

The background of the entire page is composed of several overlapping circles in various shades of blue, ranging from a deep navy blue to a light sky blue. The circles are of different sizes and are positioned in a way that they create a layered, organic effect across the entire surface.

2014

nymeo[®]

Annual Report



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

Contents

| | |
|-------------------------------------|-------|
| President & CEO's Report | 2-6 |
| Chairman's Report..... | 7-8 |
| Treasurer's Report..... | 9 |
| Supervisory Committee's Report..... | 10 |
| Financials..... | 11-12 |



President and CEO's Report



Several months ago, Chris Sylvester reached out to us and shared an experience he had with Nymeo. He told us how he was involved in a serious motorcycle accident over the summer, and although he thankfully survived, the situation caused a financial burden on his family due to his inability to return to work for over a month. In his letter, Chris thanked Nymeo over and over again for listening to him, understanding his unfortunate circumstances and waiting patiently until he could catch-up on bills. Chris said, "You are one-of-a-kind, and A+++ in my book!"

Chris' personal story defines Nymeo and puts into perspective the positive impact we can make in the lives of our members. On a daily basis, we learn about different situations our members face in their financial lives then determine which products or services will get them back on their feet.

Focusing on Our Members, Leads to Results

"From mortgage loans to auto loans to retirement planning, we personally assist our members, in all stages of their lives, build their own thriving, financial path -- remaining true to our mission to actively promote each member's financial well-being."

The year 2014 was another great year for Nymeo thanks to our dedicated staff, Board, and Committee members working together to push the vision for Nymeo to become "the only financial partner you'll ever need." This focus on our membership resulted in positive growth, even above our credit union peers, \$100M to \$500M in assets as published by NCUA:

| Net Worth Growth | Share Growth |
|--------------------|----------------------|
| +9.27%, or +\$2.8M | +.66%, or +\$1.3M |
| Membership Growth | Loan Growth |
| +3.60%, or +799 | +11.92%, or +\$18.7M |

Helping Our Members Thrive, Not Just Survive

Our credit union converted to a community credit union last year and opened the membership opportunity for anyone who lives, works, worships, attends school, volunteers or does regular business in Frederick County, MD. This change gives us access to over 240,000 residents – all potential members!

As we continue to grow, one thing is certain, we wanted to be assured our members are thriving with their personal finances-- not just surviving. To accomplish this, as Chris put it, we simply listened. Through surveys, phone calls and emails, members told us they wanted more branches so we opened the Westridge Branch, located at 1041A West Patrick Street, in Frederick. Our members also told us that they desired more ATMs. We listened and added 11 ATMs in CVS stores throughout Frederick. And, finally, members requested us to improve our mobile technology, and so we did. Last year, we added a remote deposit capture feature to our mobile application -- making it easier to deposit a check into an account.



Military Holiday Dinner

Nymeo was presented with a certificate of appreciation for supporting the military.

To make certain that our members are kept aware of these and other services and products, we expanded our social media presence and improved our website. We also added branch TVs to display advertisements to further educate our members. And, with a growing bilingual population, we translated financial forms into Spanish.

On top of growing our presence in Frederick, much of 2014 was spent focusing and preparing for an upcoming core system conversion, which occurred in early 2015. With our members' requests and needs in mind, we planned to convert an antiquated system that was built over the course of over 30 years to a proven, modern system.

Nymeo Gives Back to the Community

Look, listen and feel what it means to be a member of Nymeo! We were everywhere in 2014! Our colorful Nymeo cars could be seen throughout Frederick running missions such as shuttling donated food to and from the food pantries or driving potential members from events to branches to open accounts. Aside from our own vehicles, Nymeo also displayed clever advertisements on transit buses, strengthening its brand identity across Frederick.

Fighting hunger is one of our core initiatives. We launched the \$wipe Out Hunger Campaign last year, where we donated a 1/2 cent for every swipe of a member's debit card -- resulting in 70,000 meals served to children in Frederick County through the School Food Pantry Program. We want to see this program grow and flourish in the future!

\$wipe Out Hunger and
Financial Literacy Month.





Over 1,000 hours! I am proud to say that Nymeo staff are actively engaged volunteers and have donated over 1,000 hours of their personal time to make a positive impact in Frederick County as well as in their own communities. We want volunteerism to become viral at Nymeo! And, our staff did and continues to do a fantastic job of making this happen. Whether it is stocking the food pantries, volunteering at animal shelters or working with children at athletic or educational programs, Nymeo staff volunteers are giving back to the community.

Specific examples of our community outreach last year included hosting several Pet-Adopt-A-Thons at branches. These events helped shelter animals become more visible in the community leading to

higher adoption rates. Another example of our outreach includes offering workshops throughout the year to our members on various subjects from retirement and investing to estate planning to first-time homebuyer education. At the same time, we are committed to supporting the military at Ft. Detrick at their Thanksgiving dinner and other important programs on base.

Nymeo also supported the business community last year by hosting a Business Appreciation Night at the Frederick Keys. We continue to work toward connecting with the business sector in Frederick.

