



Horizons

Vol. 11 No. 4

April, 2007

Crowd of 4,000 attend 2007 GAC

The 2007 Governmental Affairs Conference (GAC), the premier political meeting of the Credit Union National Association (CUNA), was held in Washington February 25 to 28. The annual political gathering presented many legislators and public

their photos taken with the three-foot "Little Guy" cut-outs.

This year's conference was one of the best-attended to date. The 2007 event of more than 4,000 attendees included a record number of first timers: 443. Representatives from Credit Union Central Falls; Community and Teachers Federal Credit Union; Dexter Credit Union; Pawtucket Credit Union; Providence Postal Federal Credit Union; and Wave Federal Credit Union were in attendance.

This year's line-up of speakers included a long roster of key legislators and regulators in the credit union arena:

- Representatives Ed Royce (R-Ca.) and Paul Kanjorski (D-Penn.), who are the original co-sponsors of the Credit Union Regulatory Improvements Act (CURIA) will jointly introduce the

2007 bill for which, with credit unions' help, they hope to get 200 sponsors in early spring. This bill would include two significant changes from previous legislation. It will propose to:

- Allow credit unions, regardless of charter type, to serve underserved areas; and
- Boost the member business lending cap to "at least 20%" of assets, up from the current 12.25% limit.
- Addressing the Tuesday general session, House Financial Services Committee Chairman Barney Frank (D-Mass.), backing a credit union position on data security legislation, said the party responsible for an information breach has to bear the full responsibility to fix it. Also, he noted that credit unions are an important asset to helping immigrants and people of modest means, and he called upon his credit union audience to help immigrants avoid the harsh realities of payday lenders and check cashers. "One of the best things we can do is to get immigrants into the credit union movement," Frank said, "because you won't be profiteering at their expense."
- Strengthening opportunities for all U.S. citizens is one priority of Senator Christopher

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Rhode Island credit union representatives met with Senator Sheldon Whitehouse in his office: (left to right) Kenneth Poyton, Providence Postal Federal Credit Union; League Chairman Paul Archambault, Wave Federal Credit Union; Robert Andrade, Pawtucket Credit Union; Senator Whitehouse; Bill Brownell, Dexter Credit Union; Kenneth Saunders, Community and Teachers Federal Credit Union; and League President Dan Egan.

officials, media luminaries and concluded with credit union visits to Capitol Hill.

The annual GAC provides an important opportunity for credit union representatives from across the country to learn about and discuss the top issues facing the movement, and to participate in the decisions that will drive CUNA staff on matters of federal and state legislative and regulatory affairs.

The goal of a media campaign touted at this year's GAC was to "change the conversation on Capitol Hill." This was exemplified in what became the big "photo op" of the event, "Little Guy." Each attendee received a small version of the everyman cartoon cutout seen everywhere as a sign that credit unions serve the average person. Legislators and attendees sought to have

The role of credit unions in Rhode Island goes beyond serving the financial needs of their members. Credit unions are involved in a number of local and state-wide activities which enhance the entire community. In this issue of the *Horizons* we have references to several of these programs.

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IRS issues three new UBIT opinions

Community Investment Fund (Foundation)

2007 Credit Union Championships a "winner" for Rhode Island credit unions

Needs-based lending drives member satisfaction, bottom line. . . and more!



CREDIT UNION LEAGUE



President's Message

By Daniel F. Egan, Jr.



Legislative & Regulatory Notes

IRS issues three new UBIT opinions

The Internal Revenue Service (IRS) has released three additional Technical Advice Memoranda (TAMs), and this new batch states for the first time that collateral protection insurance would not be subject to unrelated business income tax (UBIT). The TAMs, addressed to unidentified credit unions, otherwise simply repeat information contained in TAMs released recently by the IRS, which said several products sold by two unidentified state-chartered credit unions would be subject to UBIT. Among them, the sale of:

- Credit life and disability insurance;
- Accidental death and dismemberment (AD&D) insurance;
- MEMBERS financial management services;
- Car warranties;
- Guaranteed auto protection (GAP) insurance; and

- Dental and cancer insurance.
- Federal credit unions are not subject to UBIT.

The Credit Union National Association (CUNA), and other members of the UBIT Steering Committee, supported the IRS exclusion of collateral protection insurance from UBIT, saying such exemptions are the only opinions that make sense based on the credit union structure. CUNA disagreed with the earlier IRS notions of subjecting the six products listed above to UBIT rules under section 511 of the IRS code. "We believe any financial product related to the credit union's business of promoting thrift is exempt from UBIT," CUNA General Counsel Eric Richard, reiterated. "CUNA and the Steering Committee will work with affected credit unions to pursue litigation, as necessary."

