



SHARED STRENGTH

2013
ANNUAL
REPORT



Shared Strength is the idea that looking out for one another is not just the right way, but the only way.

A MESSAGE TO OUR MEMBERS

Thank you for your loyalty as a member-owner of Georgia United Credit Union. In 2013, your credit union continued to experience growth and success. Membership was up almost 5% and over 12,000 new members were added. Members also remained confident in depositing their savings with a financially safe and sound financial institution. As a result, share growth increased almost \$39 million, or 4.8%, as compared to a 2.9% growth rate in 2012.

This annual report will help you better understand not only how your credit union performed in 2013, but also the enhancements we've made to provide you with the level of service you expect as a member-owner. Thank you for your continued support and your referral of family members, friends and co-workers. Our success is your success.

PRESIDENT'S REPORT | GROWING TO SERVE

Over the past ten years, our primary strategic focus was to create markets of potential for the future. This strategy was the catalyst for the successful completion of several mergers, the addition of 250+ Select Employee Groups, and the launch of new community charters located throughout the Atlanta metropolitan market. As a result, Georgia United has been one of the faster growing credit unions in the United States. Despite this growth, we believe there remains substantial untapped opportunity. There is no better time than the present to attract consumers to our credit union.

The primary strategic focus moving forward will be to generate sustained member growth and to serve members better than ever. Not just numbers or dollars of growth, but meaningful membership growth. This means increasing the level of active members and, more importantly, providing the best member service possible at every touch point. In serving you, we want to make it easy and enjoyable for you to do business with your credit union. Ease of business and access are crucial for member loyalty and growth.

Looking back at 2013, I am pleased with our progress and results. Your credit union experienced higher growth levels in both loans and member shares when compared to 2012. Enhancements have been added to make it easier for you to do business with us. Net earnings increased \$1.7 million, or 30%, which not only adds capital to an already strong financial position, but also allows us to invest further in improved products/services, enhanced technology and new talent.

Some of the more significant accomplishments in 2013 were as follows:

- A Brand Training initiative was held to connect all employees with our **Shared Strength** focus
- Our Leadership Team was strengthened with the addition of new talent who will help us successfully navigate into the future
- An updated website and online banking system were launched with a new look that is easier to use and has customizable features and intuitive budgeting tools

- Enhancements were added to our mobile banking platform including increased security and messaging capabilities, branch and ATM locators, and more
- The Dublin branch was expanded and remodeled for increased capacity and better convenience
- We completed a coaching development curriculum for all of our managers and leaders
- A credit union-wide sales and service training initiative was developed with the goal of providing the best service possible to both members and associates
- Key financial performance goals were surpassed and we received positive reports from our state and federal regulators

In closing, I believe there has never been a better time to focus on growing our membership and serving you, our member-owners, better than ever. Despite the increasing regulatory burden and continued economic growth challenges, we believe the best times are ahead for your credit union. Ultimately, our future success will be measured by your loyalty and your trust that we have your best interests at heart.

Thank you for your membership, your business, and your support. We can't be successful without you.



GEORGIA UNITED EXECUTIVE MANAGEMENT TEAM



Michelle Shelton, Chief Development Officer; Eric Jenkins, Vice President, Operations; Tonya Harris, Vice President, Staff Development; Shawn Turpin, Senior Vice President, Sales and Service; Mark Bartholomew, Chief Information Officer; Todd Gustafson, Executive Vice President and Chief Financial Officer; Debbie Smith, President and Chief Executive Officer; Michael London, Vice President, Lending.

SHARE THE STRENGTH OF GEORGIA UNITED

As an organization wholly-owned by its members our strength and success is directly tied to how well we serve them. By making our members' needs the center of every decision we make, we ensure that our resources are directed to helping people live happier, more financially stable lives. It's shared success through shared strength - and our team is committed to helping members reach their financial goals as we follow these core values and business principles:

OUR CORE BUSINESS PRINCIPLES

- Knowledgeable Employees
- Exceptional Service
- Innovation
- Financial Strength

OUR CORE VALUES

- Respect
 - Integrity
 - Empathy
 - Trust
 - Gratitude
-

SHARING OUR STRENGTH

WE HELPED OVER

1,000+

people through our
financial education seminars

WE DELIVERED

8,000

kits to the Gateway
Homeless Center

1

day of community service
for every Georgia United
employee benefiting:

- Habitat for Humanity
- Relay for Life
- March of Dimes
- Partnership Against
Domestic Violence

\$12,500

awarded in annual
high school scholarships

1,000

tax returns prepared by
our free Volunteer Income
Tax Assistance (VITA)

SHARED STRENGTH

DIRECTORS' REPORT

It has been a pleasure serving your credit union as Chairman of the Board of Directors. I want to thank our dedicated Board of Directors and Supervisory Committee for volunteering their time, wisdom and direction. I also want to thank our staff and leaders for continuing to provide great member service and living up to our core values and business principles.

During 2013, we've seen the U.S. and regional economies grow at a moderate pace. Signs point to further acceleration of economic growth in the coming years, assuming the labor markets continue to improve and businesses increase their capital investments, among other things.

The improvements in the housing and auto markets coupled with record-low, long-term rates in the first half of 2013 were evident in our credit union's results. We experienced strong auto loan growth and were able to help

our members by refinancing their mortgages or purchasing a new home. In total, we originated over \$203 million in consumer and mortgage loans during 2013, an increase of almost 27% when compared to \$160 million in 2012.

Your credit union also joined other credit unions and 96 million credit union members across the country in taking action against proposed legislation to tax credit unions. Thank you to 32,771 of our members who responded via email or postcards to our U.S. Senators and Congressmen in support of this "Don't Tax My Credit Union" initiative. Our Leadership Team hand-delivered many of the postcards and met with officials to discuss why credit unions shouldn't be taxed, as their mission is helping millions of Americans access affordable financial services.

Your Board of Directors will continue to work closely with credit union management to serve the collective interests

of you, our member-owners. We will strive to ensure the credit union provides you with the best service possible, along with the conveniences you deserve. We are excited about the future of Georgia United.

GEORGIA UNITED BOARD OF DIRECTORS



Monsignor Stephen Churchwell; Dorothy Dusenberry, Secretary; Thomas Dickson, Chairman; Frank Thach; Dr. James Williams, Vice Chairman; Randy Dennis, Treasurer; Dr. Steven Whatley; Tom Cochran. (Not pictured: Geraldine Tilson)

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee of your Credit Union has been appointed by the Board of Directors to independently oversee the accuracy of record-keeping and the protection of the Credit Union's assets. In compliance with the laws and regulations of the Georgia Department of Banking & Finance (GA DBF), the National Credit Union Administration (NCUA) and Georgia United's By-Laws, the Supervisory Committee provides an independent appraisal of the safety and soundness of Credit Union operations and activities. The Committee also ensures that management establishes and maintains sound internal controls to protect the assets of the Credit Union through the oversight of an internal audit department.

The Supervisory Committee is also responsible for the selection of an independent public accounting firm to perform an annual audit and provide an opinion on the audited financial statements, in conformity with applicable accounting standards. The accounting firm of Nearman, Maynard & Vallez, CPAs is utilized for this purpose. The Committee meets with this firm to review the audited financial statements, discuss audit results and any recommendations for improvement.

Supervisory examinations are also performed periodically by the GA DBF and the NCUA, who assess Georgia United's financial condition, compliance with regulations and safety and soundness. The Supervisory Committee is pleased to report that the most recent independent audit and regulatory examination validated the financial strength, safety and soundness of your credit union.

Georgia United's Supervisory Committee:

Tom Cochran, Chairman

Dan Jones

William Silvey

TREASURER'S REPORT

During 2013, the U.S. economy continued to modestly improve. The housing market began to show signs of a strong recovery until a mid-year rise in long-term mortgage interest rates stunted growth. Despite the setback, the level of housing starts looks promising and existing home inventories remain low. This has resulted in median home prices increasing by almost 10% since a year ago.

Regarding short-term interest rates, which impact both auto loan and member savings rates, it is expected the Federal Reserve will not increase the Federal Funds rate until late 2015. The timing of higher short term rates will be determined by changes to inflation and unemployment levels.

Georgia United's financial position continues to be strong with a regulatory capital level that is well above the required minimum levels. The capital ratio at the end of 2013 was 11.79% as compared to the 7.00% threshold that is required to be considered well-capitalized.