Nymeo staff
volunteered for
the School Food
Pantry Program
throughout 2014.

(Above and right.)



Looking Ahead Into The Future

“Moving forward into 2015, we are excited about our new core computer system and the convenience that it brings to our members. One of the biggest changes to this system for staff is that the entire member relationship is visible, and with this ability, should result in improved member services. Also, our new 24/7 call center is able to assist members with more call requests than in the past.”

In the very near future, we will be offering our members the Europay MasterCard and Visa (EMV) cards to help with security and fraud as well as working to add Applepay. We will continue to invest in each of the channels, whether it is a branch, Call Center, ATMs, online and/or mobile devices to provide value to our members over the coming years. Our focus is to provide an exceptional member experience each and every time!

Nymeo definitely is a one-of-a-kind credit union, and as we look into the future, things look brighter than ever. We are confident that we can meet changing member needs today and tomorrow, and as our member Chris simply put it, continue to provide A+++ experiences.

As always, thank you for your loyal membership.

Victoria M. Johnston
President & CEO



Chairman's Report

In 2014, we continued to push forward by making positive transformations as Nymeo! I have seen first-hand how the public reacts to Nymeo - they are intrigued and interested! In fact, over this past year, our members have become reassured that Nymeo remains a sound financial organization committed to working toward providing exemplary service. With Nymeo's continued drive to personally meet the ongoing needs of our members, the anxiety level has abated considerably over the name change.

Early last year, Nymeo reached another noteworthy milestone -- NCUA approved the request for a community charter from a multi-common bond charter, which allowed Nymeo to open membership to anyone that lives, works, worships, attends schools, volunteers, or conducts regular business in Frederick County. However, even though Nymeo has expanded into Frederick, we continue to fully serve our loyal members affiliated with various employee groups that founded our great credit union.

Although not fully implemented until early 2015, for most of 2014, the Nymeo staff were engaged in the challenging process of converting from an antiquated to a state-of-the-art core processor. The core processor, a combination of hardware and software, assists the credit union in member account processing and provides value-added technologies such as online banking, payment processing and mobile banking. This conversion involved hours of planning, staff training, integrating components from multiple vendors and beta testing-- all while continuing to seamlessly and cheerfully serve the needs of our 23,000+ members. The Board of Directors received monthly updates on the core conversion progress as well as the occasional setbacks against the planned timeline. Nymeo staff is to be commended for embracing the concepts of accountability and transparency from start-up to completion.

"Achieving this strategic goal [community charter] allows Nymeo to organically grow its membership and lower the average age of its members, thereby better balancing the blend of savers and borrowers."

Last year, the Board continued to make progress in its development as a strategy-focused body. In addition to the monthly review of key financial reports such as income statements, balance sheets, and dashboards of key financial ratios, the Board engaged in discussions of initiatives documented in our 5-year strategic plan. In addition, the Board engaged in a planning workshop where we adopted the same five strategic factors that were included in our original plan. These factors include One Stop Financial Center, Service Quality, Convenience, Member Education and Financial Strength. The Board, Management and the staff are committed to the 13 Strategic Initiatives including Profitable and Balanced Growth, World-Class Electronic Banking and Community Service.

The year of 2014 was a year of transformation but I believe that elements of a healthy organization are intact including a maturing brand, a strong management team, well trained and motivated staff, broad suite of competitive products and services, state-of-the art core processor, potential membership pool, and a committed Board to execute its fiduciary responsibilities.

Fellow members, the future looks bright for Nymeo!

Charles Yancey

Chairman of the Board



Educational Workshops

Throughout last year, Nymeo held various educational workshops on topics such as Wills and Trust, Retirement, Investments, Mortgages, 529 Plans and many more.



Reaching Out to Children

In 2014, Nymeo held a Kids Camp focusing on financial literacy and fun at the NIST Child Care Center.

Treasurer's Report

In 2014, Nymeo continued to take steps to increase its financial strength while rewarding our members with outstanding loan and deposit products. Our reputation for safety, soundness, servicing our members and competitive rates encouraged continued growth in loans and deposits.

Total Assets as of December 2014 amounted to \$247 million. Total loans grew \$19 million or 11% from 2013, reaching \$178.6 million. Automobile and member business lending comprised the majority of the loan portfolio increase. The automobile portfolio increased by a net of \$14 million or 28%. The member business loan portfolio increased by a net of \$3 million or 24%.

Total Shares as of December 2014 were \$202 million, an increase of \$1.3 million from 2013. Regular shares grew by \$3.2 million or 3.8% from 2013. Members continued to show confidence in the NCUSIF insured deposits of Nymeo Federal Credit Union.

Balance Sheet Summary - 2014 Compared to 2013

| Assets | Regular Shares |
|-----------------------|-----------------------------|
| ▼ \$1 M | ▲ \$3.2 M |
| Loan Growth | Total Equity |
| ▲ \$19 M | ▲ \$2.8 M |
| Auto Portfolio Growth | Member Business Loan Growth |
| ▲ \$14 M | ▲ \$3 M |

Capital, in the form of Regular Reserves and Undivided Earnings, is a common indicator of a financial institution's safety and soundness. Capital also enables the credit union to provide new products and services at competitive prices. In 2014, Total Equity grew \$2.8 Million, an increase of 9.8% compared to 2013. This represents a ratio of net worth to assets equal to 12.5%. The National Credit Union Administration (NCUA) defines well capitalized as a level above 7%.

