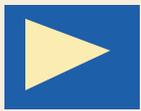


FDIC-Insured Institution Profits

**Commercial
Bank and
Savings
Institutions**



Source: FDIC

CUs Don't Hinder Record Bank Profits

Despite claims that credit union competition is hurting their business, U.S. banks and thrifts reported record profits in 2004—the fourth consecutive year—while bank assets pushed past the \$10 trillion mark for the first time ever.

Commercial banks and savings institutions insured by the FDIC reported net income of \$123 billion in 2004, surpassing the previous record total of \$120.5 billion in 2003. The institutions ended 2004 with \$10.1 trillion in assets, which dwarfed U.S. credit unions' \$665 billion in assets—about 6% of the banks' total.

CUNA President/CEO Dan Mica

questioned the rationale behind bankers' continued complaining about competition from credit unions.

“What makes this so galling for credit unions is that banks, despite their moaning that the credit union tax exemption is so unfair, seem to be enjoying the very best of times,” said Mica. “Their nerve and hypocrisy in complaining about credit unions clearly knows no bounds and neither does the hollowness of their reasoning. We'll certainly be making this point when our people visit the Hill during our Governmental Affairs Conference this week.”

NCUA Proposes Changes to PCA, Capital

NCUA last week released proposed changes to net worth standards under prompt corrective action (PCA), which, among the recommendations, would reduce standard net worth ratio requirements for credit unions to a level comparable to what is required of FDIC-insured institutions.



JoAnn Johnson

Also in its draft report, “Prompt Corrective Action Proposal for Reform,” NCUA wants to tailor the risk-asset categories and weights of BASEL II, as well as related aspects of the FDIC's PCA system, to the operation of credit unions.

Once credit unions review and agree on the proposals, the language would be incorporated into federal credit union legislation, such as the CU Regulatory Improvements Act (CURIA).

NCUA Board Chairman JoAnn Johnson said the report was the culmination of more than a year's worth of work reviewing and analyzing various alternatives to the current mandated statutory PCA structure. She said the agency considered the views of the credit union industry, Government Accountability Office, and the Department of Treasury. It reflected points >>

▶ See page 6

Inside

2 | Proposed TILA Overhaul

More time requested to comment on possible changes to credit rules.

3 | Senate Ready to Engage Bankruptcy Reform

Full Senate could take up bill as early as this week, says CUNA.

6 | Special Report

CUNA leadership reviews PCA proposal.

7 | Bank Blames Better Rates on CUs

Bank would have earned even more money during record quarter.



>> Regulatory Affairs

CUNA Reviewing TILA Overhaul Proposal

CUNA has asked the Federal Reserve for a 60-day comment period extension (until May 27) on an advance notice of proposed rulemaking (ANPR) on possible changes to the open-end credit rules under the Truth in Lending Act (Reg Z).

CUNA believes many of the issues raised in the ANPR affect other issues, such as closed-end lending and require comparisons between different types of open-end credit, such as credit cards and home equity lines of credit.

CUNA has been actively involved in soliciting feedback from its member credit unions on how the open-end credit

rules can be amended to accomplish the dual goals of making the required disclosures easier for consumers to understand, as well as minimizing additional burdens for credit unions or possibly even reducing current burdens.

As part of this process, CUNA has formed a working group to coordinate these efforts, which includes members of CUNA's Consumer Protection Subcommittee, as well as other interested credit unions and representatives from credit union leagues. 

 **Comment Letters**
http://www.cuna.org/reg_advocacy

Agency Bounce Guidelines Consistent with CU Practices

CUNA's board approved voluntary bounce privilege guidelines last year that incorporate many of the concepts in the federal financial agencies' guidelines that were issued last week.

CUNA's regulatory staff, the Consumer Protection Subcommittee, the Governmental Affairs Committee and the board have been actively involved in developing bounce privilege guidelines for some time.

"The agencies issued the guidelines because there has been some deceptive or abusive bounce protection programs in the financial services industry," noted Jeffrey Bloch, CUNA's senior assistant general counsel. "However, we believe credit union bounce programs are already consistent with the guidelines that the agencies have just issued. The subcommittee will be reviewing these guidelines further as part of its ongoing work in this area."

