



Eco-friendly PSFCU courier vehicle

Let's protect our environment

"Go Green" Campaign

We are thrilled to bring eco-consciousness to our Credit Union. We pledge to become more conscious of our use of resources at all our branches and offices. We will reduce waste, conserve, recycle and, whenever feasible, use renewable resources. We will evaluate our procedures and go electronic, whenever possible.

We will also offer eco-sustainable options to all our Members. We would like to become your source of financing eco-friendly projects and guide you to paperless solutions. Simply put, we want to lead by example!

Specific actions, among others, include the introduction of recycling bins throughout our institution, reducing the cost of our supplies and focusing on technological improvements (replacing faxes with scanners and reducing the amount of printouts). We will also focus on energy preservation (new electronic switches will allow us to save on power). We recently even purchased a brand new fuel efficient courier vehicle.

All GO GREEN ideas and suggestions from our members are welcome! Please contact us at marketing@psfcu.net

15th Anniversary of PSFCU branches

Boro Park & Clifton Branches celebration

September 16, 2011 marked the 15th Anniversary celebrations of PSFCU branches in Boro Park, NY and in Clifton, NJ. Both locations were opened in 1996: Boro Park was the third PSFCU location in New York City, while Clifton was the second one in New Jersey.

On this occasion, Ms. Agnieszka Chwatko and Ms. Marzena Fernandes, Branch Managers at Boro Park and Clifton respectively, offered refreshments to their clients and encouraged them to participate in an anniversary prize drawing. Prizes included three gift baskets filled with PSFCU

continued on page 6...



\$100 award winner at the Boro Park

PSFCU employees help children

Gift of Life to Polish Children from our Credit Union

Representatives of PSFCU management and employees presented Ms. Caroline Kowalczyk, President of the Polish Gift of Life, Inc., with a check in the amount of \$4,500 on Thursday, August 18, at the Credit Union headquarters located at 100 McGuinness Blvd, Brooklyn. The amount will be allocated to cover the cost of life-saving surgical treatment for Polish children.

Every year, PSFCU helps to support approximately 100 Polish organizations. Since the

continued on page 6...



Polish Gift of Life receives the donation

Brief Update

Important Issues

Dear Friends,

From the moment I took leadership of our Credit Union, I began analyzing the structure and functioning of our organization. For the past three months, the Board of Directors, my colleagues and myself



have been developing an action plan for our Credit Union's immediate future. While still working on the plan, we already began implementing some of the proposed actions, which would immediately and directly help our members in this current difficult and complicated economic situation. For example, thanks to the credit card promotion, our members are able to reduce interest rates on their debt transferred from other financial institutions; thanks to our loan promotions, on the other hand, many have saved on application fees for adjustable rate mortgage loans. We have also introduced new types of loans (e.g. fixed-rate loan for condominiums) and lowered interest rates on many types of mortgages.

We have also initiated a gradual process aimed at reducing operational costs, which have had an adverse effect on PSFCU's

continued on page 6...

TABLE OF CONTENTS

BRIEF UPDATE

Important Issues 5

FINANCIAL PRODUCTS AND SERVICES

New Statement options 7
 Retail Benefits 7
 Easy PIN changing 7
 Something for Our Young Members 7

UNITED BY THE CREDIT UNION

Boro Park & Clifton Branches celebration ... 5
 Gift of Life to Polish Children from our Credit Union 5
 "Go Green" Campaign 5

OUR CREDIT UNION

"Golden Mirrors" Award for PSFCU 8
 Credit Union Television Commercials ... 8
 PSFCU at Festivals 8
 A Slow Economy Leads to 8
 Low Dividend Rates 8

...continued from page 5

financial results. We have launched the "Go Green Campaign", which we immediately implemented at PSFCU. Its goal is to reduce the use of paper and supplies as well as the cost of energy, and it places a strong emphasis on the recycling of glass, metal and paper – thus helping to protect our natural environment. In the near future, we plan on starting a vigorous promotion of E-Statements. Taking into consideration the high amount of paper statements printed and mailed out monthly, we expect the savings to be significant.

As part of the previously mentioned future strategy, we plan to cooperate closely with our Credit Union's seven sponsoring organizations. Sponsoring organizations play a significant role in the structure of the American credit union movement, acquiring new members and performing many promotional and marketing activities. I am pleased to say that our partners recognize the need for increasingly close cooperation. We will be meeting with them in the nearest future to further discuss methods of action that will directly benefit our Credit Union.

