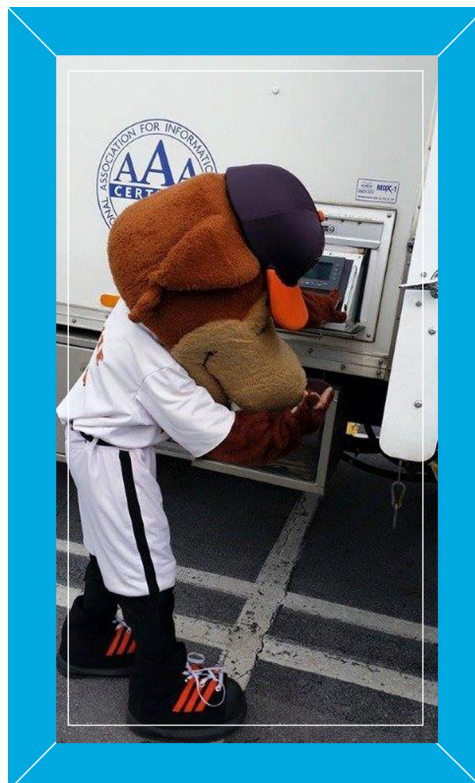
To raise awareness about the importance of youth financial literacy, Nymeo works with community groups. Nymeo taught a lesson on money management to a Frederick Girl Scout Brownie group and the importance of credit to interns at NCI on Fort Detrick last year.



Nymeo supported activities with the National Institute of Standards and Technology such as the Guest Researchers' Association baseball team.



Keyote from the Frederick Keys assisted with shredding during a Nymeo sponsored community shred day.



The Frederick County Office of Economic Development hosted Business Appreciation Week and visited Nymeo.



The Frederick community voted Nymeo as the Best Credit Union in 2015.



Supervisory Committee's Report

The Supervisory Committee is the members' representative under the Federal Credit Union Act. The Committee consists of three Nymeo members, appointed by the Board, who meet quarterly to perform the duties of assuring the accuracy of financial statements and the adequacy of internal control procedures of Nymeo and its subsidiary.

The Committee retains outside firms to provide independent assessments of our financial statements and internal control procedures. In 2014, the Supervisory Committee retained the accounting firm of CliftonLarsonAllen, LLP, to conduct an audit of the consolidated financial statements and to express an opinion about the financial condition of Nymeo. The audit was conducted in accordance with auditing standards generally accepted in the United States. These standards require that the audit be performed in such a way as to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. A set of condensed results is included in this report and a complete copy of the audit results is available for review at any of our offices.

As your representative, we also assist members if they experience a problem of any kind with their Nymeo statement or the services provided by Nymeo. **If you have such an issue, please contact the Supervisory Committee at the following address:**



**Supervisory Committee
Nymeo FCU
5210 Chairmans Court
Frederick, MD 21703**

Please do not use this address for other contacts or transactions as this may cause a significant delay in response and/or processing.

Richard Allen

Chairman, Supervisory Committee

Nymeo Federal Credit Union and Subsidiary
Consolidated Statements of Financial Condition
December 31, 2015 and 2014

ASSETS	2015	2014
Cash and Cash Equivalents	\$ 23,973,411	\$ 17,828,784
Deposits in Other Financial Institutions	32,761,005	34,819,010
Securities - Available for Sale	2,956,523	3,511,206
Other Investments	2,027,034	2,059,306
Loans, Held-for-Sale	335,000	-
Loans, Net	186,090,773	177,568,834
Accrued Interest Receivable	934,904	907,157
Premises and Equipment, Net	4,465,234	3,903,822
NCUSIF Deposit	1,955,318	1,968,164
Other Assets	3,045,933	3,246,286
Total Assets	\$ 258,545,135	\$ 245,812,569

LIABILITIES		
Member's Share and Savings Accounts	\$ 215,316,205	\$ 202,199,416
Borrowed Funds	12,033,334	12,233,334
Accrued Interest Payable	11,060	10,812
Accrued Expenses and Other Liabilities	2,864,781	1,449,161
Total Liabilities	\$ 230,225,379	\$ 215,892,723

MEMBERS' EQUITY		
Regular Reserves	\$ 1,920,098	\$ 1,920,098
Undivided Earnings	26,432,693	28,014,646
Accumulated Other Comprehensive Loss	(33,034)	(14,898)
Total Members' Equity	28,319,756	29,919,846
Total Liabilities and Members' Equity	\$ 258,545,135	\$ 245,812,569

The condensed consolidated financial statements presented herein do not constitute a complete set. The complete set, including the consolidated statements of members' equity and cash flows and notes to the consolidated financial statements, is available in the Credit Union office.

Nymeo Federal Credit Union and Subsidiary
Consolidated Statements of Operations
Years Ended December 31, 2015 and 2014

INTEREST INCOME

	2015	2014
Loans	\$ 12,011,958	\$ 11,696,261
Securities and Interest Bearing Deposits	381,749	537,733
Total Interest Income	\$ 12,393,707	\$ 12,233,994

INTEREST EXPENSE

Members' Share and Savings Accounts	\$ 728,316	\$ 612,712
Borrowed Funds	228,908	246,721
Total Interest Expense	957,224	859,433
Net Interest Income	11,436,843	11,374,561
Provision For Loan Losses	4,586,049	2,103,483
Net Interest Income After Provision for Loan Losses	\$ 6,850,434	\$ 9,271,078

NON-INTEREST INCOME

Service Charges and Fees	\$ 1,681,591	\$ 1,978,549
Other Non-Interest Income	1,502,822	1,398,782
Gain on Sales of Loans	141,202	161,728
Total Non-Interest Income	\$ 3,325,615	\$ 3,539,059

NON-INTEREST EXPENSE

General and Administrative		
Employee Compensation and Benefits	\$ 4,936,228	\$ 4,534,496
Office of Occupancy and Operations	2,507,955	2,007,555
Other Operating Expenses	4,311,264	3,809,395
Net Loss on Sale of Assests	2,556	617
Net Loss on Sale of Securities	-	16,563
Total Non-Interest Expense	11,758,003	10,368,626
NET INCOME (LOSS)	\$ (1,581,954)	\$ 2,441,511



Your savings federally insured to at least \$250,000
and backed by the full faith and credit of the United States Government

NCUA

National Credit Union Administration, a U.S. Government Agency

Federally insured by NCUA



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