NCUA and three other financial regulators issued final guidance Feb. 20 concerning disclosure and administration of overdraft privilege programs impacting credit unions and their operations.

The final joint guidance contains sections on safety and soundness considerations, legal risks and best practices.

Some of the best practices include:

- ▶ Avoiding the promotion of poor account management;
- ▶ Providing a clear explanation of the discretionary nature of the overdraft protection program;
- ▶ Clearly disclosing fees;
- ▶ Explaining the impact of transaction clearing policies on the overdraft fees consumers may incur; and
- ▶ Monitoring program usage.

 **Regulatory Advocacy**
http://www.cuna.org/reg_advocacy/index.html

NCUA Approves Lending Rule, Reviews NCUSIF

The NCUA Board during its monthly meeting Feb. 17 approved a final rule concerning loans guaranteed under state or federal loan guarantee programs as well as mobile home and manufactured home loans. The board also received 2004 results of the National CU Share Insurance Fund (NCUSIF).

CUNA supported the lending rule, which would permit a loan for a house trailer, recreational vehicle or boat—that is secured by a first lien and qualifies for the home mortgage interest deduction—to be eligible for a maximum maturity of 20 years instead of 12.

It also would permit federal credit unions to offer members residential real estate loans—including loans secured by manufactured homes permanently affixed to the land—with maturities of up to 40 years.

The board also reviewed the NCUSIF, which reported 2004 net income of \$47.4 million—up from \$28.9 in 2003, and well above the budgeted \$19.8 million.

Revenues for the year were \$125.3 million—slightly less than budget. However, cost-containment resulted in total operating expenses of \$81.3 million—more than \$10 million better than budget.

A change to the NCUSIF reserving methodology to a pooling concept in 2004 resulted in a negative insurance loss expense of negative \$3.4 million—more than \$18 million better than budget.

The NCUSIF ended 2004 with a 1.27% equity-to-insured share ratio for the third year in a row. 



 **CUNA's Summary of NCUA Board Meetings**
http://www.cuna.org/reg_advocacy



>> Legislative Affairs

Bankruptcy Floor Action Expected in March

The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (S. 256) is expected to be on the Senate floor for debate as early as the first week of March.

The CUNA-backed bill would protect the ability of credit union members to voluntarily reaffirm their debts with their credit unions, include a meaningful “means test,” and include mandatory financial education provisions.

At the same time, CUNA recognizes that bankruptcy is a legitimate way for many who truly need an extraordinary means to address their indebtedness.

The main objectives of recent bank-

ruptcy reform bills are to reduce repeat filings, prevent the “gaming” of the bankruptcy system—such as running up credit card bills right before filing for bankruptcy—and improve the administration of bankruptcy cases and provide debtors with information about alternatives to bankruptcy.

CUNA testified earlier this month before the Senate Judiciary Committee in support of the legislation. A companion bill (H.R. 685) was introduced in the House. 🏠

Governmental Affairs
http://www.cuna.org/gov_affairs/legislative/issues/2005/bankruptcy.html

CUNA Wants CDFI Fund Under Treasury at \$80M

Keeping the Community Development Financial Institutions (CDFI) Fund under the U.S. Treasury budget, and restoring the fund’s level to a minimum of \$80 million, are two items on which CUNA has asked for assistance from House Budget Committee Chairman Jim Nussle (R-Iowa).

CUNA President/CEO Dan Mica requested the assistance from Nussle in response to the fiscal year 2006 budget proposal to move the fund under the budget of the Commerce Department, and reduce funding to \$8 million.

“The CDFI Fund uses small amounts of federal dollars to leverage significant amounts of private and non-federal dollars, and has added a tremendous boost to the CDFI industry,” Mica told Chairman Nussle in a letter. He added that CDFIs and CDCUs supply low-income, distressed communities with traditional banking services such as savings accounts and personal loans, “and offering individuals the tools needed to become self-sufficient stakeholders in their own future.”

Credit Union Issues 2005
http://www.cuna.org/gov_affairs/legislative/issues/2005/cdfi.html

Financial Literacy Caucus Formed in Congress

Supplementing Treasury Department efforts to form a national financial literacy and education strategy and providing members of Congress with an avenue to promote financial literacy, Reps. Judy Biggert (R-Ill.) and Ruben Hinojosa (D-Texas) launched the Financial and Economic Literacy Caucus on Capitol Hill Feb. 15.

