

For Immediate Release

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Progressive Credit Union Creates Line of Credit with the Federal Home Loan Bank

The Partnership Increases PCU's Financial Performance and Security

New York, N.Y., May 16, 2018 – Manhattan-based Progressive Credit Union, one of the oldest member-owned financial institutions in New York, has developed a line of credit with the Federal Home Loan Bank (FHLB).

The move allows PCU to have more financial performance and security, while improving the institution's ability to reduce its cost of funds to the benefit of membership. Credit Unions have the ability to develop a line of credit with the Federal Home Loan Bank (FHLB) when they pledge both security investments and loans originated at the credit union. PCU's line of credit with the FHLB is up to \$5.6 million, and management intends to significantly increase this line in coming weeks.

"When we access our new credit line at FHLB, PCU will be able to receive funds at a lower cost, allowing us to pay down higher cost borrowings, lend out funds to members, or purchase additional securities," Rocco Sabino, PCU's chief financial officer said. "The end result will be the improvement of net interest margin and overall earnings. This is an important first step towards allowing PCU to increase earnings while mitigating liquidity risk."

Working with the FHLB is the latest significant move PCU has made in recent months to diversify its balance sheet and create maximum value for its membership. Other significant steps taken by the institution include hiring a new group of managers, partnering with UsNet to provide expanded shared branching services, as well as streamlining the member onboarding process.

About Progressive Credit Union:

Progressive Credit Union is one of New York's oldest not-for-profit financial institutions, and is federally insured by the National Credit Union Administration (NCUA). Founded in 1918, Progressive CU has been a leader in the provision of funding within the transportation and real estate industries. The institution is celebrating its 100th year throughout 2018.

For more information, visit www.ProgressiveCU.org or by calling (212)-695-8900.

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