

PRESS RELEASE



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FOR IMMEDIATE RELEASE

Branch Closures and Consolidation

Bakersfield-based Kern Schools Federal Credit Union has announced it will close and consolidate four branches and reduce staff due to the continued economic slow down and on-going loan delinquencies. Supermarket branches located in Wasco and Bakersfield as well as full service branches in Ridgecrest and East Hills Bakersfield will close on March 9, 2010. To ensure the long term financial health of the Members' Credit Union, the management and Board of Directors decided this was the most prudent approach. Closing these branches was a very difficult decision but after thorough review of branch data and a realistic assessment of the Credit Union's ability to grow in these markets it was determined that for the overall benefit of the membership these locations would be consolidated into other branch sites. "We are doing what many families and businesses in Kern County have had to do, that is reduce our expenses to be more in line with our income. While these decisions are never easy ones to make we feel it is important to focus our resources in the markets where we have the strongest presence. The Credit Union will continue to focus on three primary service areas...the Greater Bakersfield area, Delano and Tehachapi. We feel these are the areas that will make the strongest contribution to the Credit Union's long term success." said Steve Renock, President and CEO of Kern Schools Federal Credit Union. With \$1.6 billion in assets the Credit Union serves 194,000 Members.

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