



Cancer screenings at the PSFCU branch in Maspeth

Cancer Screenings at PSFCU

Aside from offering complex financial services to the Polish-American community, Polish & Slavic Federal Credit Union is also involved in numerous community initiatives, for example offering free medical screenings to PSFCU members and local communities.

On March 23, 2013, in cooperation with the American Cancer Society, PSFCU provided free cancer screenings to our members and other New York State residents at our branch in Maspeth. This was the eighth medical screening session organized by PSFCU,

but the first one involving cancer screenings.

The sign-up list filled up within one week after the information about the screening was released. For that reason, we have decided to hold an additional session on April 13. PSFCU closed its parking lot for the huge American Cancer Society bus, equipped with specialized medical equipment, where the screenings were being conducted. We also made our facilities available for this event and provided our members with Polish language

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Mini Studies 4U at the Clifton Branch

An informative session about financing higher education, sponsored by our Credit Union, was held on Friday, February 22, 2013 at the PSFCU branch in Clifton. The seminar series, organized for years by the Polish Students Organization, is extremely popular among the Polish youth in the US. Both potential students and their parents eagerly participate in these meetings to learn how to ensure funds for studying in America.

Dr. Katarzyna Kowalska conducted the interactive lecture about the structure of college education in the United States. She talked about the cost of studying, she spoke about financial aid for students and about calculating the family's potential education expenses, and she presented the scholarship programs available from Polonia organizations.

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From the Board of Directors

Dear Members,



At the beginning of January, our Credit Union entered a new year of its existence. We are very proud that, despite the prolonged difficult market situation, our institution growth and continued trust of our community. In spite of external factors, we take care to ensure that PSFCU achieves the best possible results and are happy to see it continue to grow.

The past two decades were characterized by the dynamic extension of our Credit Union's footprint. We have opened branches in new Polish communities in order to provide our services to an increasing number of Polish clients. As a proof of the correctness of this decision, PSFCU is able to continue its development even when new immigration from Poland, for years the primary factor of our growth, has slowed down to such an extent that it now has minimal influence over our expansion. Currently our Credit Union has already sixteen branches in the states of New York, New Jersey and Illinois. In February of this year, our branch in Linden, NJ celebrated its tenth anniversary. On this occasion, PSFCU members visiting the branch on Saturday, February 16 had an opportunity to receive refreshments and company premiums. We also held an anniversary drawing of prizes – gift baskets with Polish sweets and PSFCU Gift Cards.

We strive to repay the trust placed in us by our members offering them the best possible financial products and introducing new, attractive services. We are currently working on introducing a new service which will help

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Happy Easter!

TO ALL OUR MEMBERS, THEIR FAMILIES
AND ALL OF POLONIA
FROM THE BOTTOM OF OUR HEARTS

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PSFCU members avoid penalty fees related to checking account overdrafts. In March we also began final testing of remote check deposits with a smart phone using PSFCU Mobile Banking. We hope to release this service to our members during the second quarter of this year.

We are very satisfied with positive indicators concerning our expansion to the state of Illinois. Good operating results of our branches in that state prove that the decision to enter that market was absolutely correct. In order to remain competitive, our Credit Union must grow; because of the changing dynamics of the Polish population, we must follow our community. In this respect, Chicago was an obvious choice. The success of our expansion did not go unnoticed – Michael Fryzel, NCUA Board members, stated that our success in that market is a clear indication of their vision and analysis of the need for credit union services for thousands of local residents.

During the past months, I have received two petitions whose authors demanded calling a special meeting to remove several persons from the PSFCU Board of Directors and to revoke their Credit Union membership. In

spite of the fact that both petitions were signed by a sufficient number of members, their content included significant flaws due to which both of them had to be rejected. For that reason, we organized an informational meeting of the Board of Directors with PSFCU members – it took place on March 15, 2013 at the PSFCU community room located at 100 McGuinness Blvd. in Greenpoint. At the meeting, detailed reasons for rejecting both petitions were presented. Ladies and Gentlemen, calling a special meeting is not only very expensive for the Credit Union and all of us, it should also serve as a last resort, when all other avenues have been exhausted. Therefore, such meeting cannot be called in an ill-conceived manner, based on improperly prepared petitions which would force us to violate the PSFCU Bylaws or NCUA recommendations and regulations. Not only would such decisions fail to improve the Credit Union situation, but they would also cause severe consequences on the part of PSFCU's regulatory authorities.

