



Wor-Co Federal Credit Union

1506 Market Street  
Pocomoke City, MD 21851

## Notice of Meeting of the Members of Wor-Co Federal Credit Union

The Board of Directors of Wor-Co Federal Credit Union have called a special meeting of the members of this credit union at 1506 Market Street Pocomoke City, MD 21851 on February 22, 2022 at 4:30pm. The meeting will be held in-person as well as virtually at <https://www.cuballot.com/worcofcu-meeting>.

The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging Wor-Co Federal Credit Union with and into First Financial of Maryland Federal Credit Union (hereinafter referred to as the “Continuing Credit Union”), whereby all assets and liabilities of the Wor-Co Federal Credit Union will be merged with and into the Continuing Credit Union. All members of Wor-Co Federal Credit Union will become members of the Continuing Credit Union and will be entitled to and will receive shares in the Continuing Credit Union for the shares they own in Wor-Co Federal Credit Union on the effective date of the merger.
2. To ratify, confirm and approve the action of the Board of Directors in authorizing the officers of Wor-Co Federal Credit Union, subject to the approval of members, to do all things and to execute all agreements, documents, and other papers necessary to carry out the proposed merger.

The Board of Directors of Wor-Co Federal Credit Union encourages you to attend the meeting and vote on the proposed merger. Whether or not you expect to attend the meeting, we urge you to sign, date and promptly return the enclosed ballot to vote on the proposed merger. You may also choose to vote online at <https://worcofcu.cuballot.com>.

If you wish to submit comments about the merger to share with other members, you may submit them to the National Credit Union Administration (NCUA) at <https://www.ncua.gov/services/Pages/resources-expansion/comments-proposed-merger.aspx> or mail to:

NCUA - Office of Credit Union Resources and Expansion  
1775 Duke Street  
Alexandria, VA 22314

RE: Member-to-Member Communication for Wor-Co Federal Credit Union

The NCUA will post comments received from members on its website, along with the member's name, subject to the limitations and requirements of its regulations.

*Other Information Related to the Proposed Merger:*

The Board of Directors has carefully evaluated and analyzed the assets and liabilities of the credit unions and the value of shares in both credit unions. The financial statements of both credit unions, as well as the projected combined financial statement of the continuing credit union, follow as separate documents. In addition, the following information applies to the proposed merger.

*Reasons for merger:* The Board of Directors has concluded that the proposed merger is desirable and in the best interests of members because our shared resources will allow the combined credit union to enhance product and service offerings and member convenience through better technology, more product and loan offerings and more locations/ATMs.

The combined credit union will also bring its strong social responsibility to the communities served by Wor-Co Federal Credit Union through volunteer service, financial education and grants and donations to individuals, families, and the community.

Both organizations share a strong value-based culture that will create a better, more resourceful organization that can effectively compete, develop new products and services, expand access and ease of doing business, and give back to our members and the communities we serve.

*Net worth:* The net worth of a merging credit union at the time of a merger transfers to the continuing credit union. Wor-Co Federal Credit Union does not have a higher net worth ratio than First Financial of Maryland Federal Credit Union.

*Share adjustment or distribution:* Wor-Co Federal Credit Union will not distribute a portion of its net worth to its members in the merger. The board of directors has determined a share adjustment, or other distribution of Wor-Co Federal Credit Union's net worth is unnecessary because ownership will be merged into and survive at First Financial of Maryland Federal Credit Union.

*Locations of merging and continuing credit union:* Wor-Co Federal Credit Union's main office at 1506 Market Street Pocomoke City, MD 21851 will remain open for a period of time. The main office of the continuing Credit Union will be as follows:

First Financial of Maryland Federal Credit Union  
72 Loveton Circle  
Sparks Glencoe, MD, 21152

In addition to the Administrative office, the continuing Credit Union has six branch locations within MD. For more information on our branch offices and the products and services available, please visit [www.firstfinancial.org](http://www.firstfinancial.org).

Further, the continuing Credit Union is a participant of the Allpoint network giving members access to over 40,000 surcharge-free ATMs nationwide.

*Changes to services and member benefits:* First Financial of Maryland Federal Credit Union strives to offer the very best financial products and services in order to meet the diverse needs of our members, and to help our members live better every day.

You will benefit from this new relationship by having access to a complete line of products and services you don't have available today. These products and services include:

- Online and mobile banking services which will allow members to conduct their financial transactions from anywhere in the world
- Access to checking accounts, debit cards, and cashback reward credit cards
- Access to various loan products including mortgages, auto loans, personal loans and more
- Access to the Allpoint ATM Network, giving members access to over 40,000 ATMs nationwide
- A dedicated Loan Call Center and Member Service Center
- Access to First Financial of Maryland Federal Credit Union's strong community engagement and financial education resources

*Merger-related financial arrangements:* NCUA Regulations require merging credit unions to disclose certain increases in compensation that any of the merging credit union's officials or the five most highly compensated employees have received or will receive in connection with the merger. The following individuals have received or will receive such compensation:

Name	Title	Description of increase	Amount
None	None	None	None

Please note that the proposed merger must have the approval of the majority of members who vote.