Richard said there are 21 more TAMs in the pipeline. The TAMs do not set a precedent for all credit unions, but they could indicate how the IRS may approach another state-chartered credit union's products and services, according to Richard. Because products, services and pricing structures are unique to individual credit unions, Richard said credit unions should work closely with their accounting firms in making any decisions related to UBIT for 2006 and 2007.

Members of the UBIT Steering Committee include CUNA, the American Association of Credit Union Leagues (AACUL), CUNA Mutual Group, and the National Association of State Credit Union Supervisors (NASCUS). The UBIT Steering Committee in 2005 and 2006 alerted credit unions to the IRS review of credit union products and services.

Credit union comment sought on subprime mortgage lending statement

Credit unions, banks and thrifts are asked to comment on a proposed statement on subprime mortgage lending which is intended to address certain risks and emerging issues relating to subprime mortgage lending practices and which specifically focuses on some adjustable-rate mortgage (ARM) lending products.

The National Credit Union Administration (NCUA), and the four corresponding federal regulators for banks and thrifts, issued the proposed statement, in part, to address the following concerns;

- That subprime borrowers may not fully understand the risks and consequences of obtaining these products;
- That the products may pose an elevated credit risk to financial institutions.

In particular, the proposed guidance focuses on loans that involve repayment terms that exceed the borrower's ability to service the debt without refinancing or selling the property.

If adopted, the statement would support an earlier 2006 Interagency Guidance on Nontraditional Mortgage Product Risks, which did not specifically address the risks of these ARM products.

Senior Assistant General Counsel Jeffrey Bloch, of the Credit Union National Association, said, "We agree with the proposed statement that the types of loans covered should not include any of the mentioned predatory characteristics and that consumers should have adequate information about these types of loans. We will be analyzing the proposed statement in more detail to determine other impacts that this may have on the legitimate subprime loans that credit unions offer their members."

Comments are due sixty days after publication in the *Federal Register*, which is expected shortly.



Horizons

is a monthly publication of the Rhode Island Credit Union League
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Community Investment Fund (Foundation)

The National Credit Union Foundation established a Community Investment Fund (CIF) to allow credit unions to invest funds with up to 50% of the interest earned on those funds split evenly between the Foundation and the League. To date, 12 credit unions in Rhode Island have invested a total of \$2,747,000 in the CIF. These funds generate investment income that the League will use to address issues related to financial literacy training for middle school and high school students, assisting small credit unions growth through participation in a shared branching network and developing programs to assist low income borrowers.

The League's CIF Committee has developed a list of programs to fund in 2007 utilizing funds generated by the CIF. Financial literacy training in our schools is of growing concern in many communities. Programs such as the CU 4 Reality Financial Literacy Program and other

similar programs have been developed to assist middle school and high school students understand the basic concepts of budgeting and borrowing. The CIF Committee has established three grants of \$5,000 each to assist credit unions with establishing a financial literacy program in a local school. These grants will help cover the cost of materials, transportation and curriculum guides for financial literacy fairs.

The Committee has also recognized the need for small credit unions to grow through participating in a shared branching network. The Committee has established a separate fund to assist small credit unions with the cost of participating in a shared branch program. These funds are available to defer the cost of data processing upgrades associated with shared branch operations.

Finally, the Committee is initiating participation in the Foundation's REAL Solutions Program which addresses issues related to pay day and predatory lending practices. The objective of the REAL Solutions Program is to allow credit unions to provide reasonable cost solutions to borrowers who need pay day advance loans. The Committee will provide more information to credit unions on the REAL Solutions Program during the second quarter of the year.

In order to expand these programs, the Committee has encouraged all credit unions to make an investment in the CIF. If you are not currently participating in this program and would like additional information, please contact Dirk Van Deusen at Members United Corporate Federal Credit Union at (518) 292-3788.

Crowd of...2007 GAC - Continued from Page 1.

Dodd, Chairman of the Senate Committee on Banking, Housing, and Urban Affairs. The Connecticut Democrat believes that predatory lending creates an "opportunity gap" for those affected and "Credit unions are a way to bridge this opportunity gap."

• Senator Joe Lieberman told credit unions that he will stand with them "in the fights ahead." A member of U.S. Senate FCU, he said, "I give you my word that I will fight any attempt to take away the tax-exempt status of credit unions." He also pledged to support credit union regulatory improvements legislation to "allow you to do what we members want you to do, which is to make more loans."

• National Credit Union Administration (NCUA) Board Chairman JoAnn Johnson told the credit union audience that NCUA is conducting a "common sense evaluation of what it does regularly." The three targeted areas are: prompt corrective action; the CAMEL (capital adequacy, asset quality, management, earnings, and asset/liability management) matrix; and NCUA's role in

enforcing federal credit union by-laws.

