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**FOR IMMEDIATE RELEASE**

**Polish & Slavic FCU Launches Private Student Lending Solution Via *Credit Union Student Choice***

**Washington, D.C. (September 10, 2008)**—Polish & Slavic FCU in Fairfield, NJ (\$1.2B in assets) announced they are now offering private student loans to their members through *Credit Union Student Choice*, a new credit union service organization (CUSO) that launched in May 2008.

The credit union will join sixteen others who are currently live with *Student Choice*, providing access to a values-based private student loan option that is funded by their local credit union to nearly 1.8 million credit union members. Since launching on May 5, more than 2,000 students have been approved for nearly \$30 million in loans.

“At Polish & Slavic we are completely focused on meeting the needs of our members and enriching the communities we serve,” said David W. West, Polish & Slavic FCU Executive Vice President and Chief Lending Officer. “*Student Choice* allows us to get into the business of private student lending and help young adults achieve their dreams of a college education, all while filling the major void left by other lenders who’ve recently exited the student loan market.”

By working with *Student Choice*, Polish & Slavic FCU will help its members secure funds to meet the rising cost of higher education. The private student loan features zero origination fees, significantly lower interest rates, in-school deferred payment, co-signer release, and a graduated repayment option. 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.

“We’re extremely pleased to add Polish & Slavic FCU to the *Student Choice* network,” said Jon Jeffreys, President of *Credit Union Student Choice*. “The rising costs of college education and ongoing market turmoil have created a tremendous window of opportunity for credit unions, as not-for-profit balance-sheet lenders, to deliver real value to students and families. We are proud to help credit unions such as Polish & Slavic step up and build long-term productive relationships with Gen Y members when many other lenders are stepping back.”

Seventeen credit unions in 14 different states are currently offering loans through the services provided by the CUSO. The turnkey solution gives credit unions the ability to offer their own full-service private student loan program without adding any additional staff. Credit unions retain the full long-term economic benefit and important relationship opportunities that these loans offer. According to Jeffreys, it’s a credit union’s balance-sheet lending capability that puts them in a powerful position to gain local market share, build long-term relationships with young adults and schools, and provide a valuable financial service to their members at a time when many other lenders are struggling with unfavorable market conditions.

“Most private student lenders rely on secondary market access to fund loans,” said Jeffreys. “Due to the mortgage meltdown and ensuing credit crunch, that market has completely evaporated, forcing many lenders to stop funding new loans or significantly raise their fees and rates. Credit unions are not subject to these same liquidity concerns and capital market fluctuations, which gives them a wonderful

opportunity to do what they do best—use proper risk management and offer appropriate terms to lend member deposits, for the good of the member and the credit union.”

In addition to Polish & Slavic FCU, the sixteen other credit unions live on the *Student Choice* network (along with their asset size) include: Affinity Plus FCU (\$1.4B), Alabama CU (\$282M), Digital FCU (\$4.1B), Directions CU (\$518M), Eli Lilly FCU (\$828M), Irving City Employees FCU (\$36M), Leaders CU (\$105M), Members 1<sup>st</sup> FCU (\$1.5B), NASA FCU (\$900M), Northwest FCU (\$1.6B), NuUnion CU (\$812M), San Antonio FCU (\$2.5B), Star One CU (\$3.8B), Visions FCU (\$2.1B), Workers CU (\$595M), and Wright-Patt CU (\$1.4B).

The *Credit Union Student Choice* network enables credit unions to offer their own private student loan program without referring the economic and relationship values of these loans to 3<sup>rd</sup> parties. The 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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### **About Credit Union Student Choice**

*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.*

### **About Polish and Slavic Federal Credit Union**

*Founded in 1976 by a group of Polish immigrants to help other ethnic Poles obtain mortgages, the Polish & Slavic Federal Credit Union now has 11 branches in New York and New Jersey, and an operations center in Fairfield, NJ. The PSFCU also has a mobile branch, and an E-branch providing online services. The 32-year-old credit union, with more than \$1.2 billion in assets, serves 70,000 members of the Polish and Slavic communities throughout New York and New Jersey. The PSFCU, which is the largest ethnic credit union in the United States, also operates ATMs at the National Shrine at Doylestown, PA and plans to open two additional branches this year.*