








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July 8, 2010

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Headline News

Virginia's CUs Add Half-Million Members in 15 Months; Boost MBLs

Virginia's credit unions are adding members at a record pace, while helping rebuild the state's economy by sharply increasing their member business lending, according to data from the National Credit Union Administration. Virginia's 191 credit unions added almost a half-million new members between December 2008 and March 2010, according to NCUA. Total membership for Virginia-based credit unions reached 6.7 million in March of this year; with an estimated 3.25 million of those members residing in the state.

And good news for small business -- Virginia's credit unions have posted double-digit growth rates for member business loans for the past three years, including 31.9 percent growth for the year ended March 2010. Virginia's credit unions now boast some \$621 million in member business loans, more than triple the amount of member business loans they held at year-end 2006. [[more](#)]

CUNA's Cheney to CUs: Keep the Volume Up on Interchange, MBLs

With Congress remaining out of session until July 12, the Credit Union National Association (CUNA) and credit unions nationwide are activating grassroots at home to urge Congress to lift the credit union member business lending (MBL) cap and continue to oppose passage of the financial regulatory restructuring bill containing interchange.

The House passed the financial regulatory reform conference report by a 237-to-182 vote last week, and CUNA opposes the bill as long as it contains language that would allow government intervention in interchange fees. [[more](#)]

Action Needed Now on MBL Amendment; Ask Webb, Warner to Co-Sponsor Udall Amendment

The Senate will be back at work July 12, possibly debating H.R. 5297, the Small Business Lending Fund Act. This legislation would, among other things, create a \$30 billion fund to encourage community banks to lend to small businesses. Sen. [Mark Udall has introduced an amendment to this bill \(SA 4443\)](#) to increase the credit union member business lending cap. The language of the amendment is identical to the language that Treasury submitted to Congress earlier this year. Your voice is needed to move Sens. Webb and Warner to action.

Log on to the [My Credit Union Is Me Web site](#) and ask our Senators to co-sponsor the Udall amendment (SA 4443) to H.R. 5297. Please specify that it's the Udall amendment (SA 4443).

A call to the Senators' offices would be helpful, too:

- Warner: 202.224.2023
- Webb: 202.224.4024

Please spread the word. We have only the coming week to work on this action alert. The amendment is the best opportunity we have had in years to move this issue forward. Even if your credit union is not into member business lending, please contact our Senators. We are part of a cooperative movement and need to stand together. Plus, 10 years from now you may want to offer MBLs to your members!

CUNA Adds Lobby Muscle For Final Member Business Loan Push

As final votes appear on the small business lending bill that could raise the member business loan cap for credit unions CUNA has hired a new outside lobbying firm to help in the effort, Hecht Spencer & Associates. Timothy Hecht, a former deputy political director for the first Bush White House, and Franklin Phifer, a former aide to the House Ways and Means Committee, are lobbying for the trade group. (Credit Union Journal, July 8)

Interchange Exemptions Pose Challenge

Card executives are pondering how to implement part of the regulatory reform bill that would exempt some cards from the proposed debit interchange regulations. "There are ways to do it, but none of them are easy," said Linda Perry, a former Visa Inc. executive who is now an independent consultant. The people who crafted the bill's amendment that includes the exemption "didn't really think it through," she said. "I'm sure the networks are lobbying and saying, 'There are these logistical issues, such as how do you enforce these rules?'"

The bill would authorize the Federal Reserve to regulate debit interchange fees, but some prepaid cards and cards from issuers with less than \$10 billion in assets are exempt. One option would be to require issuers to note whether they are exempt on their cards, she said. Another would be to enable processors to identify exempt issuers using their cards' bank identification numbers.

Perry believes identifying exempt cards using BINs would be possible, but it would be "extremely difficult based on the current BIN structure." Many issuers that would meet the exemption threshold are agent banks that use the BINs of larger issuers, making it difficult for merchants to properly identify exempt transactions, she said.