CUNA commended Biggert and Hinojosa for their “consistent recognition and tireless efforts to promote financial literacy.”

CUNA believes financial literacy and education is at the forefront of many of CUNA’s activities, from its partnership with the National Endowment for Financial Education (NEFE), its position

CU-Endorsed Remittance Legislation Reintroduced

Senate Banking Committee Ranking Democrat Paul Sarbanes (Md.) and Rep. Luis Gutierrez (D-Ill.) reintroduced remittances legislation that CUNA, the World Council of Credit Unions Inc. (WOCCU) and others endorsed in the 108th Congress.

Sarbanes introduced the International Remittances Protection Act (S. 2868), which was designed to promote open disclosure of fees and rates by institutions and companies providing remittance services.

The bill also encouraged credit unions and other financial institutions to reach out to the consumers making these transactions. It would put in statute credit unions’ ability to send remittances and cash checks for anyone eligible for their field-of-membership.

The Maryland Credit Union League worked closely with Sarbanes and his staff to reintroduce the bill this Congress.

CUNA believes the Sarbanes and comparable Gutierrez legislation will enable credit unions to reach many individuals in the underserved and immigrant communities that typically do not use formal banking institutions and are forced to use high-priced money transmitting business.

International Remittance Network
http://www.woccu.org/prod_serv/irnet

on the board of the Jump\$tart Coalition and to many of legislative efforts that include elements of the promotion of financial literacy.

The caucus will highlight successful policies at the federal, state and local levels and private sector and nonprofit best practices. 🏠

National Endowment for Financial Education
<http://www.nefe.org/hsfpportal/index.html>

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It's an Experience unlike any other!

DIRECTORS & VOLUNTEERS

Strategic Planning Institute
April 10-13
New Orleans, LA
Room rate: \$215 sgl/dbl
Reg fee: \$1,095

CUNA Volunteer Institute
October 16-19
Lahaina, Maui, HI
Room rate: \$229 sgl/dbl;
plus \$15 resort fee
Reg fee: \$1,195

CUNA Volunteer Institute Cruise
April 23-30
7-Night Mexican Riviera Cruise

Supervisory Committee and Internal Audit Conference
December 4-7
Las Vegas, NV
Room rate: \$89 sgl/dbl
Reg fee: \$795

EXECUTIVE DEVELOPMENT

Executive Edge
April 17-20
Durham, NH
Room rate: \$209 sgl/dbl
Reg fee: \$1,795

CUNA Management School
July 10-22
Madison, WI
Reg fee: \$2,149

World-Class Customer Service Executive Institute
October 16-20
New Orleans, LA
Room rate: \$215 sgl/dbl
Reg fee: \$1,595

Leadership Development Institute
September 11-16
San Diego, CA
Room rate: \$165 sgl/dbl
Reg fee: \$1,595

FINANCE & ECONOMICS

CU Finance for Non-Financial Managers and Volunteers
October 9-12
New Orleans, LA
Room rate: \$165 sgl/dbl
Reg fee: \$1,195

eSchool
CU Finance for Non-Financial Managers and Volunteers
Starts March 8
Reg fee: \$1,195

Economics and Investments Conference
August 14-17
Las Vegas, NV
Room rate: \$149 sgl/dbl
Reg fee: \$1,095

Financial Management School: Parts I & II
August 7-12
San Francisco, CA
Room rate: \$175 sgl/dbl
Reg fee: \$1,595

eSchool
Financial Management: Part II
Starts March 29
Reg fee: \$1,595

Financial Management Update
July 24-27
Denver, CO
Room rate: \$169 sgl/dbl
Reg fee: \$1,095

Eleventh Annual CUNA CFO Council Conference and Roundtable
May 15-18
Washington, DC
Room rate: \$199 sgl/\$219 dbl

HUMAN RESOURCE MANAGEMENT

Human Resource Management School: Parts I & II
September 19-23
New Orleans, LA
Room rate: \$169 sgl/dbl
Reg fee: \$1,295

