



THE ROAD AHEAD



Loyalty
Reliability
Longevity
Personal Service

Chairman's Message

As Chairman of the Board of USE Credit Union, let me thank you for your ongoing support of our mission, service and commitment to our members. As members of your volunteer board, we have the responsibility of ensuring your credit union is operating safely and soundly. We are charged with ensuring the institution has a solid financial foundation and I'm proud to say that we've had another successful year of growth and service to members and we owe that to our employees and leadership.

As always, we remain committed to our mission to "Encourage members' personal success through exceptional financial services today and tomorrow." However, we are always considering new products, services and technologies that make it even easier to do business with us. As we look forward to 2016, the road ahead is bright. We will continue to develop programs that benefit our members first, including updating our loan application system and rolling out a Member Loyalty Discount program. These enhancements will save you time, money and provide greater convenience to our members.

As the Board of Directors, we will continue to provide overall leadership and governance of the credit union, to ensure USE Credit Union provides the best possible products and services to our members. In this annual report to our members, you'll find more information and the financial highlights of 2015. In 2016, we will continue to strive to build loyalty, reliability, longevity and personal service. Thank you, members, employees and board members for your continued trust in USE Credit Union.

Clarence Brooks
Chairman of the Board

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Treasurer's Message

2015 was a financially successful year for USE Credit Union and the road ahead is very bright! As a financial cooperative, we are committed to fulfilling the credit union philosophy of "people helping people." Through a combination of affordable financial services and comprehensive financial education, we want to help our members build assets and financial stability.

As your Treasurer, I am officially reporting to you that the fiscal year 2015 ended as of December 31, 2015. Here are some of the financial highlights of 2015:

- USE Credit Union ended 2015 with assets of \$76,979,702.26 million.
- We had a net income of \$38,544.48.
- We funded over \$29 million in loans for members.
- USE Credit Union ended with shares of \$69.9 million.

During 2015, our credit union engaged the CPA firm of Orth, Chakler, Murnane & Company and received a positive review. Credit Union regulators define a well-capitalized credit union as having at least 7% of its assets in reserve. USE Credit Union finished the year at a very healthy 7.84%. Overall, your Credit Union is financially strong and well positioned to meet the financial needs of our member-owners for the foreseeable future.

As Treasurer, I want to express appreciation for the confidence members express in the safety and soundness of our credit union.

Charles Konikoff
Secretary/Treasurer

2015 Board of Directors

The USE Credit Union Board of Directors consists of eight volunteer members, each elected to a three-year term. In 2015, our Bylaws were amended to require eight (8) board members instead of nine (9). Operating with a governance model, board members are responsible for setting policies, participating in the development of the strategic plan, and reviewing and approving the annual budget. In addition, the Board of Directors works with the USE Credit Union CEO and management team to explore new ways to strengthen and advance the credit union.

Clarence Brooks	<i>Chairman of the Board</i>	Term expires 2018
Michael Foster	<i>Vice Chairman</i>	Term expires 2017
Charles Konikoff	<i>Secretary/Treasurer</i>	Term expires 2016
Ray Biggerstaff	<i>Director</i>	Term expires 2018
Troy Conner	<i>Director</i>	Term expires 2016
Pamela Edwards	<i>Director</i>	Term expires 2017
Michael Larrivee	<i>Director</i>	Term expires 2018
Bernard Middleton	<i>Director</i>	Term expires 2016

President's Message

This credit union was originally chartered in December 1933, as the Houston Railway Postal Clerks Credit Union. Following the tradition of “one member, one vote” the credit union has undergone frequent name changes reflecting continued growth in our field of membership. But one thing remains the same, our primary goal continues to be to serve the financial needs of our members based on the long-standing credit union principle of “people helping people”.

In 2015, we strived to balance that purpose while preparing the Credit Union for the road ahead. As we continued to meet members' needs with new services, numerous internal processes and strategies were implemented, to be well positioned for 2016. Financially, 2015 was another good year for USE Credit Union and its member/owners, as you will see in the financial section of this report. In addition, the Credit Union introduced several significant products and services to enhance the banking experience for our members, including:

- Launching online loan applications, which make it easier for you to apply for a loan, when and where it's convenient for you!
- Introducing mobile check deposit so that you can deposit checks from the convenience of your home or office, using your smart phone or tablet device, saving you time.
- In November, we rolled out our new Debit MasterCard with EMV smart chip technology, to provide the highest level of card security available and protect against fraud and identity theft.

We are excited about where the road will take us in 2016. We anticipate updating our loan application system, including electronic signatures, so that you won't have to come into the Credit Union to close your loan – again saving you time and adding convenience. We also want to reward you for using our services so we'll be rolling out a Member Loyalty Discount program for using our services. It pays to bank at USE Credit Union!

We are encouraged that more people than ever are using our products and services. We extend a warm welcome to our new members and offer our gratitude to our long-time USE Credit Union members. We thank you for your support as we continuously strive to better the Credit Union and remain well situated to meet your needs throughout all the stages of your life. We will continue to build loyalty, reliability, longevity and personal service and hope that you will share the Credit Union with your family, friends and coworkers.

Jessica Gillen
CEO/President

Management Team

Jessica Gillen
CEO/ President

Debbie Gonzalez
VP of Operations

Sandy Childers
VP of Information
Technology

Marina Izvekova
VP of Accounting

Statement of Financial Condition

December 31, 2015

ASSETS

LOANS	29,428,200.89
Cash	725,626.66
Investments	42,674,078.91
Fixed Assets	3,136,217.04
Other Assets	1,015,578.76
Total Assets	76,979,702.26

LIABILITIES, SHARES & EQUITY

Payables Miscellaneous	948,365.62
Dividends & Interest Payable	9,484.25
Total Member Deposits	69,982,101.86
Regular Reserves	1,234,019.11
Other Capital Accounts	4,805,731.42
Total Liabilities & Equity	76,979,702.26

Statement of Income & Expenses

December 31, 2015

INCOME

Income From Loans	1,309,777.16
Investment Income	573,577.25
Fees And Charges	1,114,355.55
Misc Operating	28,000.66
Total Gross Inc	3,025,710.62

EXPENSES

Compensation	997,093.05
Employee Benefits	216,723.84
Travel & Conference	15,739.48
Association Dues	16,351.91
Office Occupancy	206,535.30
Office Operations	785,286.53
Education & Promotion	108,049.20
Loan Servicing	159,974.63
Shared Branch	60,973.14
Professional Services	141,219.57
Supervision & Exam Fee	15,298.00
Intrst On Borrow Funds	951.14
Annual Meeting	2,318.24
Misc Operating	4,757.52
Total Operating Exp	2,731,271.55

Dividends	171,157.23
Provision For Loan Loss	88,600.00
Gain (Loss) In Assets Dis.	(3,862.64)
Net Gain / Loss	38,544.48



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Southwest Houston Location

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Mission Statement

Encourage member's personal success through
exceptional financial services today and tomorrow.



Federally Insured by NCUA