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***FOR IMMEDIATE RELEASE***

**Northwest FCU Moves Beyond Referral Model for Student Lending – Signs with NEW Credit Union Student Choice CUSO**

**Washington, D.C. (May 19, 2008)**-- Credit Union Student Choice today announced the signing of a major credit union to the new CUSO's private student loan capability network. Northwest Federal Credit Union, \$1.5B in assets, Herndon, VA becomes the sixth credit union greater than \$1 Billion in assets to announce a partnership with the revolutionary new CUSO that was just launched earlier this month.

Northwest is not new to offering private student loans to members. However, after offering student loans strictly on a referral basis for several years, Northwest Federal Credit Union is opting for an entirely new model to better serve their members and deliver new relationships and new economic value to the cooperative - just as many in their field of membership are searching for trusted college financing options.

“By passing students and parents off to a third party, we were losing control of the relationship and could not ensure high quality member service or deliver the full member value we know is possible,” said Colleen Daly, Vice President of Lending at Northwest FCU. “The *Credit Union Student Choice* model allows us to set our own credit criteria, customize the product and pricing, and retain the full value streams that come from an active lending relationship with our member. All without increasing our staffing or taking on any undue risk.”

“Up until now credit unions didn't have a viable way to provide their own private student loan solution to members given the difficulties of working with hundreds of schools nationwide, necessary risk mitigation techniques, and other complexities that make a successful student lending programs unique in consumer lending,” explained Daly. “We're now able to offer our members superior value to what they see in the market today and the credit union captures the full value from a long-term loan relationship with Gen-Y members and their parents.”

*Credit Union Student Choice*, a new CUSO founded by a group of the nation's leading credit unions, helps members secure funds to meet the rising cost of higher education. The loan program features zero origination fees, significantly lower interest rates and flexible repayment options. The unique product is structured as a line of credit, which

allows students to make multiple draws over the course of their entire college career after completing just one simple application.

The *Credit Union Student Choice* program leverages best of breed partners to handle call center operations, automated credit decisioning, loan servicing and insurance, and fully co-branded websites for each participating credit union. Service partners include the Callahan Credit Union Financial Services Limited Partnership CUSO, Callahan & Associates, PSCU Financial Services, Digital Dialogue, L9.com, Credit Union Direct Lending (CUDL), CU\*Answers, as well as experienced student loan servicers.

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*Credit Union Student Choice* is a credit union service organization (CUSO) founded in 2008 by several of the nation's leading credit unions and CUSOs. *Credit Union Student Choice* positions credit unions as leaders in education financing in the 21st century by redefining value for student borrowers and helping credit unions connect with new Gen Y members. The *Credit Union Student Choice* network enables credit unions of all asset sizes and fields of membership to make private student loans that may be held on their own balance sheet to recognize the long-term economic return of the loan relationship versus a one-time referral fee. The CUSO helps credit unions by managing many of the challenges and risks commonly associated with student lending. To learn more or find out how your credit union can participate, call 800-446-7453 and ask for a Credit Union Student Choice representative.

**Northwest Federal Credit Union** is a full-service financial institution serving select government employees and 400+ companies throughout Northern Virginia. Established in 1947 and headquartered in Herndon, Virginia, NWFCU is dedicated to providing financial services and education to its members and the community. The Credit Union currently serves more than 94,000 members and has assets in excess of \$1.5 billion. For more information, visit [www.nwfcu.org](http://www.nwfcu.org).