

MONTHLY NEWSLETTER OF THE POLISH & SLAVIC FEDERAL CREDIT UNION

Dear Members,

As the Treasurer of the PSFCU Board of Directors, I would like to share with you the financial results that our Credit Union achieved in 2016. During this period, the value of our assets rose by \$89.7 million to \$1.78 billion. Our loan portfolio increased by \$38.8 million, reaching \$978.9 million. The majority of our loan portfolio is made up of residential mortgages, whose value increased by \$13.6 million to \$605 million. Commercial real estate and business loans grew by \$21.6 million in 2016 to \$296.7 million, and consumer loans increased by \$3.7 million to a total of \$77.2 million. In the same year, the PSFCU's investments increased by \$43.2 million to \$720.5 million.



fit of the PSFCU for calendar year 2016 totaled \$9.3 million. This was the second highest net profit in the 40-year history of our Credit Union. At the end of 2016, the PSFCU's net worth amounted to \$169.5 million, which yielded a capital ratio of 9.53%. According to the criteria set by the National Credit Union Administration, we are classified as a well-capitalized credit union. I am glad to tell you that due to our financial results in 2016, our Credit Union received the highest 5-star rating awarded by Bauer Financial., an independent company that evaluates the financial condition of banks and credit unions.

Thanks to our stable financial standing, the PSFCU continued to support the Polish community on similar, and even increasing level in 2016. Under our marketing, donation and scholarship budget, we allocated nearly

\$2.5 million to sponsoring and funding hundreds of initiatives, schools, organizations, parishes and students. In this way we are proudly and effectively contributing to building a strong and prosperous Polish ethnic group in the United States.

In analyzing these results, we are pleased to say that 2016 was another successful year of growth for our institution, and we achieved this success in spite of the unfavorable macroeconomic situation for banks and credit unions. I would like to thank you for your trust and support and invite you to visit our branches and take advantages of our services.

Sincerely,

*Ryszard Bak*  
Treasurer of the PSFCU Board of Directors

In 2016 we also saw a significant rise in member deposits. Your savings at our Credit Union increased by \$82.2 million in 2016 to a total of \$1.58 billion. Our growing deposits demonstrate your trust in our institution, and I would like to sincerely thank you for that.

From January 1 to December 31, 2016, we were joined by 8,686 new members and at year end, the membership of the Polish & Slavic Federal Credit Union totaled 89,269. That number includes 45,472 members of our New York branches, 26,467 members of our New Jersey branches, 16,828 members of our Illinois branches and 502 members of our E-branch.

As a result of our operations the net pro-



PSFCU employees presenting "How to Buy a Home with PSFCU" seminar

## PSFCU In Numbers

information as of January 31, 2017

Assets

**\$1,782,514,561**

Loans

**\$981,435,156**

Net Worth

**\$170,312,342**

Number of Members

**89,495**

## "How to Buy a Home with PSFCU" Seminar

On February 21, the PSFCU held a "How to Buy a Home" seminar at the 140 Greenpoint Ave. branch. The meeting focused on the current real estate market situation, discussing the legal aspects of buying a property, and Greenpoint branch loan specialist Dorota Ciszewska explained ways to finance the purchase of real estate. Our

Credit Union feels that knowledge is the basis for PSFCU members making the right decision on buying real estate. The next "How to Buy a Home" seminars will be held March 25 at 3:00 p.m. at the PSFCU's Norridge (4147 N. Harlem Ave, Norridge, IL 60706) and Schaumburg branches (1112 S. Roselle Rd., Schaumburg, IL 60193).

## Anders Army Exhibit in Greenpoint

We cordially invite you to view the “Anders Army – Trail of Hope” exhibition, which will be shown until March 25, 2017 at the PSFCU branch at 100 McGuinness Boulevard in Greenpoint, New York.

The “Anders Army – Trail of Hope” exhibition was created under the patronage of Polish Prime Minister Beata Szydlo and was first presented at the Chancellery of the Prime Minister in Warsaw, where it was opened by Senator Anna Maria Anders, the daughter of General Wladyslaw Anders. Since that time, the exhibition has been displayed in such places as Los Angeles. Now the epic story of what is known as “Anders Army” and the subsequent emigration of soldiers fighting for independence has come to New York.

