

Dear Members,

The year 2019 marked another year of dynamic growth of our institution. Over the course of the year, PSFCU assets increased by more than \$ 112 million (5.73%), the loan portfolio increased by almost \$ 57 million (5.10%), while the amount of deposits entrusted to us grew by almost \$ 78 million (4.41%). We are pleased primarily with the increasing number of people using our services. At the end of December 2019, the PSFCU had 100,841 members - a 3.89% increase compared to the end of 2018. In 2019, 9,263 new people joined us. As a result of our operations, our Credit Union's net profit for 2019 reached \$ 13.1 million.

At the same time, we also made numerous investments. In January 2019, the first branch in the state of Pennsylvania (Stroudsburg) was officially opened, and the month of November saw the unveiling of our sixth branch in Illinois (Orland Park). In May, we completed the relocation of our branch in Mt. Prospect, IL to a new, larger and more modern facility. At the end of 2019, PSFCU had 20 branches located in the states of New York, New Jersey, Illinois and Pennsylvania. Last year, we also started the necessary renovation of the PSFCU Operations Center in Fairfield, NJ, which we are going to



finalize by the end of this year. Besides expanding and modernizing our branches in 2019, we have initiated and carried out many projects aimed at even better securing our institution against cyber attacks and at constantly advancing the technological level of our services.

In previous articles, I have repeatedly mentioned the involvement of the Polish & Slavic Federal Credit Union in the Polish-American community. In 2019, we were present at 525 events, and our marketing budget, dedicated mainly to the sponsorship of Polish community events and the media, amounted to over \$ 2.3 million. Additionally, we donated almost \$ 600,000 in the form of subsidies for numerous organizations, Polish parishes and schools, and we allocated almost \$ 500,000 to the Scholarship Program, which benefited over 400 students. I am proud to say that in the United States, we are at the forefront in terms of funds allocated to the Polish community.

Our previous achievements and successes have been noticed by the Chairman of the National Credit Union Administration

(NCUA), Mr. Rodney E. Hood, who visited our Credit Union in August 2019 and presided over the opening ceremony of an exhibition devoted to the 80th Anniversary of the outbreak of World War II.

Our successes and the trust placed in our Credit Union by our members mobilize the Board of Directors and the Management of the Credit Union to work even harder and create even more ambitious plans for the future. Geographical growth and continuous acquisition of new PSFCU Members, while ensuring an excellent financial condition of our institution, is our priority for this year and for the future. Our strategic plan includes many ambitious projects that we will keep you updated about.

Thank you for your commitment and trust, which has undoubtedly been the basis of our past successes and is the source of our optimism for the future.

Sincerely,

Krzysztof Matyszczuk
Chairman of PSFCU Board of Directors

Another \$120,000 for Sick Children

Members of the Polish & Slavic Federal Credit Union have again shown their generosity. During the 6th edition of the „Children's Holiday Smile” charity drive that ended on December 31, they raised \$ 120,354 for underprivileged children.

During the holiday season, members of our Credit Union took up collection for children's hospices in Częstochowa, Giżycko and Gdynia, as well as for sick Polish children in the US. The charitable drive, organized in cooperation with the New York's Children's Smile Foundation, lasted from November 29 to December 31. „The campaign has become a permanent staple of our calendar, so that our Credit Union members are waiting for the end of November and the month of December to be able to take part in a charity drive for children in need. And they do not disappoint: over the past six years, we have

already collected 732 thousand dollars for underprivileged children - said PSFCU President/Chief Executive Officer, Mr. Bogdan Chmielewski.

Out of the total amount of \$ 120,354, members of our Credit Union collected \$41,401 for the „Promyk” Home Hospice in Giżycko, \$40,350 for the „Palium” Palliative Care Team in Częstochowa (hospice recommended by the First Lady of Poland, Agata Kornhauser-Duda), \$28,219 for the „Bursztynowa Przystań” (Amber Haven) Hospice House for Children in Gdynia, and \$10,384 for the treatment of Polish-American children in the US (Children's Smile Foundation).

This was the 6th edition of the „Children's Holiday Smile” campaign and since 2014, Members of the PSFCU have already raised \$732,000.

PSFCU In Numbers

information as of December 31 2019

Assets

\$2,068,242,172

Loans

\$1,167,591,361

Net Worth

\$208,885,342

Number of Members

100,841

A Day at the Member Services Center

“Hello, thank you for calling. My name is Anna. How may I help you?” - this characteristic welcome is known to all PSFCU members dialing the the Polish & Slavic Federal Credit Union toll-free helpline. Our Member Services Center has been an important part of our Credit Union for over a dozen years, which is why we would like you to learn more about its operations.

Over a dozen employees

Some members calling the PSFCU Member Services Center mistakenly assume that the people answering the phone are employees of their neighborhood PSFCU branches they all know and like. Often, when dialing the number of their local branch, they have the right to think so, but it's worth knowing that a large part of their calls are routed to the Member Services Center.