Another option would be to add an "identifier" to the transaction data, preferably within an existing data field. "A new field would be very difficult for a merchant or a processor to deal with," Perry said. "It wouldn't be an ideal situation." (American Banker Online, July 1)

[related: [Local Bankers Wary of Reform Bill, Its Possible Costs](#)]

[related: [Financial Reform Would Give Merchants a Boost](#)]

Some See Negligible Benefit of Interchange Overhaul for

Merchants

Though merchants generally applaud the arrival of debit-interchange regulations, at least one merchant-processor consultant is skeptical about the long-term benefits for merchants and processors.

"The term 'interchange' is used pretty loosely in the industry, and not only does it vary a lot, but there are a lot of other fees built into interchange that are not affected by legislation," said Robert Livingstone, president of IdealCost.com, a West Palm Beach, Fla., merchant-processor consulting firm. "Banks set interchange fees, but those are passed on to merchants through a complicated chain, which includes a general processing fee that's built into merchants' payment-acceptance costs. We assume the actual debit-interchange piece will be lower, but it doesn't mean overall costs will be substantially lower."

Merchants may also be faced with diverse additional costs in accommodating the exempted debit cards. Banks and credit unions with assets of less than \$10 billion would not have to abide by the new debit-interchange rules. Also excluded are governments delivering benefits through debit cards and issuers of reloadable prepaid cards.

"Merchants may have to invest in new tools not yet on the horizon that would let them know which cards offer higher or lower transactions. And they may end up spending considerable time, especially smaller merchants, trying to find out which card is cheapest to accept, taking time away from sales and service," Livingstone said. (American Banker Online, July 7)

CUNA Predicts Six to 10 Basis Point Increase In NCUSIF Premium

When the National Credit Union Administration announces the NCUSIF assessment to cover losses at natural person credit unions in September, it will probably be between six and 10 basis points of insured shares, according to CUNA Chief Economist Bill Hampel. CUNA based its prediction on several recent developments, including a negative ROA during the fourth quarter of 2009, though that improved during the first quarter of 2010.

However, the NCUA's decision to place the \$800 million Arrowhead Credit Union into conservatorship and the closing of the \$200 million St. Paul Croatian Federal Credit Union have also put strains on the NCUSIF. (Credit Union Times, July 2)

Welcome Aboard, CSCEFCU!

We're thrilled to announce that CSC Employees Federal Credit Union has affiliated with the Virginia League. The \$89 million credit union was previously headquartered in California, but has transferred its main operations to Falls Church, Virginia, following the lead of its sponsor. The credit union primarily serves the employees of Computer Sciences Corporation.

No stranger to the Virginia League, the credit union is a longtime associate member and has been active in the NoVa Chapter.

"I have used and benefited from the League's expertise and services for many years," notes CSCEFCU CEO Liz Monaco. "I have taken full advantage of past training and marketing sessions ... and Kristen Tatlock's legal and compliance knowledge is always invaluable. I so appreciate receiving 'hard copies' of the Operations Updates and Compliance Q&As. I currently subscribe to many of the training webcasts and use the CD-ROMs for in-house staff training. I can only say good things about the Virginia Credit Union League and look forward to a continued relationship."

"We're thrilled to have CSC EFCU as an affiliate of the Virginia League," said Virginia League President Rick Pillow. "The League and our credit unions continue to build a vibrant, progressive system here in the Commonwealth to serve the now 6.7 million member-owners that depend on Virginia's credit unions as a trusted financial partner."

League Officials Represent CUs at Annual Democratic Retreat

League President Rick Pillow and Senior Vice President David Miles represented Virginia's credit unions at the annual Senate and House Democratic retreat on July 5 and 6. The event offers an opportunity for the League to continue building relationships with state lawmakers (the League also attends retreats sponsored by Republican Senators and Delegates).

During the retreat League staff also had extended individual time with several legislators during golf and dinner. Pillow golfed with Sen. George Barker (D-Fairfax) and Miles partnered with Del. Mark Keam (D-Fairfax).

