



News Release

Professor Muhammad Yunus, Winner of the 2006 Noble Peace Prize, Will Inaugurate Grameen America April 25 in New York City

The first branch of Grameen America is open for business in Queens

New York, NY -- Professor Muhammad Yunus, the founder of Grameen Bank and the founding father of the microfinance movement, will officiate at a formal grand opening of the first branch of Grameen America, in the New York City borough of Queens on April 25, 2008, with a special reception for borrowers, community leaders, friends, and the news media.

The Grameen America office is located at 37-66 74th Street in Jackson Heights, a microcosm of the rich and diverse population of New York. Shah Newaz, who has extensive experience setting up programs for Grameen in Bangladesh and the Dominican Republic, heads the Grameen American Jackson Heights team, which is multi-lingual and well-connected to the local community.

Opened in November 2007, the new office made its first loan disbursements on January 15, 2008. The first borrowers included a group from the Dominican community of Corona and a group from the Bangladeshi community in Woodside. As of mid-April 2008 Grameen America has exceeded \$350,000 in loan disbursements and has more than 165 borrowers.

Borrowers are using loans for a range of income-generating programs. Even borrowers with established businesses are using the loans to expand their range of services and products. They now can avoid the use of predatory loans to stock up on inventory. Previously some members depended on local, non-bank lenders who charged usurious rates of up to 400 percent.

Grameen America uses a group lending and savings model that Grameen Bank has refined over 30 years. The group model requires prospective borrowers to form or join five-member "groups" which are then organized into "centers" that meet on a weekly basis. The Grameen model requires all borrowers to save money when they receive loans so that customers build

financial resources for the future. The group meetings and Grameen's lending standards promote successful repayment and provide a valuable forum for best-practice sharing and training on financial issues such as credit scores, savings and related needs including health and insurance. Newaz understands that gaining traction in new Grameen markets takes time. He says, "While Grameen Bank is a household name in Bangladesh, we are not yet known in our borrowing communities in the United States, but we will be. I had a similar experience when I launched Grameen in the Dominican Republic. We must build and earn the trust and understanding of our future local clients. Clearly, a real need for our services in New York exists, as the speed and volume of our initial lending confirms."

Funding

Grameen America is attracting grants, private contributions, loans and equity investments to support its initial development, but the organization is designed to become a self-sufficient national business that does not rely on grants or contributions for its on-going operations.

Management

Grameen America is supervised by the most senior Grameen executives, including Professor Yunus and Professor H.I. Latifée, the head of Grameen Trust. Shah Newaz leads local implementation and is ensuring that Grameen practices are followed closely. Vidar Jorgensen, an American businessman who has been the principal proponent of Grameen America, serves as President. Ritu Chattree, a former investment banker, is Vice President of Finance and Development and Isabel Maxwell serves as the West Coast Advisor.

Queens Pilot Program

Grameen America is beginning operations with a pilot program in, Queens and will open additional branches in New York during the next few years. After a second pilot program elsewhere in the United States, Grameen America expects to begin rolling out operations nationally.

Grameen America

Grameen America is a microcredit lender whose mission is to help alleviate poverty through entrepreneurship by providing loans, savings programs, credit establishment and other services to the working poor, especially women, in the United States. Grameen America is built upon the success of the Nobel Peace Prize Laureates Grameen Bank of Bangladesh and Founder Professor Muhammad Yunus.

Grameen America provides loans at reasonable rates, enabling borrowers to avoid predatory lenders whose extremely high interest rates deny the working poor the full benefits of their labor.

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