This is where the 14 employees trained and working on over a dozen different systems, in the course of a telephone conversation assist PSFCU members in solving most of their problems and answer all questions about PSFCU products and services. The team's work is monitored by an experienced manager, and detailed consultations are provided by professionals with specific knowledge in the field of loans, credit cards, debit cards and IRA accounts.

Away from a branch? No problem

Account holders at PSFCU are used to visiting our branches: a visit at least once a week is included in the schedule of a majority of PSFCU members. However, there are circumstances when you have to deal with financial matters while at home or on the go. In addition, many PSFCU members have moved permanently to remote states or even abroad, while leaving their finances in the hands of our Credit Union. We are extremely grateful for this loyalty and trust, which is why we make every effort to ensure that communication between us and our members is at the highest level. Member Services Center plays a key role in this process.

120 thousand calls a year

The work of Member Services Center consultants is not only about providing information. In the course of a telephone conversation, you can e.g. make transfers between your personal accounts, order checks, a debit card or foreign currency; open a savings and checking account and a term share deposit; file an application for a credit card or a car loan; report a lost card and dispute unauthorized transactions; stop payment of a lost check; raise the limit on the credit card or change the address on the account - these are just some of the many services we offer to

our Credit Union members over the phone. Member Services Center employees also assist with setting up Online or Mobile Banking account access and explain the principles governing the use of these services.

Statistics confirm the growing popularity of PSFCU's Member Services Center. Just in 2019, the team of employees answered over 120,000 calls; our representatives helped with setting up new accounts and took credit card and car loan applications. Contact by phone with our Credit Union has also a cultural dimension. An indispensable attribute of our employees, differentiating them from the customer service departments at other financial institutions, is the fact that they are all Polish-speaking people, brought up in Polish culture and tradition, thus knowing the needs and problems of Polish-American community. We are positive that anyone who has ever called 1-855-773-2848 at least once, experienced reliable, fast and professional help.

We encourage you to contact the PSFCU Member Services Center. We also ask for any comments and opinions that you can submit by mail or via our website. Your opinion matters and is a motivation for us to keep improving our services.

20 MONTHS WITH INTRODUCTORY RATE OF 0.00% APR* ON PURCHASES ON ALL NEW CONSUMER CREDIT CARDS

*APR = Annual Percentage Rate. This promotion applies to all consumer credit cards, except for secured, that are open between 01/15 and 05/31/2020. The promotional introductory rate of 0.00% APR will apply to all purchases for 20 months from the account open date. All loans are subject to credit approval and verification. The rate you receive will be based on your credit history. After introductory period, standard variable APR applies, currently from 9.49% to 18.00%. The standard APR may increase or decrease based on the Prime Rate on the first day of a billing cycle. Prime Rate is listed in the „Money Rates” section of The Wall Street Journal on the first day of each quarter (January, April, July, October). The APR will never be greater than 18.00%. Promotion applies to new accounts only, upgrades are not included. PSFCU membership required. Other restrictions may apply.

Refer Our Credit Union and Earn

New Year is a new opportunity for additional earnings for PSFCU members. In February and March, refer our services to new PSFCU members and you will earn extra cash.

\$ 50 times two

Both sides win in the latest PSFCU promotion: a referring member of our Credit Union and a person recommended by him. It is really very simple: recommend your friends and relatives to open a new account with the Polish & Slavic Federal Credit Union and you will get a \$ 50 bonus for each newly opened account.

If the person you refer opens a PSFCU account, he/she will also receive an additional bonus of \$ 50. Account opening is subject to membership restrictions: a \$ 10 minimum deposit and a \$ 10 annual membership fee with one of PSFCU's sponsoring organizations.

In return, referred member receives access to PSFCU products and services available at 20 branches in the states of New York, New Jersey, Illinois and Pennsylvania. Additionally, he/she can open an Online and Mobile Banking account and take advantage of the PSFCU offer via the Internet.

In order to participate in the pro-

motion, you have to recommend a person who has not held an account with our Credit Union over the last three months. You cannot recommend yourself or your joint account owner. In order to receive the promotional reward for your referral, you must also hold a PSFCU checking account.

Special referral tickets on which you can enter the details of recommended persons can be found in each of the 20 branches of the Polish & Slavic Federal Credit Union. The promotion runs from February 1 to March 21 of this year. Details of the promotion can be obtained at any of the 20 PSFCU branches, online at www.NaszaUnia.com or by calling the Member Services Center at 1.855.PSFCU.4U (1.855.773.2848).

New Year, new benefit - recommend PSFCU services to your relatives, family, friends and everyone who is thinking about buying a car or real estate - our Credit Union offers attractive credit interest rates.

Remember that both sides benefit from the promotion: referring PSFCU members and those opening a new PSFCU account will receive \$50 each. Take advantage of this excellent opportunity until March 21, 2020.

Save With an IRA Account

A great opportunity to save: take advantage of the promotional term share deposit to Individual Retirement Accounts (IRAs) for 2019 and 2020. The promotion is valid until April 15, 2020.