In the evening, they dined with Sen. Mark Herring (D-Leesburg), who is a member of the Commerce and Labor Committee, and Del. Luke Torian (D-Prince William). Members of the League's lobbying firm, Hunton & Williams, also attended.

Ice Cream, Anyone? Cold Stone Creamery, CUs Team Up for July 15 Fundraiser

We're excited to announce that a select group of Cold Stone Creamery locations will partner with Virginia's credit unions for a July 15 fundraiser. Stores at the following locations will be donating a percentage of their sales between 4 p.m. and 7 p.m. to Children's Miracle Network:

- Lynchburg - 3911 Wards Road
- Roanoke - 4760 Valley View Blvd
- Christiansburg - 2445 N. Franklin Street
- Danville - 459 Mt. Cross Road
- Sterling - 45999 Regal Plaza
- Newport News - 550-E Oyster Point Road

Help us make this event a success by encouraging your staff and members to visit one of these Cold Stone locations on July 15 between 4 p.m. and 7 p.m. You'll help us help kids while you beat the summer heat with a super-cool treat!

We've mailed promotional posters and e-mailed information to credit unions with operations near these Cold Stone locations. If you'd like more information, however, e-mail your League's Jeanne Sullivan (jsullivan@vacul.org) or Lewis Wood (lwood@vacul.org). And thanks for your support of our community involvement initiatives!

News About Credit Unions

CU Loans, Savings and Asset Trends See Reversals in May

The Credit Union National Association's (CUNA) monthly review of credit unions for May reflected three reversals in recent trends--in loans, savings balances and asset quality, according to a CUNA economist's analysis.

Credit union loans outstanding increased less than 0.1% during May, compared with a decrease of less than 0.1% during April. Credit union loans in May totaled \$580.4 billion, compared with \$583.4 billion in May 2009. Fixed-rate mortgages led loan growth. They increased 0.9%, followed by credit card loans and used-auto loans, which rose 0.8% and 0.6%, respectively. Unsecured personal loans climbed 0.4%, while both adjustable-rate mortgages and home equity loans increased 0.2%.

New-auto loans decreased 1.5%. "Loans grew in the month, on the heels of six consecutive months of declines," Mike Schenk, CUNA senior economist, told *News Now*. "While balances are still down on a year-to-date (-1.3%) and year-over-year (-0.5%) basis, the recent increase gives some hope that seasonal patterns will emerge with stronger buying and borrowing during the summer months. [[more](#)]

Cheney Refutes *American Banker* CU Criticism

Responding to a recent *American Banker* story on poor credit union performance, Credit Union National Association (CUNA) President/CEO Bill Cheney said that credit unions are "coping with today's economic challenges and continue to shine."

Saying that credit unions did nothing to create the current financial difficulties, Cheney also noted that while there have been around 40 credit union failures since 2009 began, that number is relatively low when compared to the 225 banks that have failed in that same time period.

Even with those difficulties, the credit union system has stabilized itself on its own, without direct government financial bailouts. CUNA is also developing initiatives to help the corporate credit union system evolve and strengthen, Cheney added. [[more](#)]

Consumer Groups Want the NCUA to Crack Down on Payday Lending

The National Consumer Law Center and Consumers Union have urged the NCUA to crack down on what they charge are overly expensive credit union branded payday loan products.

Their comments came in a July 6 letter to the agency about its proposed regulation on short term, low dollar loans and referenced a recent NCLC report which charged "many federal and state credit unions are offering short-term loans with true rates above 18%, up to 400% or even higher." (Credit Union Times, July 7)

NCUA Wrestles CUs Over WesCorp Claims

The National Credit Union Administration is scheduled to face off in federal court next week with seven credit unions over tens of millions of dollars of potential insurance claims against the officers and directors of WesCorp Federal Credit Union.