Enclosed with this Notice of Special Meeting is a Ballot for Merger Proposal. If you cannot attend the meeting, please complete the Ballot and return it to CU Ballot - Election Processing P.O. Box 3156, Dublin, OH 43016 or vote online at <https://worcofcu.cuballot.com>. To be counted, your Ballot must be received by February 22, 2022 by 4:30pm. Online voting will be available for those who choose to attend the meeting in person.

BY THE ORDER OF THE BOARD OF DIRECTORS:



President

12/14/2021

Date

**FIRST FINANCIAL OF MARYLAND FCU AND WOR-CO FCU**  
**INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS AND NET WORTH**  
**SEPTEMBER 30, 2021**

	<b>First Financial of MD</b>		
	<b>FCU</b>	<b>Wor-Co FCU</b>	<b>Consolidated</b>
TOTAL COIN AND CURRENCY	\$ 2,711,576	\$ 50	\$ 2,711,626
TOTAL CASH ITEMS IN PROCESS OF COLLECTION (CIPC)	1,583,579	-	1,583,579
TOTAL CASH AT FEDERAL RESERVE BANK	84,936,361	-	84,936,361
TOTAL CASH ON DEPOSIT IN CORPORATE CUs	1	985,781	985,782
TOTAL CASH ON DEPOSIT - OTHER FI	10,787,452	807,467	11,594,919
TOTAL INVESTMENTS	440,945,508	449,488	441,394,996
TOTAL LOANS, NET OF ALLOWANCE	618,946,965	396,893	619,343,858
TOTAL FORECLOSED AND REPOSSED ASSETS	-	-	-
TOTAL LAND AND BUILDING, NET	14,724,429	-	14,724,429
TOTAL OTHER FIXED ASSETS, NET	2,280,942	131	2,281,073
NCUSIF SHARE INSURANCE DEPOSIT	9,035,578	22,626	9,058,204
TOTAL ACCRUED INTEREST ON LOANS	2,034,770	6,746	2,041,516
TOTAL ACCRUED INTEREST ON INVESTMENTS	666,200	1,407	667,607
TOTAL OTHER ASSETS	55,165,577	7,016	55,172,593
<b>TOTAL ASSETS</b>	<b>\$ 1,243,818,939</b>	<b>\$ 2,677,605</b>	<b>\$ 1,246,496,544</b>
TOTAL BORROWINGS	\$ -	\$ -	\$ -
DIVIDENDS PAYABLE	-	-	-
TOTAL ACCOUNTS PAYABLE AND OTHER LIABILITIES	9,552,055	91,721	9,643,776
TOTAL SHARES AND DEPOSITS	1,013,178,828	2,340,913	1,015,519,741
TOTAL EQUITY	221,088,055	244,971	221,333,026
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 1,243,818,939</b>	<b>\$ 2,677,605</b>	<b>\$ 1,246,496,544</b>
Net Worth Ratio	17.63%	9.15%	17.61%
Capital Ratio	17.77%	9.15%	17.76%

**FIRST FINANCIAL OF MARYLAND FCU AND WOR-CO FCU**  
**INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS AND NET WORTH**  
**SEPTEMBER 30, 2021**

	<b>First Financial of MD FCU</b>	<b>Wor-Co FCU</b>	<b>Consolidated</b>
TOTAL INTEREST ON LOANS	\$ 18,198,132	\$ 31,904	\$ 18,230,036
TOTAL INCOME FROM INVESTMENTS	3,776,433	7,697	3,784,130
TOTAL INTEREST INCOME	21,974,564	39,601	22,014,165
DIVIDENDS	1,726,135	1,996	1,728,131
INTEREST ON BORROWED MONEY	9	-	9
TOTAL INTEREST EXPENSE	1,726,144	1,996	1,728,140
PROVISION FOR LOAN LOSSES	819,000	-	819,000
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	19,429,420	37,605	19,467,025
TOTAL OTHER OPERATING INCOME	4,208,385	301	4,208,686
NON-OPERATING (GAINS) LOSSES	(54,002)	-	(54,002)
TOTAL NON-INTEREST INCOME	5,614,965	1,693	5,616,658
TOTAL EMPLOYEE COMPENSATION AND BENEFITS	12,436,777	30,984	12,467,761
TOTAL TRAVEL & CONFERENCE EXPENSES	169,189	-	169,189
TOTAL OFFICE OCCUPANCY EXPENSE	1,233,771	8,652	1,242,423
TOTAL OFFICE OPERATIONS	3,833,478	7,371	3,840,849
TOTAL EDUCATIONAL AND PROMOTIONAL EXPENSES	957,179	-	957,179
TOTAL LOAN SERVICING	1,249,378	558	1,249,936
TOTAL PROFESSIONAL AND OUTSIDE SERVICES	918,380	1,615	919,995
FEDERAL EXAMINATION FEE	180,091	405	180,496
MISCELLANEOUS OPERATING EXPENSE	1,882,798	-	1,882,798
TOTAL NON-INTEREST EXPENSE	22,861,040	49,585	22,910,625
NET INCOME BEFORE NCUSIF STABILIZATION	2,183,344	(10,287)	2,173,057
NCUSIF STABILIZATION EXPENSE	-	-	-
NET INCOME / (LOSS)	\$ 2,183,344	\$ (10,287)	\$ 2,173,057