• NCUA Vice Chairman Rodney Hood said he opposes Community Reinvestment Act-like reporting requirements for credit unions. "Excessive regulation slows innovation," Hood told the credit union representatives.

• NCUA Board Member Gigi Hyland urged credit union representatives to attend a meeting this year of the agency's Outreach Task Force to ensure that everybody gets the kind of information it needs to assess how to enable

credit unions to best serve their members. "I want you to roll up your sleeves and give me the feedback we need," Hyland told them. The Boston Outreach meeting has been scheduled for April 23 at the Omni Parker House in Boston.

Other notables on the program included:

- Representative Roy Blunt, (R-Mo.), House Minority Whip;
- Representative Rob Bishop, (R-Utah)
- Representative Steny Hoyer, (D-Md.) House Majority Leader and longtime supporter of the credit union tax status;
- Representative James Clayburn, (D-SC), House Majority Whip;

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Rhode Island credit union representatives met with Congressman Jim Langevin in his office: (left to right) League Chairman Paul Archambault, Wave Federal Credit Union; Bill Brownell, Dexter Credit Union; League Senior Vice President/General Counsel MaryAnn Clancy; Congressman Langevin; Kenneth Saunders, Community and Teachers Federal Credit Union; Bob Andrade, Pawtucket Credit Union; and Kenneth Poyton, Providence Postal Federal Credit Union.



Rhode Island credit union representatives met with Congressman Patrick Kennedy in his office: (left to right) Bill Brownell, Dexter Credit Union; Congressman Kennedy; Bob Andrade, Pawtucket Credit Union; Kenneth Poyton, Providence Postal Federal Credit Union; League Chairman Paul Archambault, Wave Federal Credit Union; Kenneth Saunders, Community and Teachers Federal Credit Union; and League President Dan Egan.



Social Responsibility

2007 Credit Union Championships a “winner” for Rhode Island’s credit unions

For the seventeenth consecutive year, Rhode Island credit unions, the Rhode Island Credit Union League, and Members United Corporate Federal Credit Union were joint sponsors of the annual Credit Union Championships. The state finals for both boys and girls basketball were held at The Ryan Center at the University of Rhode Island on Saturday and Sunday, March 10 and 11, 2007, respectively. Game attendance on Saturday was nearly 3,500, and Sunday’s games were attended by more than 2,100 fans.

Credit union sponsorship of this statewide tournament offers Rhode Island’s top high school athletes the opportunity of a lifetime to compete at The Ryan Center. Over 15 of Rhode Island’s credit unions helped sponsor the event that provided them ad space in The Credit Union Championships program book, as well as visibility on the scoreboard. On the statewide level, marketing efforts also included radio and

television spots. In addition, *The Providence Journal* printed full game coverage over the weekend, including Monday.

A press conference was held prior to the games on Thursday, March 8, 2007, at The Ryan Center. It was well attended by press correspondents, many of the high schools’ athletic directors, and over 50 athletes.

Sponsored by Members United Corporate Federal Credit Union, a Credit Union Championships “Player of the Game” trophy was awarded to each competing high school’s team. In addition, Members United donates funds to the twelve high school finalists’ athletic funds to help support the schools’ athletic programs for future students. This commitment to the youth of Rhode Island exemplifies the fundamental cooperative spirit upon which credit unions are based.

Credit unions share strategies, successes growing youth membership

Emphasize ownership when crafting messages for members ages 18 to 30, as in-depth interviews show this really resonates with this particular age group and differentiates the credit union from its competitors. This advice from Financial Center Credit Union is included in a report on how to increase youth membership, one of two new best practices reports from the Credit Union National Association’s (CUNA’s) *Credit Union Magazine*.

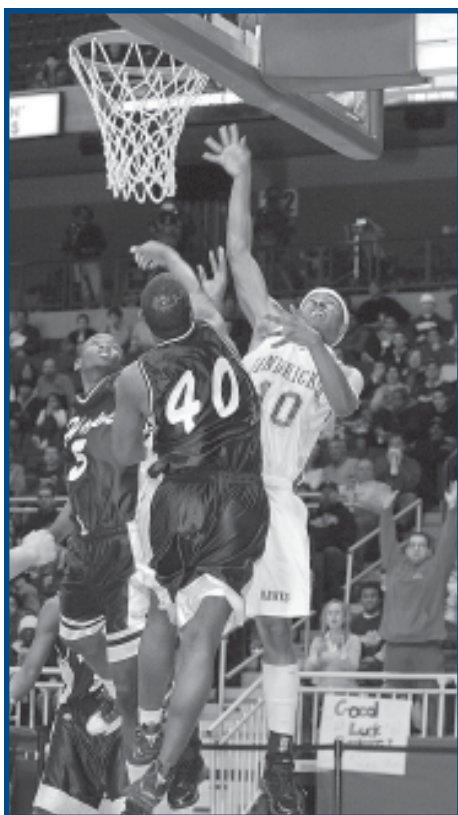
In Best Practices: A Youthful Approach to CU Growth, Michael Duffy, president and CEO of Financial Center Credit Union in Stockton, California, reveals more about branding’s integral role in the credit union’s overall strategy for attracting young adults, and how this successful endeavor has increased savings accounts by 23 percent, checking accounts by 21 percent, and auto loans by 16 percent for that age group in the last year alone.