The claims, which NCUA is seeking to wrestle away from the credit unions, will put powerful players in the docket for the failure of the one-time \$34 billion corporate, which has already cost the movement more than \$2 billion.

The seven credit unions, all WesCorp members, have sued former WesCorp CEO Bob Siravo, CFO Jim Hayes and Chief Investment Officer Bob Burrell, as well as Bill Cheney, the newly named president of CUNA. (Credit Union Journal, July 6)

Compliance/Regulatory Affairs News

Compliance Trifecta: Overdraft, FACTA, Reg Z Rules All in Effect

In what Credit Union National Association (CUNA) Senior Vice President for Compliance Kathy Thompson calls the "compliance trifecta," major rules went into effect July 1 that impact credit union operations. New standards under the Fair and Accurate Credit Transaction Act (FACTA), overdraft protection plan restrictions, and the Federal Reserve Board's (Fed) Regulation Z changes for open-end credit became the rule of compliance land last Thursday. [\[more\]](#)

CUNA Posts Analysis of Fed Final CARD Act Rule

The Credit Union National Association (CUNA) Wednesday issued an analysis of the last final rule that implements provisions of the Credit Card Accountability, Responsibility and Disclosure (CARD) Act. The CARD Act was enacted last year to prohibit and restrict a number of credit card practices.

This final rule implements provisions, effective Aug. 22, intended to protect credit card users from unreasonable penalty fees and that require card issuers to reconsider interest rate increases every six months after an increased rate becomes effective. [\[more\]](#)

Voluntary Merger, P&A Guidance Released by NCUA

The National Credit Union Administration on Thursday provided credit unions with background information on its purchase and assumption (P&A) and merger process and detailed the criteria that the agency uses to evaluate P&As and mergers.

The NCUA letter to credit unions also covers the NCUA's identification of merger and P&A partners as well as its "selection of an acquirer in the limited circumstances when NCUA is involved in making the choice." The Credit Union National Association's merger task force, which was led by Ohio Credit Union League President Paul Mercer, pushed for this guidance. [\[more\]](#)

Deregulation Sought On CU Payday Loans

Credit unions are favoring the National Credit Union Administration's proposal to deregulate payday lending, but say the agency should drop proposed requirements that could make it tougher to qualify for the short-term, small amount loans.

Those commenting on NCUA's proposed rule are supportive of the bid to raise the interest-rate cap for payday loans to as high as 36% from the current 18%, but say other provisions of the rule, such as requirements for direct deposit, payroll deduction, length of membership and limits on loan rollovers, will make it more difficult for credit unions to offer payday loans, which are generally agreed to have negligible profitability. (Credit Union Journal, July 7)

Setting Debit Fees Could Be a Conflict for Fed's ACH Business

The interchange amendment within the regulatory reform bill could create a conflict of interest for the Federal Reserve Board. According to Stuart E. Weiner, a former director of payments

at the Federal Reserve Bank of Kansas City, authorizing the Fed to set fees for debit transactions could pose a conflict with its role operating one of the nation's two automated clearing house networks.

The end result, he said, could lead the Fed to spin off its FedWire Services ACH operation. Many types of ACH transactions, including online bill payment and decoupled debit, compete with the traditional debit card networks and issuers, said Weiner, who now works as an independent consultant and is a faculty member in Kansas State University's finance department.

"The Fed will be setting prices for a competing industry," he said. "It's difficult to believe the Fed will remain an ACH operator once it begins setting debit card interchange rates. ... That's a byproduct that really hasn't been thought through." (American Banker Online, July 6)

Governmental Affairs News

Advocate Newsletter Now Available

The July edition of The Advocate – your League's governmental affairs newsletter -- is now available online at http://www.vacul.org/advocacy/gov_affairs/index.php.

100% for VACUPAC

A round of applause please for Entrust Federal Credit Union, which reports 100% participation from staff and volunteers in the Virginia Credit Union Political Action Committee (VACUPAC). We'll be adding Entrust to the [list of VACUPAC champions found here](#). Remember, your support of VACUPAC allows us to support the legislators and political candidates that support us! To learn more about VACUPAC, contact your League's Karin Sherbin at 800.768.3344, ext. 626 or ksherbin@vacul.org.