When you receive this copy of our quarterly newsletter, elections to the Board of Directors will be in full swing. It is a very important period because through the election of directors, members have the best opportunity to influence the direction in which our Credit Union will

develop. I strongly encourage you to familiarize yourselves with the qualifications of persons running for the Board and to take part in the election. This is the only way of having a direct input in PSFCU's further development.

The annual meeting of PSFCU members will be held on May 19; at the meeting, reports for fiscal year 2012 will be presented and results of elections to the PSFCU Board of Directors will be announced. I will have the honor of chairing that meeting for the last time in my capacity of the Chairperson of the Board of Directors. I would like to take this opportunity to thank all members of the Board for their productive cooperation and wish them luck and success, particularly in taking care of our common good – our Credit Union.

Because this issue of the UNIA newsletter is being prepared before the Easter holidays, I would also like to conclude by wishing all PSFCU members, employees and volunteers a very healthy, peaceful and happy Easter.

Sincerely,

Marzena Wierzbowska
Chairperson of the
PSFCU Board of Directors

Mini Studia 4U...

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PSFCU representatives spoke about the program for financing education available through our Credit Union and answered questions regarding the criteria for applying for Credit Union Student Choice loans as well as PSFCU credit cards offering competitive rates.

The "Mini Studies 4U" informative session was scheduled to last one and a half hours

but it took about three hours due to the record attendance. Right after 7:00 pm, the branch started to overcrowd and over 80 people filled the room before the lecture started. PSFCU offered refreshments for the participants.

Following the successful meeting, at the request of numerous participants, Dr. Kowalska promised to prepare another session dealing with other aspects of college studies in the US. PSFCU pledged to organize and sponsor the event. Details will be available soon at



Studies 4U session at the Clifton branch

www.psfcu.com and on our Facebook page.

Cancer Screenings...

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materials and the services of an interpreter.

The screenings included mammography for women aged 40-64, colorectal cancer tests for persons aged 50 and above and referrals for cervical cancer tests to physicians participating in the program. A mammography test on average took only a few minutes

"I have come here today for the first, but definitely not the last time. Such screenings are usually very expensive, so I am very happy that the Credit Union offers such programs for free; that is what separates it from a mere bank" – said Ms. Urszula Szmuc, who took the opportunity to test her health. Numerous persons admitted that if not for the free screenings, they would not visit a

doctor in the near future.

The screenings, which began at 9:00 AM, ended at approximately 5:00 PM. 62 women had a mammography test and 46 colorectal cancer test kits were provided. American Cancer Society employees praised our Credit Union for the excellent organization of the event and thanked us for our cooperation. The next screening session will be held on April 13.



Mobile cancer screening laboratory at the Maspeth branch

Relay for Life

We are proud to announce that PSFCU employees have joined the American Cancer Society and are actively participating in efforts to raise funds for research aimed at combating this deadly disease. We encourage our members to join us in this initiative! Simply log on to www.psfcu.com, click the *Help Us Fight Against Cancer* link and select or join either one of our teams or an individual participant

Fundraising will end in June with an all-night event called *Relay for Life*. Our Credit Union will participate in the events in Clark, NJ on June 14-15 and in Glendale, NY on June 22-23. We encourage our Members to participate in these events and to donate money to this honorable cause.

NEW REGULATIONS GOVERNING THE UNDERWRITING OF MORTGAGE LOANS

A new regulation called the Ability-to-Repay and Qualified Mortgage Rule is scheduled to go into effect on January 10, 2014. This reform influences the mortgage application process and imposes new lending criteria on us and our members. We asked William Arnold, Chief Lending Officer at the PSFCU about the new regulations and what they practically mean for PSFCU.

UNIA: Please explain why the Ability-to-Repay was introduced and how does it affect the process of applying for a loan?

