

THE PCU DIVIDEND

NEWSLETTER OF THE PROGRESSIVE CREDIT UNION

Volume XV No. 2

APRIL 2004

ANNUAL REPORT 2003

A Message from the President

It is my pleasure, on behalf of the Board of Directors, to once again report to the membership that in 2003 Progressive Credit Union had a very successful year.

This success can be measured in many ways;

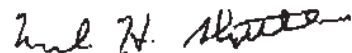
- ▲ ASSETS — INCREASED 6.8%
- ▲ LOANS TO MEMBERS— INCREASED 6.6%
- ▲ MEMBER ACCOUNTS— INCREASED 2.5%
- ▲ MEMBER EQUITY— INCREASED 9.3%

Consistent, steady, measured growth! As a member/shareholder in this financial cooperative, you should take pride in the accomplishments of your Credit Union during the difficult economic conditions faced over the past few years. Your support made this success possible.

Are you taking advantage of all the services the Credit Union has to offer? We have the highest rates on CD's, IRA's and extremely competitive rates on all loan products. We also offer no-cost checking, audio response and home banking, everything you could ask for and more. Our experienced loan specialists and member service representatives would be happy to assist you with any of your financial needs.

Please try to attend our 86th Annual Meeting this year. I'm sure you will have a delightful and informative afternoon!

Sincerely,



Mark Shottland, *President*

DIVIDEND RATES Effective April 1, 2004		
SHARES — TIERED	RATE	APY
\$0-\$4,999.99	0.75%	0.75%
\$5,000.00-\$49,999.99	1.75%	1.76%
\$50,000.00+	2.00%	2.02%
SHARE DRAFTS		
\$300.+	0.75%	0.75%
IRA SHARES		
Traditional	2.25%	2.27%
Roth	2.25%	2.27%
Roth Conv.	2.25%	2.27%
Coverdale	2.25%	2.27%

CERTIFICATE RATES Effective April 1, 2004			
	RATE	APY	DIV.PMT
One year	2.25%	2.27%	Qtrly.
Two years	2.50%	2.52%	Qtrly.
Three years	2.75%	2.79%	Mthly.
Five years	3.50%	3.55%	Qtrly.

All certificates are automatic renewal effective July 1, 2002.

NOTICE

OF YOUR FINANCIAL PRIVACY RIGHTS

We, our, and **us,** when used in this notice, mean Progressive Credit Union.

This is our privacy notice for our members. When we use the words “you” and “your” we mean the following types of members:

- All of our consumer members who have a continuing relationship with us, such as:
 - Deposit account
 - Loan account
 - Self-directed Individual Retirement Account where we act as custodian or trustee.

We will tell you the sources for nonpublic personal information we collect on our members. We will tell you what measure we take to secure that information.

We will also tell you what information we share with other entities. We will explain what your rights are, and how you can exercise them. If you share your account relationship with someone else, for example, where you are a co-borrower or joint holder of a share draft account, we suggest that you share this information with each other to ensure that each of you are aware of our policy and your options.

We first define some terms:

Nonpublic personal information means information about you that we collect in connection with providing a financial product or service to you. Nonpublic personal information does not include information that is available from public sources, such as telephone directories or government records.

An **affiliate** is a company we own or control.

An **nonaffiliated third party** is a company that is not an affiliate of ours.

Opt out means a choice you can make to prevent certain sharing of information. We will explain how you can exercise this choice.

The Information That We Collect

We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or other forms
- Information about your transactions with us
- Information about your transactions with nonaffiliated third parties
- Information from a consumer reporting agency.

The Confidentiality, Security, and Integrity of Your Nonpublic Personal Information

We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Nonpublic Personal Information and Nonaffiliated Third Parties

We may disclose nonpublic personal information to nonaffiliated third parties. Here are the kinds of nonpublic personal information we disclose to nonaffiliated third parties:

- Nonpublic personal information we receive from you on an application or other forms, such as:
 - Name
 - Address

You may opt out of the disclosure of the information listed above.

Exceptions:

We do not share this information about members who reside in Alabama, Alaska, Idaho, North Dakota, or Vermont. Members who reside in these states do not need to opt out.

We do not share any information derived from deposit (share) relationships with us about members who reside in Massachusetts, Mississippi, or New Jersey. If you only have a deposit relationship with us and you reside in one of these states, you do not need to opt out. If you have a loan or other nondeposit member relationship, and you do not want us to share this information about you, you should send us the opt out form.