NEW! **Instructional Design Seminar**
September 11
Madison, WI
Room rate: \$92-\$129 sgl/dbl
Reg fee: \$395

Robbery and Fear Seminar
September 11
Room rate: \$92-\$129 sgl/dbl
Madison, WI
Reg fee: \$395

Experience Learning Live!
September 11-14
Madison, WI
Room rate: \$92-\$129 sgl/dbl
Reg fee: \$795

Eleventh Annual CUNA HR, Training & Development Council Summit
April 10-13
Indian Wells, CA
Room rate: \$189 sgl/dbl

LEADERSHIP & MANAGEMENT

Branch Management Institute: Foundations & Strategies
April 3-7 (Foundations only)
Las Vegas, NV
Room rate: \$119 sgl/dbl

October 2-6
New Orleans, LA
Room rate: \$165 sgl/dbl
Reg fee: \$1,295

NEW! **Women's Leadership Summit**
June 12-15
San Diego, CA
Room rate: \$199 sgl/dbl; plus \$16 resort fee
Reg fee: \$1,095

Management Essentials for Supervisors: Introduction & Update
June 19-24
New Orleans, LA
Room rate: \$119 sgl/dbl

November 13-18
Tempe, AZ
Room rate: \$165 sgl/dbl
Reg fee: \$1,295

LENDING & COLLECTIONS

Business Lending and Services Conference
May 23-25
St. Pete Beach, FL
Room rate: \$159 sgl/dbl
Reg fee: \$795

NEW! **Business Lending Certification Institute**
July 18-22
Madison, WI
Room rate: \$135 sgl, \$155 dbl

Certified Financial Counselor School: Part I
February 20-25
St. Pete Beach, FL
Room rate: \$169 sgl/dbl
Reg fee: \$1,295

Certified Financial Counselor School: Part II
February 20-24
St. Pete Beach, FL
Room rate: \$169 sgl/dbl
Reg fee: \$1,195

Collections and Bankruptcy Introduction
April 3-8
St. Pete Beach, FL
Room rate: \$178 sgl/dbl

September 18-23
San Diego, CA
Room rate: \$165 sgl/dbl
Reg fee: \$1,295

Collections and Bankruptcy Update
September 18-22
San Diego, CA
Room rate: \$165 sgl/dbl
Reg fee: \$1,195

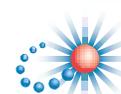
Consumer Lending Schools: Foundations & Update
October 24-28
Tempe, AZ
Room rate: \$165 sgl/dbl
Reg fee: \$1,295

eSchool
Consumer Lending Foundations
Starts March 2
Reg fee: \$1,295



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Check the Web site at training.cuna.org or call for the latest schedule.



CUNA CENTER FOR
PROFESSIONAL DEVELOPMENT
Experience Learning

elopment ment

Advanced Mortgage Lending Strategies School
March 7-9
St. Pete Beach, FL
Room rate: \$178 sgl/dbl
Reg fee: \$1,095

Residential Mortgage Lending School
March 7-11
St. Pete Beach, FL
Room rate: \$178 sgl/dbl

September 12-16
New Orleans, LA
Room rate: \$178 sgl/dbl
Reg fee: \$1,295

Eleventh Annual CUNA Lending Council Conference
November 6-9
Miami Beach, FL
Room rate: \$189 sgl/dbl

MARKETING & SALES

Business Development School: Parts I & II
April 24-29 (Part I only)
San Diego, CA
Room rate: \$185 sgl/dbl

October 16-21 (Parts I & II)
St. Pete Beach, FL
Room rate: \$155 sgl/dbl
Reg fee: \$1,295

Customer Relationship Management Seminar
June 5
Madison, WI
Room rate: \$92-\$129 sgl/dbl
Reg fee: \$395

Marketing Management School: Parts I, II & Update
June 5-10
Madison, WI
Room rate: \$92-\$129 sgl/dbl
Reg fee: \$1,295

Sales & Service Culture Institute
April 3-6
Las Vegas, NV
Room rate: \$119 sgl/dbl
Reg fee: \$1,195

Twelfth Annual CUNA Marketing & Business Development Council Conference
March 16-19
Palm Springs, CA
Room rate: \$175 sgl/dbl