In 2013, member shares grew \$39 million, or 4.8%, to end the year at \$844 million. Members continued to place confidence in the safety and soundness of maintaining deposits at Georgia United with a growth rate that was well-above the 2.9% level experienced in 2012. This higher level of deposits helped to increase total year-end assets to \$957 million. Total loans were \$480 million at the end of 2013 and rose \$23 million, or 5.1%, despite significant loan prepayments caused by the record low rate environment in the first half of 2013.

Net income for 2013 totaled \$7.2 million and increased \$1.7 million, or 30%, over 2012. This strong growth was

primarily the result of improved net interest income, a decline in loan losses and higher non-interest revenues that more than covered an increase in operating expenses. The Return on Assets, or ROA, for 2013 was 0.76% as compared to 0.66% in 2012.

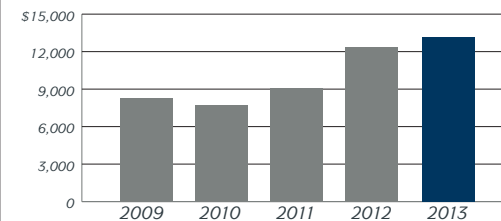
Your Board of Directors is dedicated to providing financial services that create value for our members. We will continue our focus on sustaining financial stability in order to meet our members' needs, while enhancing our ability to invest in new products, talent and technology, with the ultimate goal of providing the best products and services possible.

CONDENSED STATEMENTS OF INCOME years ended December 31, 2013 and 2012 (unaudited)

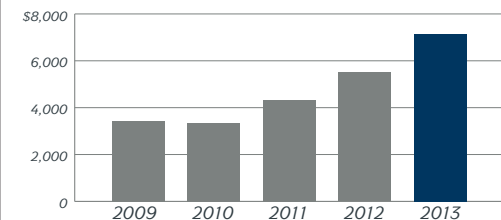
(\$ AMOUNTS IN THOUSANDS)

	2013	2012
Interest Income		
Interest income on loans	\$25,069	\$26,589
Interest on securities and interest bearing deposits	3,870	2,360
Total interest income	28,939	28,949
Interest Expense		
Dividends on shares	3,590	4,540
Interest paid on borrowings	-	-
Total interest expense	3,590	4,540
Net Interest Income	25,349	24,409
Provision for possible loan losses	2,050	2,970
Net interest income after provision for possible loan losses	23,299	21,439
Non-Interest Income		
Interchange income	5,025	4,585
NSF and other share fees	4,455	4,350
Mortgage and other loan-related revenues	981	1,027
Other	2,688	2,372
Total non-interest income	13,149	12,334
Non-Interest Expense		
Salaries and employee benefits	14,983	14,668
Office operations and occupancy	8,936	8,183
Advertising and business development	1,667	1,510
NCUA assessment	671	768
Other	3,038	3,146
Total non-interest expense	29,295	28,275
Net income	\$7,153	\$5,498

NON-INTEREST INCOME (IN THOUSANDS)



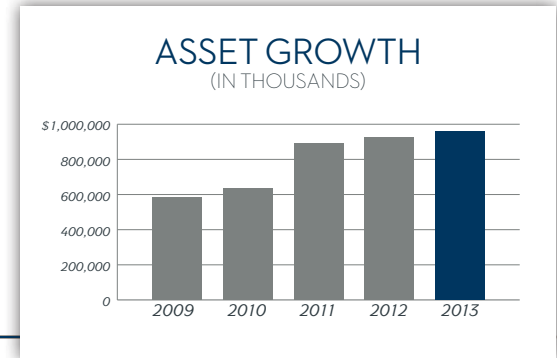
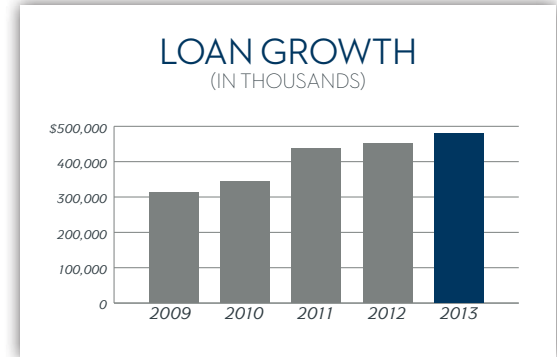
NET INCOME (IN THOUSANDS)