The only information we share about our members from Tennessee is name and address. If you live in Tennessee and you do not want us to disclose your name and address as mentioned, you should send us the opt out form.

Types of Nonaffiliated Third Parties:

We may disclose nonpublic personal information about you to the following types of nonaffiliated third parties:

- Financial service providers, such as:
 - Insurance agents
 - Others, such as non-profit organizations.

Reasons for Disclosing:

Here is why we may disclose nonpublic personal information about you to nonaffiliated third parties:

- To provide our members with information about additional products and services

Future Nonaffiliated Third Party Disclosure:

We also reserve the right to disclose the following additional nonpublic personal information about you to nonaffiliated third parties in the future:

- Nonpublic personal information we receive from you on an application or other forms, such as:
 - Income

You may opt out of the disclosure of the information listed above.

We may disclose this nonpublic personal information with the nonaffiliated third parties listed under the heading Types of Nonaffiliated Third Parties.

Nonpublic Personal Information and Other Parties

We do not disclose your nonpublic personal information to anyone, except as permitted by law or as disclosed in this disclosure.

Nonpublic Personal Information and Former Members

We do not disclose nonpublic personal information about former members, except as permitted by law.

Your Right to Block the Disclosure of Your Nonpublic Personal Information

Nonaffiliated Third Parties.

If you do not want us to share your nonpublic personal information with nonaffiliated third parties, you

can block the release of certain nonpublic personal information. This is known as your right to “opt out”

Your decision to block the disclosure of your nonpublic personal information will apply to all products and services you receive from us.

If you have one or more joint accounts, an opt out instruction given by one participant of such an account will affect all of the accounts of the person who opts out and all information from those accounts about others who participate in those accounts.

If you wish to opt out of disclosures, you may do so by checking the appropriate box on the Opt Out Notice that you received with this notice and returning it to us at this address: **Progressive Credit Union**, 370 7th Avenue, Suite 1400, New York, NY 10001.

You Have the Right to Choose

In this notice, we have explained our policy about the disclosure of certain information.

Nonaffiliated Third Parties. We have explained the kinds of nonpublic personal information we may disclose to nonaffiliated third parties. We have also explained the kinds of nonaffiliated third parties with whom we may disclose the nonpublic personal information. If you prefer that we do not disclose nonpublic personal information to nonaffiliated third parties, you may opt out of these disclosures, that is, you may direct us not to make those disclosures (other than the disclosures permitted by law).

Your decision to block the disclosure of your nonpublic personal information will apply to all products and services you receive from us.

If you have one or more joint accounts, an opt out instruction given by one participant of such an account will affect all of the accounts of the person who opts out and all information from those accounts about others who participate in those accounts.

If you wish to opt out of disclosures, you may do so by checking the appropriate box below and returning it to us at this address:

Progressive Credit Union, 370 7th Avenue, Suite 1400, New York, NY 10001.

- Do not share my nonpublic personal information with nonaffiliated third parties.

SIGNATURE

NAME(S)

SOCIAL SECURITY NUMBER(S)

ACCOUNT NUMBER(S)

STREET ADDRESS

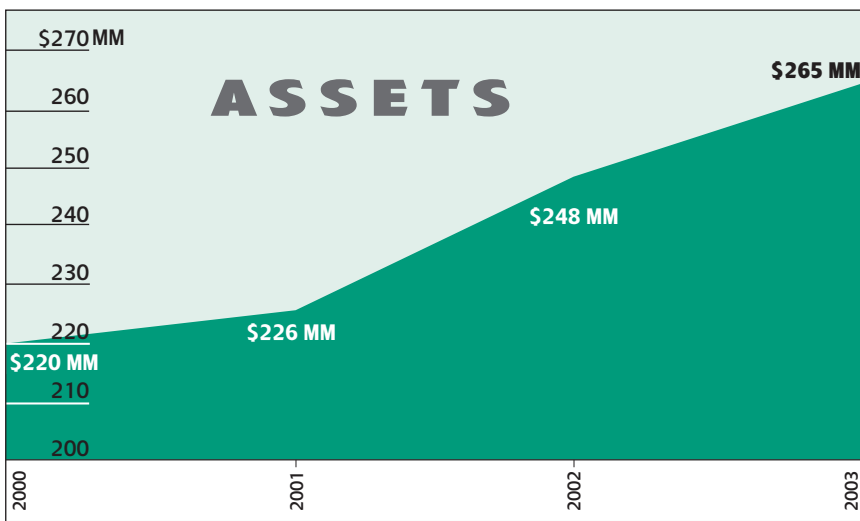
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PROGRESSIVE CREDIT UNION COMPARATIVE BALANCE SHEETS