Net Income for the year 2014 totaled \$2.6 Million compared to \$2.3 Million for 2013. All of the credit union's Net Income increases the Total Members' Equity of the credit union each year. The Return on Assets ended well above our peer group at over 1% for the year.

Isaac Yoon
Treasurer

Supervisory Committee's Report

The Supervisory Committee consists of three Nymeo members 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.

Richard Allen

Chairman, Supervisory Committee



Westridge Grand Opening

Ribbon cutting ceremony of Nymeo's Westridge Branch Grand Opening in Frederick, MD.

NYMEO FEDERAL CREDIT UNION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
DECEMBER 31, 2014 AND 2013

| ASSETS | 2014 | 2013 |
|--|-----------------------|-----------------------|
| Cash and Cash Equivalents | \$ 17,828,784 | \$ 14,808,667 |
| Deposits in Other Financial Institutions | 34,819,010 | 56,280,035 |
| Securities - Available for Sale | 3,511,206 | 4,395,180 |
| Securities - Held to Maturity | - | 1,528,484 |
| Other Investments | 2,059,306 | 2,222,749 |
| Loans, Held-for-Sale | - | 589,683 |
| Loans, Net | 178,591,086 | 159,499,213 |
| Accrued Interest Receivable | 907,157 | 712,994 |
| Premises and Equipment, Net | 3,903,822 | 3,833,149 |
| NCUSIF Deposit | 1,968,164 | 1,997,760 |
| Other Assets | 3,246,286 | 2,029,870 |
| Total Assets | \$ 246,834,821 | \$ 247,897,784 |

LIABILITIES AND MEMBERS' EQUITY

LIABILITIES

| | | |
|--|-----------------------|-----------------------|
| Members' Share and Savings Accounts | \$ 202,199,416 | \$ 200,869,180 |
| Borrowed Funds | 12,233,334 | 17,500,000 |
| Accrued Interest Payable | 10,812 | 17,302 |
| Accrued Expenses and Other Liabilities | 1,449,161 | 1,341,420 |
| Total Liabilities | \$ 215,892,723 | \$ 219,727,902 |

Commitments and Contingent Liabilities

MEMBERS' EQUITY

| | | |
|--------------------------------------|----------------------|----------------------|
| Regular Reserves | \$ 1,920,098 | \$ 1,920,098 |
| Undivided Earnings | 29,036,898 | 26,409,977 |
| Accumulated Other Comprehensive Loss | (14,898) | (160,193) |
| Total Members' Equity | \$ 30,942,098 | \$ 28,169,882 |

Total Liabilities and Members' Equity **\$ 246,834,821** **\$ 247,897,784**

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.

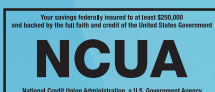
NYMEO FEDERAL CREDIT UNION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31, 2014 AND 2013

| INTEREST INCOME | | 2014 | 2013 |
|--|-----------|-------------------|----------------------|
| Loans | \$ | 11,881,671 | \$ 9,668,929 |
| Securities and Interest Bearing Deposits | | 537,733 | 821,501 |
| Total Interest Income | \$ | 12,419,404 | \$ 10,490,430 |
| INTEREST EXPENSE | | | |
| Members' Share and Savings Accounts | \$ | 612,712 | \$ 660,127 |
| Borrowed Funds | | 246,721 | 251,025 |
| Total Interest Expense | | 859,433 | 911,152 |
| Net Interest Income | | 11,559,971 | 9,579,278 |
| PROVISION FOR LOAN LOSSES | | 2,103,483 | 1,863,373 |
| Net Interest Income After Provision for Loan Losses | \$ | 9,456,488 | \$ 7,715,905 |
| NON-INTEREST INCOME | | | |
| Service Changes and Fees | \$ | 1,978,549 | \$ 1,971,919 |
| Other Non-Interest Income | | 1,398,782 | 1,706,787 |
| Gain on Sales of Loans | | 161,728 | 270,651 |
| Total Non-Interest Income | \$ | 3,539,059 | \$ 3,949,357 |
| NON-INTEREST EXPENSE | | | |
| General and Administrative | | | |
| Employee Compensation and Benefits | \$ | 4,534,496 | \$ 4,279,404 |
| Office of Occupancy and Operations | | 2,007,555 | 1,842,283 |
| CCUSF Premium Assessments | | - | 159,821 |
| Other Operating Expenses | | 3,809,395 | 3,067,887 |
| Net Loss on Sale of Assets | | 617 | - |
| Net Loss on Sale of Securities | | 16,563 | - |
| Total Non-Interest Expense | \$ | 10,368,626 | \$ 9,349,395 |
| NET INCOME | \$ | 2,626,921 | \$ 2,315,867 |

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