Funds for opening a term share must be deposited in a new or existing IRA account: minimum deposit amount is \$500 and the maximum is the allowed total amount set by the Internal Revenue Service for 2019/2020 contributions.

PSFCU offers Traditional and Roth IRAs, which allow you to invest additional funds on terms of your choice, granting you control over your investments. Both accounts offer tax privileges, and the ability to make a deposit into a Traditional or Roth account depends on eligibility requirements set by the federal government. Even if your workplace offers a retirement plan, IRA accounts allow you to invest additional funds on terms of your choice and with you controlling the money you invest. Consult your tax advisor when making IRA deposit decisions.

For additional information, contact Member Services Center at 1.855.PSFCU.4U (1.855.773.2848).

REFER & EARN

\$50 NEW MEMBER ACCOUNT

\$50 NEW MEMBERSHIP REFERRAL



Promotional period begins February 1, 2020 and ends March 21, 2020. Promotion may be discontinued at any time without prior notice. 1) You cannot recommend yourself or joint your account holder. 2) To open PSFCU account, membership restrictions apply: \$10 minimum deposit to savings account and \$10 sponsor fee. 3) You must present the referral ticket at account opening to claim \$50. 4) Offer is not open to individuals who have closed their PSFCU accounts within the last three (3) months. 5) Eligible referring person are individual members who are at least 18 years old. Referral amounts of \$50 are subject to IRS reporting. Refer to promotion terms and conditions for details. Other restrictions may apply.



Our Credit Union is More Than a Bank

A ceremony to celebrate the 100th anniversary of the birth of Saint John Paul II and the 210th anniversary of the birth of Frederic Chopin was held on Friday, January 17, at the residence of the Polish ambassador to the United States in Washington, prof. Piotr Wilczek.



Bogdan Chmielewski speaks at Washington, DC

Distinguished guests included, among others, nuncio of the Holy Vatican See, ambassadors of Lithuania and Croatia, deputy ambassador of the Republic of Ireland and former ambassador of Hungary. An outstanding pianist, Brian Ganz, performed a concert of music by Frederic Chopin during the gala.

PSFCU sponsored the event and PSFCU President/CEO, Bogdan Chmielewski gave a short welcoming speech.

Flavor of Poland

January 2020 saw the beginning broadcasts of the 13-episode travel/culinary program about Poland. "Flavor of

Poland" is the first such a large undertaking in the history of American media, promoting Poland in the United States on American Public Television (APT). Polish & Slavic Federal Credit Union is the main sponsor of the program.

"Flavor of Poland" presents Poland as a country with a European lifestyle, open and friendly, focusing on modern design, where tradition and a thousand-year history mix with modernity and innovation. The program is hosted by Aleksandra August, an American actress of Polish origin. Raised in a home steeped with Polish traditions, in each episode she travels to a different region of Poland to be seduced by the local culture and discover the secrets of the local cuisine.

The APT / PBS topical programming presents and promotes history, culture, tourist attractions, customs, and cuisine



from various parts of the world at over 350 local television stations. For detailed information about where and at what time you can watch the program, log on to: www.flavorofpoland.com.

Presidential Scholarship Program

For the fourth time, PSFCU is offering the scholarship program under the patronage of the President of the Republic of Poland, organized in cooperation with the Chancellery of the President of Poland. The program is a 10-day study tour of Poland, to be held in the second half of June 2020.

The program is open to PSFCU members who:

- joined PSFCU prior to January 1, 2019;
- are at least sophomore students at a university - proof of enrollment for the Fall semester of 2020 is required;
- have a minimum GPA of 3.2.

Scholarships will be awarded on the basis of academic performance and involvement in the life of the Polish-American community. PSFCU will grant 10 winners a scholarship to cover the travel expenses and insurance.

Applications with detailed instructions are available at www.psfcu.com. Please send them, together with attachments to: PSFCU Scholarship Committee, 9 Law Drive, Fairfield, NJ 07004. Application deadline is March 20, 2020! For more information, please send an email to scholarships@psfcu.net or contact the Marketing Dept. at: 973-396-9514.

ONE DAY, IT WILL BE TIME FOR *retirement* PLAN TO *enjoy* IT. WE WILL HELP YOU.

TAKE ADVANTAGE OF OUR PROMOTIONAL IRA TERM SHARE RATES

18 MONTHS	2.33% ^{APY*}
2 YEARS	2.43% ^{APY}
30 MONTHS	2.53% ^{APY}
3 YEARS	2.63% ^{APY}
4 YEARS	2.79% ^{APY}
5 YEARS	2.94% ^{APY}



APY-Annual Percentage Yield as of January 2, 2020. Offer only for PSFCU members. Membership restrictions apply. Offer is valid from January 2, 2020 to April 15, 2020. Offer applies to new IRA contributions for 2019 and 2020, received from January 2, 2020 to April 15, 2020. Minimum to open term share certificate account is \$500.00. The maximum balance of the IRA Promotional Certificate is the maximum amount of contributions allowed for 2019/2020. Penalties for early withdrawals may apply. IRS penalties may apply on withdrawals from IRA term share. Other restrictions 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.