According to the predictions of financial specialists, we can expect a continuation of the negative trends in the financial markets, especially low interest rates implemented by the Federal Reserve Bank. Unfortunately, this limits our ability to offer higher interest rates on deposit accounts. In view of that fact, the reduction of our Credit Union's operational costs and increasing our labor productivity have acquired paramount importance.

Despite the disadvantageous economic backdrop, our institution continues to grow, both in terms of the number of members, as well as the amount of assets we hold. Fortunately, this trend was not affected by the events of recent weeks, when we experienced the destructive forces of nature in the form of an earthquake, a hurricane and a flood. I am proud to inform you that our employees and members proved that they can cope in all situations, including natural disasters, during which we managed to avoid any significant interruption of our branch operations.

With our strong capital position, we will continue to offer attractive promotions to our members, especially those involving credit products. I cordially invite you to familiarize yourselves with our offer for October, which, as you probably know, is Polish Heritage Month in the United States.

Oskar Mielczarek,
President and Chief Executive



Gift of Life

...continued from page 5

beginning of this year, the PSFCU Board of Directors has awarded grants totaling \$213,000, to 98 organizations. In June, our Credit Union granted \$300,000 in scholarships for young adults.

Ms. Agata Król, Manager at the Human Resources and Training Department, launched the fund raising campaign for the Polish Gift of Life among PSFCU employees in May, after receiving a request for help from Ms. Kowalczyk. Ms. Lori O'Toole, Vice President of Human Resources, supported the idea and reported it to the Board of Directors, asking for an additional contribution. The Board members promised to match the amount collected by the Human Resources Department.

Ms. Król and Ms. O'Toole helped spread

Boro Park & Clifton...

...continued from page 5

premiums and Polish sweets, as well as a \$100 gift certificate.

The Boro Park branch currently serves 5,947 members; its eleven employees provide services at six teller stations and four Member Services Representative desks. "Some of the members have been with us from the very beginning – ever since we opened the branch. Opening a branch here became a necessity for the local Polish community and to this day, the demand for our services remains high," said Ms. Chwatko.

Members visiting the Clifton branch are served by ten employees at three teller stations and four Member Services Representative desks. "Currently, 7,800 members have accounts at our branch. We strive to meet their needs, as well as those

the initiative to raise money among the CU employees, naming it "Hearts of Hope." They offered our employees the opportunity to purchase handmade ornate red paper hearts for \$1. The original plan was to raise approximately \$1,000. Thanks to the generosity of our staff and Management, the collected amount reached \$2,250. The Board of Directors, on behalf of the PSFCU and in accordance with their earlier promise, granted an additional \$2,250, raising the total sum to \$4,500.

The Polish Gift of Life is an organization with a thirty-year history, during which it has helped over 350 Polish children receive life-saving medical treatment. Its employees are volunteers who receive no financial compensation for their efforts. Most funds received by the organization are in the form of individual goodwill donations.



Clifton branch staff with one of the winners

of the entire Polish community. Therefore, our branch is open longer on Wednesdays and Fridays," Ms. Fernandes commented.

Members who visited both branches during the anniversary celebrations expressed high satisfaction with the friendly service and atmosphere, which reminded them of Poland and their own homes and traditions.

A Slow Economy Leads to Low Dividend Rates

In an effort to assist our members during this slow economic and low interest rate cycle, Polish & Slavic Federal Credit Union has tried to maintain the highest possible dividend rates for all maturities of member deposits.

This was recently demonstrated by our Certificate of Deposit incentive during May and June 2011, when PSFCU offered all members an additional 0.50% for deposits with maturities of 2-4 years, and an extra 0.75% for those member funds placed into 5 year Term Share Certificates.

PSFCU efforts are significant because the last three years have been draped with a stagnant housing market, a stock market which has seen many downward shocks and continued unemployment of over 9%.

Consequently, the Federal Reserve Bank has decided to maintain their current policy of interest rates close to 0%, which has

many implications. Primarily, this means that depositors in U.S. Banks and members of Credit Unions will receive much lower dividend rates for their funds than they have historically received in the past.

The Federal Reserve Bank Chairman, Ben Bernanke, has said that this policy could last as long as mid 2013, and commented that "the pace of the U.S. recovery has proved disappointing." The Federal Reserve Bank has continually tried to revitalize the U.S. economy over the last 3 years, but it has had only modest success. "The risk of a recession is somewhat higher than it was six months ago," added New York Federal Reserve Bank President, William Dudley.

Interest rates go up and interest rates go down, but at Polish & Slavic Federal Credit Union we strive to afford our members the highest relative yields possible in all dividend rate products and in all dividend rate cycles.