December 31,	2003	2002
ASSETS		
Cash and cash equivalents	\$ 303,323	\$ 250,968
Deposits with other credit unions	2,718,062	1,541,129
Securities, available-for-sale	551,787	474,017
Loans to members, net	258,466,280	242,430,024
Accrued interest receivable	981,360	1,128,737
Premises and equipment, net	293,382	330,615
NCUSIF deposit	1,057,455	1,026,337
Foreclosed assets	182,562	713,182
Other assets	607,233	531,682
Total assets	\$ 265,161,444	\$ 248,426,691
LIABILITIES AND MEMBERS' EQUITY		
Liabilities		
Members' accounts	\$ 120,655,671	\$ 117,628,719
Interest payable on members' accounts	—	2,963
Accounts payable and accrued expenses	2,136,681	995,662
Other borrowed funds	17,500,000	15,750,000
Other liabilities	1,555,143	1,213,941
Total liabilities	\$ 141,847,495	\$ 135,591,285
Commitments and contingencies		
Members' equity	\$ 123,313,949	\$ 112,835,406
	\$ 265,161,444	\$ 248,426,691

This balance sheet certified by B.D.O. Seidman, LLP



Respectfully Submitted,

Robert A. Familant

Robert A. Familant
Treasurer



Progressive Credit Union

Don't forget!

86th Annual Meeting

Sunday, April 25, 2004 • 12:30 P.M.

Southgate Tower

371 Seventh Avenue, New York, New York

Parking available: Sharon Garage

148 West 31 St., New York, NY 10001

Check our website

www.progressivecu.org

"Health Services"

**FREE CANCER
SCREENING**



PROGRESSIVE CREDIT UNION

370 Seventh Avenue • Suite 1400
New York, NY 10001-3900

212.695.8900 • www.progressivecu.org

Administrative/Legal Fax: 212.695.0760

Executive Fax: 212.868.9351

Loan Processing Fax: 212.695.0759

Customer Service Fax: 212.695.6377

Board of Directors

Mark H. Shottland, *President*
Gerald Shulman, *Vice President*
Robert A. Familant, *Treasurer*
Joel A. Slomon, *Secretary*
Aaron Familant, *Director*

Supervisory Committee

Arthur C. Meisel, *Chairman*
Gary S. Parker, CPA
Michael R. Stoler

Auditors

BDO Seidman, LLP
Certified Public Accountants

PCU Office Hours

Monday-Friday: 8:30 am-4:00 pm
Progressive has a 24 hour automated voice
mail system for your convenience.

Branch Office

Central Credit Union
95-25 Queens Blvd., 10th Floor
Rego Park, NY 11374
Phone: 718.544.2400 / Fax: 718.544.8615
Hours: Mon.-Fri. 9:30 a.m.-3:30 p.m.

HOLIDAY CLOSINGS 2004

MEMORIAL DAY

May 31st • Monday

INDEPENDENCE DAY

July 5th • Monday

LABOR DAY

September 6th • Monday

COLUMBUS DAY

October 11th • Monday

VETTRANS' DAY

November 11th • Thursday

THANKSGIVING DAY

November 25th • Thursday



IMPORTANT NEWS ABOUT IRAS

Please note that the deadline for all IRA
2003 contributions is April 15, 2004.
Contact R. Julie Cruz at extension 137
for all your IRA needs.

**Want to know about ROTH and
EDUCATIONAL IRAS? Call Julie.**

PARKING REMINDER

Two convenient locations for Members:

The special discount parking rate is \$7.00
for 2 hours during PCU office hours 8:30
a.m.-4:00 p.m.

- 1 Central Parking Systems, 300 W. 31
Street (S.W. corner of 31st st. & 8th Ave.)
- 2 Central Parking Systems, 6th Avenue
between 29th & 30th Streets.

Progressive Credit Union Staff

Office Phone Number: **212.695.8900**

OFFICE OPERATIONS

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Administrative Assistant
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ANNIE ESPIRITU, Ext. 117
Internal Auditor
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JANET LEIDECKER, Receptionist

BOSTON REPRESENTATIVE

LEW SNAPPER, #617-835-0370

CHICAGO REPRESENTATIVE

NATVAR GOYAL, #312-961-0905

PHILADELPHIA REPRESENTATIVE

SIMON ABITBOL, Money Max #215-236-2700