The exhibition presents the events that immediately preceded the Sikorski-Mayski Agreement and particularly the events after the Molotov-Ribbentrop Pact took effect and the Soviet attack on Poland on September 17, 1939, and their multi-dimensional consequences, especially for the Poles deported deep into Soviet Russia. Signed 76 years ago,



W 75. rocznicę podpisania 30 lipca 1941 r. układu Sikorski-Majski  
On the 75<sup>th</sup> anniversary of the signing of the Sikorski-Mayski agreement

### Armia Andersa – Szlak Nadziei Anders Army – Trail of Hope

PSFCU Branch at 100 McGuinness Blvd., Brooklyn, NY  
March 10 - 25, 2017  
during branch business hours

for the prisoners in the camps of Siberia and Kazakhstan, the Agreement provided salvation from certain death and hope that they would get through to a free Poland with arms in hand. The exhibition was organized by leading Polish academic, historical and archival institutions such as the New Records Archives, the Marshal Jozef Pilsudski Central Military

Library, the Polish Institute and General Sikorski Museum in London, the Polish Army Museum, and the National Digital Archives. The exhibition tells the story of Anders Army in both Polish and English. We invite you to the PSFCU McGuinness branch (100 McGuinness Blvd, Brooklyn, NY 11222) during the business hours.

## Fat Thursday at our Credit Union

As every year on Fat Thursday, we observed the tradition of eating donuts at the branches of the Polish & Slavic Federal Credit Union. Our Credit Union members ate over 4,000 donuts that day.



Sweet invitation to the PSFCU Ridgewood branch



Delicious “paczki” at the PSFCU branch in Schaumburg, IL

waited for PSFCU members visiting our locations that day, and everyone is able to treat themselves to one or two. The record holders, also traditionally, are our branches in Greenpoint, NY: McGuinness, where 800 donuts were consumed, and Greenpoint (450), as well as the PSFCU branch in Ridgewood, NY (600). The treats came from local Polish pastry shops and were prepared according to traditional recipes.

“May I have two?”, “May I take one for my wife?”, “What pastry shop are they

from?”, “How many calories do they have?” were the questions our Credit Union members most frequently asked as they treated themselves to the paczki. At the PSFCU Maspeth branch you could win... an entire box of them in a contest. All you had to do was correctly answer questions like “in which states does the Polish & Slavic Federal Credit Union operate?” or “what credit cards does our Credit Union offer?” in order to leave our Credit Union branch with a few donuts.

## Take Advantage of the Promotion on IRA Contributions

Take care of your financial future. Through April 18 only, we are offering a promotion on term share certificates for IRA contributions for 2016 and 2017: 2.25% APY\* for five years. The funds to open a term share certificate must be deposited into a new or existing IRA account during the promotional period. Minimum amount required to open a term share certificate is \$500, and the maximum is the allowable total contribution limit set by the Internal Revenue Service (IRS) for 2016/2017.

PSFCU offers Traditional and Roth IRAs, which help you save funds for your retirement.<sup>1</sup> Both accounts feature tax advantages, and you must meet the eligibility requirements established by the US federal government in order to contribute to a Traditional or Roth account.<sup>2</sup> Even if you have a retirement plan through your employer, IRAs let you invest additional funds on the terms you choose and maintain control over your invested money.<sup>3</sup> Although Traditional and Roth accounts are a very attractive opportunity to save and enjoy special tax advantages, choosing one of them is a complex decision that requires consideration of many factors. IRA accounts are regulated by federal law, and the account holder is responsible to the IRS for all decisions related to them.

### Traditional IRA

Contributions to a traditional account may be wholly or partially tax-deductible,

depending on your individual situation. The tax deduction may be restricted if you or your spouse has a retirement plan at work and your income exceeds a certain level.<sup>4</sup> Payment of taxes on deductible amounts is deferred until withdrawal. Taxation of accrued interest is deferred until withdrawal. Withdrawals before the age of 59 1/2 constitute an early withdrawal and are subject to a 10% penalty, with certain exceptions. Fund withdrawals are required after reaching the age of 70 1/2. You cannot make contributions after the age of 70 1/2. Minimum initial deposit when opening a Traditional IRA at the PSFCU is \$250.

### Roth IRA

Contributions are not tax-deductible. Accrued interest is not taxable. Your own contributions may be withdrawn without tax or penalty at any time, regardless of age. Interest may be withdrawn without tax and the 10% penalty, if the Roth IRA holder has had the account for at least five years and one of the following applies: you have reached the age of 59 1/2, have a disability preventing you from working, are purchasing your first residential property (a maximum of \$10,000 per taxpayer), or the withdrawal is for your heirs after your death. Funds withdrawn after the age of 70 1/2 are not required. Contributions after the age of 70 1/2 are allowed if you continue to hold a paid job. Minimum initial deposit when opening a Roth IRA at the PSFCU is \$250.