 **Attention Parents!**

Something for Our Young Members

Although the school year officially began a few weeks ago, certainly school-related spending is not over yet. The new school year is an excellent opportunity to remind you that our Credit Union offers financial products and services for children and young adults; products that educate them about the importance of saving as well as help parents reduce costs. Listed below are the most popular opportunities:

“School Is Cool” promotion – we would like to remind you that each new minor member of the Credit Union may obtain a useful backpack or an attractive school kit! This offer is valid only until the end of October.¹

“Youth Advantage Program” – A set of financial products and services for children and youth in three age categories.

Electronic Account Transfers – Those using our free Internet Banking can now transfer funds from their PSFCU accounts to their children's PSFCU accounts without the need to visit a branch.

Visa® Credit Cards – With a line of credit, a young adult can build his/her credit history while learning financial responsibility and parents can be assured that their child has

reserve funds for unforeseen expenses.

Visa® Gift Cards – Receiving this gift card, with a specified spending limit, allows a young adult to learn how to spend money responsibly.²

Car Loans – Our Credit Union currently offers a 0% promotional interest rate for the first 3 months on car loans – a great opportunity for our young adults, who are currently studying in and commuting to college, to finance a cost-effective and safe vehicle.³



1. One gift per person. Membership restrictions apply. 2. Offered to students 16-23 years of age. Parent's signature as guarantor may be required. Maximum limit is \$2,000.00. 3. Applicant must be 18 or older. All loans are subject to credit approval and verifications. To be eligible for 0% automatic payment from the PSFCU checking account is required. If the checking account is closed or the automatic payment is cancelled the rate will increase to the regular APR effective as of the date the loan is established. Promotion valid from October 1 to December 31, 2011.

Membership requirements apply. Other requirements may apply.

 **Cash Back for Shopping**

Retail Benefits

We are pleased to announce a brand new PSFCU Member benefit design specifically for you. It is called Cash Back Shopping and it will allow you to earn cash back every time you do your on-line shopping through our brand new PSFCU shopping portal. And if you use your personal PSFCU VISA® Card when you shop, your rewards can be even richer!

When you access your favorite stores through our shopping portal, the merchant will give you money back for shopping with them. It is that easy. The merchants have agreed to give you back between 2% and 40% of the total cost of your purchases! Additionally, any coupons or on-line shopping promotions you may have with that merchant will also be honored.

And the benefits keep getting better: If you shop with your PSFCU VISA® Card (Gold & Platinum only) you can also earn valuable points in our VISA® Reward Program that can be used for future travel or merchandise rewards.

There are currently thousands of merchants who are participating in this program, with more joining every day. Merchants like Best Buy, Target, Barnes & Noble, Wal-Mart, Bloomingdales, Macy's and Travelocity have already signed on.

Cash Back Shopping costs you nothing to use. You can use this portal from your home computer or through any other internet connection as well.

PSFCU has no connection to the merchants you choose to shop with and is not involved in any way with any transaction, financial or otherwise. PSFCU does not receive records of your shopping habits, and we do not get any type of financial incentive for this service. Once you access your merchant through the PSFCU Retail Benefits portal, you are shopping with the merchant, just like you would if you had gone directly to their website.

The money you earn comes directly from the merchant and gets deposited into your Retail Benefits Account. Earned cash back can be sent directly from Retail Benefits to your bank account or you may receive it by check.

You may also donate the money you are saving to a charity of your choice. You will receive a separate email shortly inviting you to join Retail Benefits through the PSFCU web portal. Simply click on the link provided, set up your personal profile and start shopping.

We hope you take advantage of Cash Back Shopping together with the PSFCU VISA® Card Rewards Program for a truly worthwhile shopping experience!

 **New convenient features for your Consumer and Business Debit Cards**

Easy PIN Changing

Recently, we have implemented two new enhancements to our Consumer and Business Debit cards, which will not only be very convenient, but will also save you time and simplify the way you use them.

Card Activation by PIN: this feature allows you to activate your new card by performing PIN transactions at any ATM terminal.

Changing PIN at ATM Terminal: this feature permits you to change your PIN at one of the PSFCU ATM Terminals. Please note that this transaction requires input of the current PIN and, it will not work if you don't remember it. In such situation, you will need to either call the Call Center to have a new PIN assigned or visit one of our branches.