Can You Help the Connolly Campaign?

Summer is in full swing and NoVa Chapter members have begun working on the reelection campaign for Gerry Connolly, representative for the 11th District. We know that everyone is extremely busy this summer but there is a way that you can help. If you would be willing to place a yard sign in your yard or a bumper sticker on your vehicle to help Gerry please let John Harwell know - jharwell@applefcu.org. For more information about the campaign please go to <http://www.gerryconnolly.com>.

Congress Fixes Wall Street - and Orders Up 68 Studies

In Washington, there's a code phrase for the middle ground that lawmakers find after a torrent of industry lobbying or partisan debate: "Let's do a study." The [Wall Street reform bill](#) may be the most extreme example: The legislation, which could become law later this month, orders government officials to conduct some 68 studies, according to a CNNMoney analysis.

Instead of toughening up ethical and marketing standards for financial planners, Congress studies the issue in the financial overhaul bill. Instead of making it easier to sue lawyers, accountants and bankers who help commit securities fraud, Congress studies the issue. The bill also studies, among other things: short selling, reverse mortgages, improved insurance regulation, private student loans, oversight of carbon markets and the "feasibility of requiring use of standardized algorithmic descriptions for financial derivatives." [\[more\]](#)

Financial Services/Marketplace News

June Auto Sales Slump: More New Deals Likely

Falling consumer confidence that's been battering the stock market has now stalled auto sales, too. After a spring surge, U.S. auto sales in June dropped about 11% below the May level-although still 14% above June 2009. So if you are among the lucky shoppers not worried about your job, some enticing new-car deals may lie ahead.

Strong spring sales reduced dealers' inventory and caused some auto makers to pull back on their rebates and financing deals, contributing to the downturn in June. But sputtering sales could reverse that trend. [\[more\]](#)

[related: [As Economy Sputters, Auto Sales Drive Off Cliff](#)]

Credit Card Issuers Back on the Prowl for Customers

After the financial crisis forced them to retrench, credit card issuers are again on the hunt for new customers. Their tactics -- low teaser rates that last for a long time and generous rewards offers -- include features that many industry watchers expected the big banks would eliminate because of growing cost pressures.

But despite some very real concerns about the economy, banks are flooding consumers' mailboxes with credit card offers. "One thing is for sure, and that is competition is increasing," said Andrew Davidson, a senior vice president with Mintel Comperemedia, a Chicago research firm that tracks direct mailings. Unemployment remains high, but fewer people are becoming jobless, causing slow declines in delinquencies and chargeoffs and enabling issuers to reduce reserves for loan losses.

As a result, issuers are positioned to grow again and are using competitive pricing to entice prospective customers, Davidson said. (American Banker Online, July 6)
[related: [Credit Card Delinquencies Fall to 8-Year Low](#)]

Refi Demand Drives up Mortgage Applications

Refinancing drove total U.S. mortgage applications to a nine-month high last week, while demand for loans to purchase homes sunk to a near 13-year low as buyers remained sidelined after the expiration of federal tax credits.

Mortgage rates stuck around record lows, the Mortgage Bankers Association said on Wednesday, giving homeowners another chance to cut monthly payments by refinancing. Refinancing requests jumped 9.2 percent in the week ended July 2 to the highest level since May 2009, lifting total applications by 6.7 percent, seasonally adjusted, to the highest level since early October 2009. [\[more\]](#)

Strategic Defaults May Have Peaked

The trend of defaulting on residential real estate to escape the burden of negative equity may have peaked in late 2008. Management consultancy Oliver Wyman and credit-scoring company Experian reported June 28 that strategic defaults - where a borrower remains delinquent for six months after initial delinquency - dropped between the fourth quarter of 2008 and the first quarter of 2009. Strategic defaults continued to fall in the second quarter, the companies reported. [\[more\]](#)

Post Office Announces New Rate Increase

The post office wants to increase the price of a stamp by 2 cents to 46 cents. While that change will be the most visible, rates for other types of mail will also go up, raising concern among business groups and nonprofit organizations.