WA.: The Dodd-Frank Wall Street Reform and Consumer Protection Act, introduced in 2010, mandates lenders to take into consideration a lot more factors when evaluating mortgage loans. This is ensured by the Consumer Financial Protection Bureau's (CFPB) Ability-to-Repay rule. Primarily, what the new law means is that as of the beginning of 2014, lending institutions will no longer be able to offer the so-called 'stated income' loans. When a person applies for a mortgage with a financial institution, he or she may not understand what kind of financial commitment they are making. They may assume that lenders and mortgage brokers will not offer them a loan they cannot afford. Unfortunately, in the past, lenders too often underwrote mortgages which could not be paid back by consumers, so many people ended up in delinquency and foreclosure. The new regulation imposes upon us a requirement to look at a consumer's financial information before making a mortgage loan and be sure that the consumer can afford to repay the loan he or she takes.

UNIA: Does this new regulation affect mortgage loans only?

WA.: This rule applies to most mortgage loans. However, it excludes certain types of loans, like home equity lines of credit, timeshare plans, reverse mortgages, and temporary loans. This

rule also creates a category of loans that have certain, more stable features. This category of loans is called Qualified Mortgages (QM). Lenders that make QMs are presumed to have met the Ability-to-Repay requirements.

UNIA: What is the purpose of the Qualified Mortgage rule?

WA.: The Ability-to-Repay/QM rule will help make sure that you get a mortgage loan you can afford. The rule will also help make sure that responsible lenders aren't forced to compete with reckless lenders engaged in risky practices. Under the Ability-to-Repay rule, before you get a mortgage loan, the lender will have to determine if you will have the ability to repay the loan.

UNIA: What documentation can our members expect to be asked for when applying for a mortgage now?

WA.: The lender will have to verify your financial information using standard documents, such as a W-2 or a pay stub. Generally, the lender must take eight factors into consideration:

- Your current income or assets
- Your current employment status
- Your credit history
- The monthly payment for the mortgage
- Your monthly payments on other mortgage loans you get at the same time
- Your monthly payments for other mortgage-related expenses (such as property taxes)

- Your other debts
- Your monthly debt payments, including the mortgage, compared to your monthly income ("debt-to-income ratio"). The lender may also look at how much money you have left over each month after paying your debts. Basically, you must have enough assets or income to be able to pay back the mortgage. The lender must determine that you can repay the loan. The lender must also look at your debt-to-income ratio or the amount of money you'll have left each month to pay for things like food and utilities.

UNIA: What about promotional rates that can be offered for a certain amount of time? Does the new regulation apply to these as well?

WA.: The lender can't use promotional, temporary low payment rates to determine whether you are able to repay the entire mortgage. For example, if the loan is an adjustable-rate mortgage, the lender will generally have to consider the highest interest rate that you may have to pay. Such practice protects both the lender and the borrower.

UNIA: Are there any exceptions to the rule?

WA.: Yes, the rule does include exceptions for refinancing a consumer out of a risky loan. In specific circumstances, the Ability-to-Repay rule may not apply to a creditor refinancing a borrower from a risky mortgage to a more stable mortgage. An example of a risky loan could be an interest-only loan. An example of a more stable mortgage could be a fixed-rate mortgage

UNIA: So, to summarize, what are the main features of Qualified Mortgages?

WA.: In order to become Qualified Mortgages, offered products cannot have the following loan features:

- An "interest-only" period, during which consumer pays only the interest without paying down the principal.
- "Negative amortization," when the loan principal increases over time, even though the borrower is making payments.
- "Balloon payments" which are larger-than-usual payments at the end of the loan term. However, balloon payments are allowed in certain specific circumstances.
- Loan terms that are longer than 30 years.

There is much more to this regulation, so I encourage everyone to visit our website at www.psfcu.com and read in depth about the new rules before applying for a mortgage.

UNIA: Thank you for the interview.



What's New at PSFCU

Mobile Deposits Coming Soon!

Mobile deposit gives our members the ability to make check deposits without going to the branch. By utilizing smartphones, either iPhone or Android devices, all members have to do is take a picture of the front and back of checks and they will be able to deposit these checks directly into their PSFCU checking accounts. In order to have this functionality, members just need to install a PSFCU Mobile Banking app and enroll in PSFCU's mobile banking system. PSFCU is currently testing this functionality internally and is hoping to have it available to our members during the 2nd quarter of this year.

Linden Branch Turns 10!

The Linden branch of our Credit Union celebrated its 10th anniversary on Saturday, February 16. Numerous attractions were prepared for our members to celebrate this occasion. Ms. Barbara Zawlocka, Manager of the Linden branch, offered refreshments to visiting guests, who also received PSFCU premiums. On March 3, an anniversary prize drawing was held; 10 gift baskets with sweets and PSFCU gift cards were given to ten lucky winners who filled out entry forms at the Linden

branch between February 1 and February 28, 2013.