REGULATORY COMPLIANCE

Compliance Fundamentals Seminar
April 16-17
Washington, DC
Room rate: \$189 sgl/dbl

September 10-11
Denver, CO
Room rate: \$139 sgl/dbl
Reg fee: \$500

Regulatory Compliance: Introduction
April 17-22
Washington, DC
Room rate: \$189 sgl/dbl

September 11-16
Denver, CO
Room rate: \$139 sgl/dbl
Reg fee: \$1,295

Regulatory Compliance: Update
April 17-21
Washington, DC
Room rate: \$189 sgl/dbl

September 11-15
Denver, CO
Room rate: \$139 sgl/dbl
Reg fee: \$1,195

eSchool Compliance Fundamentals Seminar
Starts May 4
Reg fee: \$500

eSchool Regulatory Compliance School: Introduction
Starts June 1
Reg fee: \$1,295

eSchool Regulatory Compliance School: Update
Starts November 2
Reg fee: \$1,195

SECURITY & RISK MANAGEMENT

Identity and Fraud Seminar
April 24
Savannah, GA
Room rate: \$145 sgl/dbl
Reg fee: \$395

Robbery and Fear Seminar
October 2
New Orleans, LA
Room rate: \$165 sgl/dbl
Reg fee: \$395

Security and Fraud: Introduction
April 24-29
Savannah, GA
Room rate: \$145 sgl/dbl

October 2-7
New Orleans, LA
Room rate: \$165 sgl/dbl
Reg fee: \$1,295

Security and Fraud: Update
April 24-27
Savannah, GA
Room rate: \$145 sgl/dbl
Reg fee: \$1,095

OPERATIONS & TECHNOLOGY

Tenth Annual CUNA Technology Council Summit
August 3-6
San Diego, CA
Room rate: \$205 sgl/dbl

Eighth Annual CUNA Operations, Sales & Service Council Conference
September 11-14
Las Vegas, NV
Room rate: \$159 sgl/dbl

SPANISH

eSchool Spanish for CUs: Level I
Starts April 21

eSchool Spanish for CUs: Level II
Starts August 18

eSchool Spanish for CUs: Level III
Starts October 18

Reg fee: \$695 for first attendee and \$295 for each additional attendee from the same credit union

CONFERENCES

CUNA Future Forum
September 24-27
San Francisco, CA
Reg fee: \$795

CUNA Governmental Affairs Conference
February 27-March 2
Washington, DC
Reg fee: \$779

The National Association of Community Credit Unions (NACCU) Seventh Annual Credit Union Forum
October 23-26
Boston, MA
Room rate: \$210 sgl/\$230 dbl

**Register early to save! Above registration fees are early bird rates. Registration fees subject to change.*

CUNA Leadership Reviews PCA Proposal

CUNA said NCUA's proposed changes to net worth standards under prompt corrective action (PCA) contained a number of positive aspects and that the association's credit union leadership would consider the recommendations this week.

CUNA President/CEO Dan Mica said the association has been working on changes to PCA in general for some time, and commended Johnson for bringing the proposal forward.

"Our Governmental Affairs Committee, and then the CUNA Board of Direc-

tors, will be considering these proposals this week, although no final decisions will be reached until NCUA finalizes its proposal," said Mica. "Any issues that may come up in the course of our leadership's consideration will be discussed with NCUA in the meantime."

"Above all, our goal is to ensure the safety and soundness of credit unions, as well as provide them the flexibility to best serve their members," said Mica. "We also appreciate the support Board Member Matz has given to the issue of PCA improvements."

Once credit unions review and agree on the proposals, the language would be incorporated into federal credit union legislation, such as the CU Regulatory Improvements Act (CURIA).