The agency has been battered by massive losses and declining [mail volume](#) and faces a financial crisis. Postal officials announced a wide-ranging series of proposed price increases Tuesday, averaging about 5 percent, and covering first class, advertising mail, periodicals, packages and other services. The request now goes to the independent Postal Rate Commission which has 90 days to respond. [\[more\]](#)

Education & Networking Opportunities

Webinar: Processing Federal Government ACH Payments: Getting It Right!

Understand how to process Federal government payments and avoid potential financial losses by participating in our July 13 Webinar. [\[more\]](#)

Webinar: Frontline Compliance 101

With our July 14 Webinar, you'll be able to train all frontline staff on the regulations they need to know, including new deposit regulations, overdraft rules, and placing holds. [\[more\]](#)

Marketing Conference to Award Registration Refunds to Lucky Attendees

Want to save your credit union \$199 and learn how to Bounce Back from a Bad Economy at the same time? One lucky registrant from each state attending the Eastern Regional Marketing and Biz Dev Conference will be refunded their entire registration fee. The

conference showcases marketing and business development experts from companies that have beat the economy and expanded during the last several years.

It will be held on Sept. 21-22 in Richmond, at the Crowne Plaza Hotel, and the free registrations will be part of our door prize awards. (Must be present to win!) For more information and to register, go here: http://www.vacul.org/calendar/calendar_detail.php?event_id=221

Sign up today! The special room rate expires on Aug. 23.

CUNA Community CU, Growth Conference Oct. 6-9

A vital component to every credit union's success is being able to continually grow its membership through innovative strategies and market focuses. For many credit unions, the most challenging piece of the puzzle is when it comes to strategies for bringing new members through the doors.

This year's 2010 CUNA Community Credit Union & Growth Conference is focused on putting all the pieces together to grow membership and revenue. The conference registration fee is \$895 per person (\$1,095 after Sept. 7). CUNA Council members receive \$100 discount. To learn more about the 2010 CUNA Community Credit Union & Growth Conference and to register, visit <http://community.cuna.org>.

News From Credit Unions

Credit Union In Partnership to Offer Low-Interest Financing for Energy Efficient Home Improvements

UVA Community Credit Union has partnered with Local Energy Alliance Program (LEAP) to provide low-interest financing for energy-efficient home improvements. Their program, "Green \$ense Lending," offers financing options designed to help homeowners manage their rising energy costs by making it easier to invest in energy efficiency and renewable energy projects. [\[more\]](#)

Credit Union Schools Teens on 'Real Life' Budgeting

In May of this year, Fort Lee Federal Credit Union's Financial Literacy Coordinator, Kristina Benson, worked with Prince George High School's senior economics classes to provide a unique and fun twist on learning about credit, lending and budgeting. [\[more\]](#)

Chapter News

Southside Chapter Sets Compliance Roundtable Meeting

Your League's Kristen Tatlock will be the guest speaker at a special July 13 meeting of the Southside Chapter. She'll provide the latest information on financial privacy compliance and will give an update on various compliance-related issues associated with the Gramm-Leach-Bliley Act.

Location: People's Advantage Federal Credit Union (110 Wagner Rd., Petersburg). Time: 10 a.m. Reservations for the meeting are needed by July 7. Please respond to Pam Kenney by one of the following: e-mail - pkenny@fortleecu.org; phone: 804.452.0736 ext. 181; or fax 804.733.5146.

Roanoke Valley Chapter Meets July 20

Jason Specht, CUCE, Compliance Officer at Member One Federal Credit Union, will be presenting information regarding the compliance aspects of billboard, Web site, and other forms of advertising at the Roanoke Valley Chapter's July 20 meeting. Location: Salem Civic Center. Time: Cash bar at 6 p.m.; dinner 6:30 p.m.; and program 7 p.m.