ASSETS *as of December 31, 2013 and 2012 (unaudited)*

(\$ AMOUNTS IN THOUSANDS)

Loans	2013	2012
Autos	\$157,642	\$113,956
Real estate	164,356	168,360
Member business	76,616	90,606
Other	81,560	83,977
Total loans	480,174	456,899
Less: Allowance for possible loan losses	(4,998)	(4,714)
Net loans	475,176	452,185
Cash and due from banks	14,498	16,537
Securities and interest bearing deposits	380,959	390,058
Other assets	86,516	66,224
Total Assets	\$957,149	\$925,004

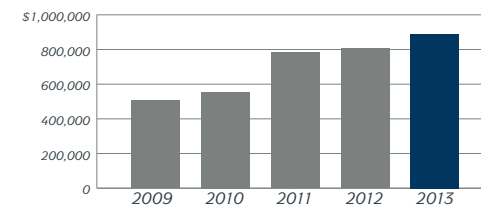


SHARES, LIABILITIES, AND MEMBERS' EQUITY as of December 31, 2013 and 2012 (unaudited)

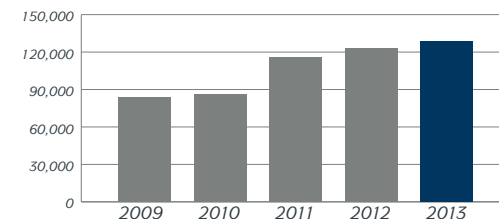
(\$ AMOUNTS IN THOUSANDS)

	2013	2012
Shares		
Checking	\$120,150	\$97,168
Savings and money market	522,680	487,054
Certificates	201,384	221,237
Total Shares	844,214	805,459
Other liabilities	10,839	17,458
Total Shares and Liabilities	855,053	822,917
Members' Equity		
Regular reserves and undivided earnings	91,096	83,885
Equity acquired in merger	18,167	18,167
Accumulated other comprehensive income (loss)	(7,167)	34
Total Members' Equity	102,096	102,087
Total Shares, Liabilities and Members' Equity	\$957,149	\$925,004

SHARE GROWTH (IN THOUSANDS)



MEMBER GROWTH



STRENGTHENING COMMUNITIES

When more than 125,000 Georgians join together to build a not-for-profit financial institution with member owners—the result is lower fees, greater savings and exceptional value every day for everyone. And that's what shared strength is all about.

It's supporting local families with value-based solutions that help their budget go further. It's making the commitment to improve their lives by providing them with the tools and resources they need to reach their financial goals.

It's about supporting the educators who make a difference every day in the lives of the students they serve. And it's providing financial products that meet their unique needs.

We know that the more you succeed, the more our entire community benefits. And we believe that shared strength is the idea that looking out for each other is not just the best way, but the only way.

Educators



Share the strength
of Georgia United.

Corporate Offices

6705 Sugarloaf Parkway | Duluth, GA 30097 | 770.476.6400 or 888.493.4328



GEORGIAUNITED®

CREDIT UNION

Athens - East

190 Gaines School Road
Athens, GA 30605

Athens - UGA

1710 S. Lumpkin Street
Athens, GA 30606

Atlanta - GDOT

600 W. Peachtree Street #401
Atlanta, GA 30308

Atlanta - Twin Towers

2 MLK Jr Drive, #466
Atlanta, GA 30334

Atlanta - Whitehall

400 Whitehall Street
Atlanta, GA 30303

Clarkston

500 N. Indian Creek Drive
Clarkston, GA 30021

Conyers

1381 Milstead Avenue
Conyers, GA 30012

Cumming

312 Canton Hwy./Hwy. 20
Cumming, GA 30040

Dalton

605 Calhoun Street
Dalton, GA 30720

Dublin

2006 Veterans Boulevard
Dublin, GA 31021

Gwinnett

2270 Satellite Boulevard
Duluth, GA 30097

South DeKalb

5173 Panola Industrial Blvd.
Decatur, GA 30035

North Atlanta

4448 Tilly Mill Road
Atlanta, GA 30360

Northlake

3840 LaVista Road
Tucker, GA 30084

Stockbridge

105 N. Park Trail
Stockbridge, GA 30281



This credit union is federally insured by the National Credit Union Administration, a U.S. Government Agency.