"The comments of U.S. Rep. Ed Royce (R-Calif.) and Johnson both reflect the many long hours of work CUNA and others have spent working with each of them to improve CURIA before it is reintroduced in the coming weeks," noted CUNA Legislative Affairs Vice President Gary Kohn. ☝

▶ Highlights of NCUA's Draft Report

- ▶ A recognition of the inherent limitations in any risk-based capital system. Consequently, the report advocates a system involving complementary leverage and risk-based standards working in tandem.
- ▶ For the leverage requirement, NCUA wants to reduce the standard net worth (i.e., leverage) ratio requirements for credit unions to a level comparable to what is required of FDIC insured institutions. To achieve comparability between the federal insurance funds, NCUA said it is necessary to factor in the National CU Share Insurance Fund's (NCUSIF) deposit-based funding mechanism. However, the NCUSIF deposit's treatment for purposes of regulatory capital standards in no way would alter its treatment as an asset under generally accepted accounting principles, or NCUA's support of the mutual, deposit-based nature of the NCUSIF.
- ▶ The draft risk-based proposal tailors the risk-asset categories and weights of BASEL II, as well as related aspects of the FDIC's PCA system, to the operation of credit unions. This approach and the timing is consistent with the federal banking regulators' recent proposed rules this year incorporating BASEL II into their capital standards. NCUA said its proposal is consistent with BASEL II and the FDIC's PCA system, addressing credit and operational risks under the risk-based requirement and acknowledging other forms of risk, like interest rate risk. NCUA's reform proposal includes recommendations to address these other forms of risk under the second pillar of the supervisory framework, a robust supervisory review process. Through the examination and supervision process, NCUA would continue to analyze each credit union's capital position in relation to the overall risk of the institution, which may at times reflect a need for capital levels higher than regulatory minimums.

Visit NCUA's website to access the complete draft report, "Prompt Corrective Action Proposal for Reform."

 **"Prompt Corrective Action Proposal for Reform"**
<http://www.ncua.gov/ReportsAndPlans/special/special.html>

▶ From page 1

NCUA Proposes Changes to PCA, Capital

made by CUNA witnesses during NCUA's summit on PCA and capital in September.

U.S. Rep. Ed Royce (R-Calif.), who sponsored last year's CURIA bill, said last week that on the international scene, the regulatory trend is toward risk-based capital standards.

"It seems appropriate to me that a financial institution does not need to hold as much capital against a fully secured mortgage loan as an unsecured personal loan," he said. "I have seen risk-based capital improve oversight of banks, thrifts and government sponsored enterprises. It makes a whole lot of sense to give credit unions the same opportunity to live under a smarter and a better regulatory regime."

Johnson added that NCUA also recognized the importance for institutions in managing capital levels to ensure the efficient use of capital in the economy, to optimize the performance of an institution with appropriate leveraging, and to achieve strategic objectives in providing affordable services for members.

"I look forward to working with Congress to make needed reforms to the PCA system for credit unions," she said.



Ed Royce



>> Notes Bearing Interest

Bank Blames Better Rates on CUs

Zions Bancorp., of Salt Lake City, blamed credit unions, in part, for the reason it had to offer its customers better rates on money market accounts during a quarter in which the bank reported record earnings.

The bank's chairman and CEO, Harris Simmons, has continued to press the

issue of competition from credit unions. Simmons also is chairman-elect of the American Bankers Association.

The publicly-traded Zions reported record net income of \$105 million during the fourth quarter of 2004. For the year, the \$32 billion-asset Zions said net income increased 20.2% to a record \$406.0 million.

But according to a Jan. 31 *American Banker* article called, "Feeling Heat from Deposit Competition," Simmons's bank could have reaped even more profits. Zions said its deposit costs began to rise late in the quarter after "pressure from other banks and specifically credit unions in Utah prompted it to raise rates on money

"Mr. Simmons would rather blame us, but his customers are probably thanking us."

—CUNA's John McKechnie

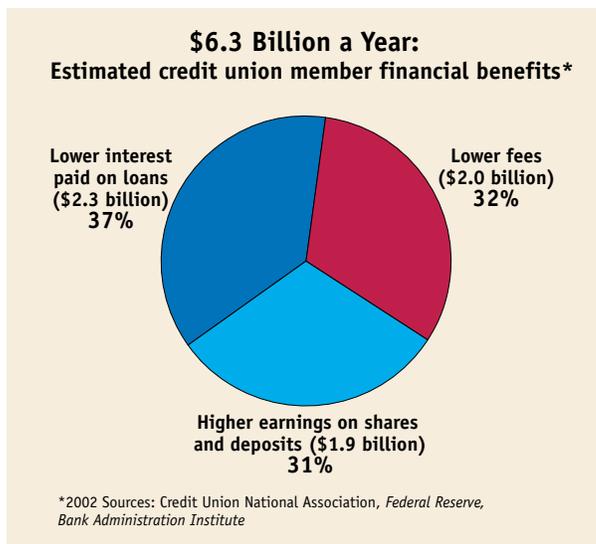
market accounts by 20 basis points late in the fourth quarter," reported the *American Banker*.