To register: Respond by noon, July 16, with names of attendees to Shana Meadows by e-mail to smeadows@memberonefcu.com or by fax at 540.982.8257.

[\[meeting notice\]](#) (Word, 29kb)

[\[chapter web page\]](#)

Tidewater Chapter Plans July 10 Benefit for CMN

The Tidewater Chapter is excited to plan its Inaugural Children's Miracle Network (CMN) 5K

Run/Walk and Kid's 1 Mile Fun Run, set for July 10, at the 24th Street Boardwalk in Virginia Beach. Proceeds from this event will benefit the Norfolk-based Children's Hospital of the King's Daughters, a CMN-affiliated hospital.

[\[learn more here\]](#) (PDF, 106kb)

[\[race flyer and sponsorship info\]](#) (PDF, 106kb)

Tidewater Chapter Plans Aug. 21 Night at the Ballpark

Save the Date: The Tidewater Chapter will hold its Night at the Ballpark on Aug. 21. The Tides will be hosting the Durham Bulls. Game time is 7:15 p.m. Details to follow.

Richmond Chapter's CMN Golf Tourney July 19

The Richmond Chapter will host its 16th Annual Golf Tournament to benefit Children's Miracle Network on July 19. Time: 9 a.m. shotgun start (check-in 7:45 a.m. until 8:45 a.m.). Place: Stonehenge Golf & Country Club (1000 Farnham Drive, Richmond, 23236). Field limited to 116 golfers. Format: 4-Person Captain's Choice. Fees: TEAM: \$400 (through July 9, \$425 thereafter). PLAYER: \$100 (through July 9, \$115 after July 9). Includes greens fee, cart and lunch.

[\[information flyer, registration form and sponsor info\]](#) (pdf, 810kb)

Richmond Chapter Seeks Volunteers for Dragon Boat Race

The Richmond Chapter is putting together a team of rowers to compete in the Dragon Boat Festival on July 31 at Rocketts Landing. Dragon boats are 40-foot human-powered canoes decorated with ornate Chinese dragon heads. Teams race the canoes 500 meters. We need approximately 25 volunteers to be part of our boat's team. (Teams must have a minimum of 21 and maximum of 25 people (20 paddlers and 1 drummer, plus 4 alternates).

All teams will race once and then be assigned to a heat based on their finish time. Teams will compete to win their heat. Every team is guaranteed three races. There will be one evening practice during the week prior to the race.)

If you are interested, please contact Chris Miller at Chesterfield Federal Credit Union by July 16 at 804.639.8023 ext. 108 or cmiller@chesterfieldfcu.net. (The Chapter is seeking no more than three rowers per credit union to allow the maximum number of credit union participants.

[\[view flyer\]](#) (pdf, 334kb)

Financial Education News

MoneySmart Training Coming in August

By popular demand, your League has organized two training sessions to introduce you to the new MoneySmart for Young Adults program (go here for more information:

<http://www.fdic.gov/consumers/consumer/moneysmart/young.html>). The first will be held Aug. 3 at Arlington Community Credit Union (5666 Columbia Pike, Bailey's Crossroads, VA 22041) and it will be repeated again on Aug. 12 at Virginia Credit Union (7500 Boulders View Drive, Richmond).

Both sessions will be from 9 a.m. to 4 p.m. A box lunch will be provided. The workshop is free. We are opening the workshops first to credit union volunteers, since seating is limited. If you are interested in attending one of these workshops, fill out and fax the registration form to Joy Ellington 678.916.2437, or send the forms by e-mail to jellington@fdic.gov.

[\[registration form\]](#) (Word document, 62kb)

Roanoke-Area CUs Sponsor Free Personal Finance Seminars

Money Mondays is an ongoing series of free seminars and workshops to help people with the facts and practical skills to better manage their money, get and stay out of debt, and afford the lifestyle we all want. All Seminars are FREE and Open to the Public. A VISA Gift Card drawing will be held at every seminar.