Online Mortgage Applications

You will soon be able to submit an application for a PSFCU mortgage loan online. For the past several months, our Lending Department has been working on providing our members with the ability to submit applications for such loans from their home computers. The platform is currently being tested at PSFCU branches and will soon be publicly available through our website.

PSFCU Scholarship Program

The deadline for submitting applications for PSFCU scholarships for college students passed on March 15, 2013. Received applications will be reviewed by the Scholarship Committee and the results will be announced in May. We would like to remind you that only complete scholarship applications will be considered. Up-to-date information about the PSFCU Scholarship programs can be found on our website at www.psfcu.com.

PSFCU Supports Greenpoint Homeless

A Christmas evening for the invited guests and the homeless residents of Greenpoint took place on Friday, January 11, 2013 at a building owned

by the Church of Ascension located at 122 Java Street in Brooklyn, NY.

Thanks to the assistance of numerous sponsors, including our Credit Union, 10 Polish homeless people have safe shelter at the Reformed Church on Milton Street in Brooklyn. Aside from financial support, PSFCU also organized a warm clothing drive for the homeless. Thanks to this initiative, taken up by PSFCU employees, residents of the new shelter received warm winter clothes.

PSFCU Took Part in the WOSP Final Concert

The 21st final of the Great Orchestra of Christmas Charity was held on January 21, 2013. This year, at the organization's request, PSFCU allowed the Orchestra donation boxes to be placed inside all PSFCU branches in New York and New Jersey. Volunteers collecting donations on behalf of the Orchestra in both states were able to use our branches for a brief rest and to get a hot cup of tea or coffee. Personnel of numerous branches dressed in red for the occasion and proudly wore the Orchestra red heart badges. Our employees eagerly took part in the event and were willing to do so again next year.

Thanks to their initiative and the generosity of persons visiting our branches, the total amount of funds collected at PSFCU locations was nearly \$5,000, totally exceeding our expectations.

Tips on How to Use An ATM Safely

Although using an ATM offers quick and easy access to cash, one must remember to keep safety precautions when withdrawing money from a machine. Below you will find a list of recommended security guidelines when using any publicly accessible ATM, both in the US and overseas.

Carefully check the surroundings

- Try not to use an ATM at night. If you have to perform such transaction, if possible, do so in the presence of a person you know;
- When performing a transaction, avoid using the help of an unknown person;
- Minimize the time spent at an ATM;
- Park your car as close to the entrance to the

ATM as possible;

- When waiting at a "Drive-Thru" line, do not turn the engine off, lock your doors and close all windows. Maintain ample space from the car ahead of you so that, in an emergency, you are able to drive away quickly.

Be careful when performing the transaction

- Before inserting your card, check if a skimming device has been installed over the card reader;
- Stand close to the machine so that no one could see what you are doing;
- Protect your PIN; while entering the number, cover the keypad with your hand so that no one can see it or record it with a camera;
- If, while performing the transaction, you

notice anything or anyone raising suspicion, cancel the transaction and immediately leave the ATM;

- After completing an ATM transaction, take your cash, envelope and receipt and leave the ATM quickly. Count the cash you have withdrawn in a secure location;

Maintain vigilance after the transaction

- If you notice someone following you after performing an ATM transaction, go to a busy well-lit location and call the police;
- Verify printed ATM transaction receipts against your account statement. You will then be able to discover any possible unauthorized transactions;
- Report the theft or loss of your card immediately.



Who says gifts are only given in winter?

**Treat yourself
to a gift this Spring!**

**PSFCU Auto Loans
as low as**

**1.99%
APR***

*APR - Annual Percentage Rate. Promotional rate of 1.99% applies to 1-3 year new and used car loans. Promotion is valid from March 20 until May 31, 2013. Registration of automatic loan payment from a PSFCU checking account and an active Debit Card are required to obtain the promotional rate. Without automatic payment, and active Debit Card, the rate will be 0.25% higher. All loans are subject to credit approval and verification. Other restrictions may apply. For additional information concerning this promotion and other credit offers, call 1-855-PSFCU 4U or log on to www.psfcu.com.



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