CUNA Senior Vice President of Governmental Affairs John McKechnie said this was another example of how credit unions benefit all consumers, even those who aren't members.

"Without credit unions acting as honest brokers, banks would be free to charge even more for their services. Mr. Simmons would rather blame us, but his customers are probably thanking us," said McKechnie. ☱

"If Banks Win, You Lose"
<http://buy.cuna.org/detail.php?sku=refer001>

"Straight Talk"
<http://buy.cuna.org/detail.php?sku=26243>



Bank Regulator: Banks 'Never Healthier'

"One hopes that this glowing assessment of the prosperity of the banking industry will cause Mr. Powell to change his tune when it comes to credit unions," said John McKechnie, CUNA's senior vice president of governmental affairs, in response to an article published last week in which Federal Deposit Insurance Corp. (FDIC) Chairman Don Powell said the U.S. banking industry, in his memory, was the healthiest ever.

Powell—a former banker who last year said he favors taxing credit unions—told the *Financial Times* (Feb. 22) that the U.S. banking industry will continue consolidating this year, creating larger institutions, but small community banks also will thrive.

"I am not pessimistic about communi-

ty banks," Powell told the publication. "They are alive and well." He said he was confident enough in the strength of the nation's 9,000 banks that he would not oppose lifting or removing the federal limit on deposits, currently at 10%.

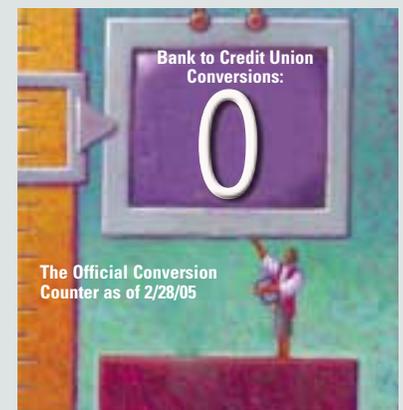
Powell said he did not fear the biggest banks getting bigger partly because he believed in free markets, but also because he could not recall the banking business in the U.S. ever "being this healthy," according to the report.

"It's hard to believe that the chairman can continue his hostility toward credit unions in light of this acknowledgment that we don't inhibit their profitability," observed McKechnie. ☱

BANK ATTACKS: CUs Fight Back!
http://www.cuna.org/initiatives/bank_attack/index.html

UPDATE: Conversions

If bankers truly believe credit unions have such a sweet deal, then CUNA invites them to switch to a credit union charter.





>> The Innovators

Women's Summit to Share Leadership Skills

A new leadership summit from CUNA is aimed at women credit union leaders and those who work toward

becoming leaders.

The first Women's Leadership Summit will be June 12-15 in Coronado, Calif. According to CUNA's 2004 Complete CU Staff Salary Survey, 49% of all credit union CEOs/managers are women. The percentage of women leading credit unions is much higher among smaller credit unions, while 58% of all employees in leadership positions (officials and managers) at large credit unions (with 50 or more employees) are female.

Before attending,

participants will complete a self-assessment that will help guide them through the training. Attendees also will learn about their individual leadership skills and how to effectively lead change in their organizations.

Well-known women credit union leaders will offer advice on career advancement and overcoming obstacles. Instructors include Mary Cunningham, president/CEO, USA FCU, San Diego; Mary Martha Fortney, president/CEO, National Association of State CU Supervisors; and Juli Lynch, president, Turning Pointe Consulting.

For more information or to register, visit CUNA's website. 🏠

Women's Leadership Summit
http://training.cuna.org/on_site/WLSCA05_fct.html



http://www.cuna.org/initiatives/idtheft_free.html



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FIRST CLASS TIME SENSITIVE MATERIAL

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