Two seminars are on tap: Monday, July 19 - Navigating the Free Credit Report and Monday, Aug. 16 - Investing Basics. Location: Virginia Western Community College Natural Science Center. Time: 6 p.m. until 7:30 p.m. [\[information flyer\]](#)

Community Involvement

CMN Launches LemonAid Fundraiser; CUs Invited to Participate

Children's Miracle Network supporters, we need you to help us "put the squeeze" on childhood cancer! Remember the excitement of setting up a neighborhood lemonade stand as a kid? Now you can relive that feeling, and more importantly, help a worthy cause at the same time. The 9th Annual Anthem LemonAid is your opportunity to join children and families throughout the central Virginia area hosting hundreds of LemonAid stands the weekend of July 16-18 to support kids fighting cancer. [[more](#)]

Get Discounted Kings Dominion Tickets, Help CMN

Our friends at Kings Dominion are going above and beyond this year, offering us extended dates for discount tickets -- plus \$1 rebate for each credit union ticket redeemed goes to Children's Miracle Network. Take advantage of ticket discounts July 1-16 and Aug. 1-16. Place your credit card order online for tickets at www.KingsDominion.com, then simply click on tickets, then corporate partner. Our company ID is: VACUL. Feel free to pass that code and information on to family, friends and neighbors. They'll get the discount, we'll get the dollar for CMN!

News About The Competition

A Bank's Making Loans? Prove It, Say Regulators

Bankers have spent months saying they are making every good loan possible, and now regulators are demanding more information to prove it. A low-profile change to quarterly call reports requires banks to list the amount of unfunded commercial and industrial loan commitments they have, giving better insight into how much credit they are extending. C&I is an important area to highlight, given that bankers have touted such loans as the most attractive opportunity on the road to recovery.

Not only will the information help show which banks are fulfilling their pledges to put capital to work with commercial borrowers, but it will also give investors ammunition to query executives when quarterly conference calls begin in less than two weeks. (American Banker Online, July 2)

Looks and Sounds Like a Bank, but Isn't, Quite

If you're setting out to reinvent basic savings and checking accounts, one way to get attention is to create a service that's truly different. In the last year or two, companies and services like Kasasa, PerkStreet and SmartyPig have accomplished this, offering interest rates and rewards that leave many bank products in the dust. The companies haven't stopped there, though. They're also trying to appeal to consumers' fury after the financial crisis by one-upping one another in the nasty things they say about big, old-fashioned banks. [[more](#)]

Security/Fraud Prevention

No More Dye Packs; GPS Leads Cops to CU Robbers

Less than an hour after two masked and armed women held up an Air Academy Federal Credit Union branch, police officers and FBI agents tracked the alleged robbers to a home where they arrested the suspects and recovered more than \$2,500 -- after an alert teller stuck a GPS device into the cash bag. (Credit Union Journal, July 6)

Technology News

Federal Government Hearing Comments on Changes to Banknotes

The Federal Register has published for public comment changes to United States Federal Reserve Notes to make them accessible to the blind and the visually impaired, knowing that the alterations will financially affect some ATM owners and operators.

The Bureau of Engraving and Printing, which prints Federal Reserve Notes, is proposing as part of the design a tactile feature that will be unique to every banknote, enabling users to identify each denomination through touch.

The government agency also will continue with its current practice of adding high-contrast numerals and different and distinct color schemes to each denomination to assist the visually

impaired. Tactile bumps, which are smaller than Braille, could affect some ATMs' ability to dispense cash. [[more](#)]

Classifieds

Service Center Operation Selling Branch Equipment

The Credit Union Service Company of Virginia is planning to close two shared branching offices and as a result, has some very attractive offers on equipment. Contact Dave McElhaney at dmcelhaney@cuscva.com for a complete list of available equipment and pricing.

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