1)The PSFCU also offers SEP and SIMPLE IRA accounts. 2) Contact a tax consultant to determine your eligibility to contribute to a Traditional or Roth IRA. 3) Contact a tax consultant regarding tax advantages. 4) Contact a tax consultant to determine your eligibility to withdraw IRA funds without the early withdrawal penalty.

## No-Fee Loan

Dreaming of your own home? Take advantage of the attractive mortgage loans that the Polish & Slavic Federal Credit Union is offering, especially since we aren't charging a mortgage application fee through the end of April.

Don't get caught by rising interest rates. If you close your loan, we won't charge the \$350 mortgage application fee. The promotion runs through April 30, 2017, and applies to loans for owner-occupied one- to four-family residential houses. The borrower must meet standard eligibility and credit history requirements. Loans with a down payment of less than 20% of the home value require private mortgage insurance.

Applications for the purchase or refinancing of a detached house, condominium or vacation home can be submitted in person at each of the 17 branches of the Polish & Slavic Federal Credit Union. You can also apply online with the assurance that an employee of our Credit Union will contact you within 24 business hours. More information on our mortgage loans is available at [www.NaszaUnia.com](http://www.NaszaUnia.com) on the "Mortgage Center" tab.

**Fulfill your New Year resolution  
and take care of your financial future**

**TAKE ADVANTAGE OF THE  
PROMOTIONAL IRA TERM SHARE  
ON 2016 AND 2017 CONTRIBUTIONS**

**2.25% APY\* FOR 5 YEARS**



Your savings federally insured to at least \$500,000  
and backed by the full faith and credit of the United States Government  
**NCUA**  
National Credit Union Administration, a U.S. Government Agency  
PSFCU is an Equal Opportunity Lender.

\*APY-Annual Percentage Yield as of 01/02/2017. Promotion is valid for term shares opened between January 2 and April 18, 2017. Funds required to open the term share account must be deposited to a new or existing IRA account during the promotional period. Minimum balance of \$500.00 is required to open a term share account, up to the maximum amount of contribution determined by the IRS for years 2016 and 2017. Early withdrawal penalties may apply. Additional information may be obtained at PSFCU branches or by calling our Member Services Center at 1.855.PSFCU.4U (1.855.773.2848). Consult your tax advisor before making any decision related to an IRA account. Additional information about other term shares offered by PSFCU is available at [www.psfcu.com](http://www.psfcu.com). Offer for PSFCU members only. Membership restrictions apply. Other restrictions apply.

## At PSFCU Branches

PSFCU Garfield branch supported the Valentine-Carnival Ball of the Casimir Pulaski Polish Supplementary School in South Hackensack, New Jersey. Those in attendance took part in a prize drawing featuring cash certificates donated by our Credit Union.



PSFCU was one of the sponsors of the Valentine's Day Ball and presentation of the Golden Eleven award of the Polish American Soccer Association, which was held on February 11 in Wallington, New Jersey. Our Credit Union was one of the award recipients. The commemorative cup was received by Rita Kotynski (PSFCU Branch

Manager in Garfield, New Jersey) and Mariusz Moryl, Marketing Manager at our Credit Union.



Members of our Credit Union received best wishes and sweets for Valentine's Day at all PSFCU branches.

# DON'T GET CAUGHT BY RISING INTEREST RATES

## Apply for a PSFCU mortgage loan

Now you will additionally save **\$350**  
on waived mortgage application fee.



PSFCU is an Equal Housing Lender. Member FDIC. PSFCU is a member of the National Credit Union Administration (NCUA) and is insured by the FDIC and credit of the United States Government.

**NCUA**  
National Credit Union Administration, U.S. Department of Housing and Urban Development

**EQUAL HOUSING LENDER**  
PSFCU is an Equal Opportunity Lender.

Promotion is valid from February 1 through April 30, 2017 and applies to 1-4 - family owner-occupied residential home mortgages. Borrowers must meet standard eligibility requirements, subject to income verification. Loans with down payment of less than 20% of the home value require private mortgage insurance. Offer applies exclusively to PSFCU members. Other restrictions may also apply.