New Statement Options




Saving paper saves the environment... Join our “Going Green!” campaign! You can choose either of the following two options to reduce paper consumption:

Option One: Electronic Statements. This option will allow you to receive an electronic version of a paper statement. The statement can be viewed immediately after it is prepared, without waiting for delivery by mail! This option is available to all users of our Internet Banking – if you do not yet have access to PSFCU Internet Banking, call Member Services at 1-800-297-2181.

Log into your account on www.psfcu.com, select “E-Statements” under “Electronic Services” and click on “Activate Service.”

Option Two: “One Address – One Envelope.” You can reduce the number of mail pieces sent to you from our Credit Union if the persons living in one household inform our Credit Union that they would like to receive all their account statements in one envelope. This option allows us to save paper and all monthly statements are delivered at the same time.

To use this service, contact Member Services (1-800-297-2181) or visit one of our branches. If necessary, this option can be easily cancelled, either by changing it back to separate mail pieces or by activating electronic statements.

 *Facts you should know...*

"Golden Mirrors" Award for PSFCU



Marketing awards won by PSFCU

PSFCU has won a prestigious Golden Mirrors Award in a nationwide annual marketing contest organized by CUES (Credit Union Executives Society). All leading US credit unions participated in the competition – winning entries can be viewed at www.cuesgma.org.

PSFCU won its award in the "Membership Kits" category. Our winning entry was the PSFCU Welcome Brochure. Currently, the brochure is given to every new Member at account opening.

PSFCU has won 3 other marketing awards, all from CUANY (Credit Union Association of NY): two for PSFCU Calendars and one for an Annual Report.

Marketing would like to thank all who assisted us with this project: Joanna Adamska, Małgorzata Dymkowska, Ewa Grzymkowski, Dorota Jankowska, Agnieszka Laurowska, Krzysztof Lubas, Anna Murdzoski and many others who offered their insight.

Special thanks to Edyta Martula and Agnieszka Poslednik who contributed the most, making this publication an award-winner.

Credit Union Television Commercials

For several months, our Credit Union has been broadcasting a series of television

advertisements based on the use of Polish idioms. These ads contain amusing animations and customer service outtakes, which were filmed at our branches. The first ad uses "don't get squeezed into a tight space" to promote credit cards, the second, based on "don't let anyone cheat you blind" promoting mortgage loans and the third, built around the idiom "don't be taken for a ride," promoting automobile loans. The success of the advertisements is already visible as viewers have called our Credit Union with extremely flattering (and often humorous) comments.



A scene from the credit cards commercial

SKORZYSTAJ Z ODJAZDOWEJ OFERTY!

Oferujemy promocyjne pożyczki samochodowe:

**0%
APR**

przez pierwsze trzy
miesiące, gdy zleczysz
automatyczne płatności
kredytu oraz atrakcyjne
oprocentowanie
pożyczek na wiele lat.



Złóż wniosek kredytowy w dowolnym oddziale Naszej Unii lub na www.NaszaUnia.com

Kredyty dla osób, które ukończyły 18 rok życia. Podstawą zatwierdzenia kredytu jest ocena historii kredytowej i zdolności do spłaty kredytu. Oprocentowanie 0% jest uzależnione od automatycznej płatności pożyczki z konta czekowego w Unii Kredytowej. Zamknięcie konta czekowego lub anulowanie automatycznej płatności spowoduje powrót do oprocentowania standardowego z dnia wydania pożyczki. Promocja jest ważna od 1 października do 31 grudnia br. Zasady członkostwa obowiązują. Inne ograniczenia mogą obowiązywać.



PSFCU at Festivals

This year, PSFCU has participated in numerous Polish events in the Chicago metropolitan area: the 57th "Bukowina Tatrzańska" Circle Picnic, the 34th "Zakopane" Circle Picnic, the 83rd "Podczerwone" Circle Picnic, the Podhalański Picnic as well as the Radio 1030 Festival. For the first time, our Credit Union also participated in the largest Polish festival in Chicago, the popular "Taste of Polonia," which was held for four days at the Copernicus Center, at 5216 West Lawrence Avenue.

During the first weekend of September, our Credit Union also took part in the biggest East Coast festival at American Częstochowa in Doylestown, PA.

As one of the main sponsors of these events, PSFCU prepared stands filled with numerous premiums and gifts for our current and potential customers. At the events, guests were able to take advantage of PSFCU offers, thanks to the presence of our employees and our Mobile Branch.

In each case, our Credit Union sought to attract new members by offering special rewards for those who decided to open accounts during the event. Current PSFCU members had an Opportunity to participate in special prize drawings.



Radio 1030 Festival