In the report, Financial Center joins seven other savvy credit unions - ranging from \$78 million in assets to \$1.58 billion in assets - that have reached out to the younger market through unique offerings and creative programs and realized impressive membership growth. Each case study highlights the successful programs that educate and appeal to young people in four age groups: elementary school, middle school, high school, and college.

While each of these credit unions’ approach is different, they all are driven by a universal truth: Young people represent credit unions’ futures. Without an infusion of young members, the future of the credit union movement is in jeopardy. Further, CUNA’s most recent Environmental Scan revealed that the average member is now 47 years old, up from 40 in 1985, and more than half of all adult members are well past the peak borrowing years of ages 25 to 44.

“You have to continually infuse any business with new consumers, particularly a financial institution,” stated Jill Banning, president and CEO of Regional Federal Credit Union in Hammond, Indiana, in the report. “People have an amazing number of choices now when it comes to financial services. It’s not just banks versus credit unions anymore - even retail stores offer options.”

Continued on Page 7.



The Credit Union Championships, held at the Ryan Center, saw some great competition from both the boys’ (left) and girls’ (above) high school teams.

When should the business loan portfolio be reviewed?

The answer to this question can depend on any one or a number of factors, including:

- an upcoming examination by the credit union's regulatory agency, or
- the maturity of the credit union's program, or
- the size and perceived quality of the portfolio, or
- the comfort level of the Board and Supervisory/Audit Committee.

An upcoming visit by the Examiners is often a good reason to engage an outside firm to review the credit union's business loan portfolio. Depending on the types of business loans the credit union has made, the portfolio may include some specialized transactions, or loans with unique reporting requirements. An overall review of the portfolio, including all aspects of servicing and administration, may help to identify any shortfalls that can be easily remedied, prior to the visit by the examiners. The outside firm should have specialized commercial lending experience and be familiar with the applicable state and federal business lending regulations, including Part 723 of the National Credit Union Administration (NCUA) Rules and Regulations. Confirming the timely receipt of financial statements and recording the annual visit to the property for real estate loans, are two examples of minor items that often catch the attention of examiners.

After the program has been up and running for a while, it is a good practice to continue with regular portfolio reviews, perhaps every 12 to 18 months. Although a credit union's current outside audit firm can probably perform this service, they might not be familiar with recent regulatory changes. Additionally, unless they perform this service for several other credit

unions, they may not be aware of the examiners' current "hot buttons". An independent firm that has experience with several such engagements may better serve the credit union's purposes.

As the portfolio grows and becomes more complex, it will become more difficult to review all the loans in the portfolio. When that occurs, an important aspect of the review will be the sample methodology that is used to identify the loans that will be examined. Typically, this methodology should be designed to identify at least 30% of the portfolio, based on the number of loans in the portfolio, their size and Risk Grade distribution. Any loans that represent a credit concentration or loans that are larger than average, should also be included in the portfolio sample for review. Summary portfolio reports should be reviewed to assess current levels and trends for delinquencies and charge-offs, criticized or classified assets, non-accrual loans, and gross and net loan losses.

The comfort level of the Board of Directors or Supervisory/Audit Committee is another reason to consider a regular business loan portfolio review. Naturally, both groups will be kept informed as the Business Services Program continues to grow, but at different points in time, it may be helpful to have some additional information to pass along.

Every portfolio review will be tailored to the specific needs of the credit union, but the following items should always be examined:

- A review of the loan application, loan officer worksheets and notes;
- A documented analysis of the credit-worthiness of the borrower and the adequacy of cash flow to repay the loan;

- An accurate valuation of any pledged collateral, including any required appraisals and environmental reports, if appropriate; and
- Completed note, security agreement, guarantees and other documentation, including evidence of a perfected lien and insurance.

In addition, a brief summary report should be prepared on each loan in the sample, including pertinent descriptive information, along with specific comments on the adequacy of collateral and the financial condition of the borrower. Any deficiencies, with regard to financial performance or documentation should be noted and specific recommendations made for remedial action. An overall findings report should also be prepared, outlining the findings of the review, assessing the condition of the portfolio, the credit union's general adherence to policy and the adequacy of the underwriting and approval process, as observed. Very often, policies and procedures have been well established but the everyday practices are found lacking.

Engaging an outside firm to review the credit union's business loan portfolio may seem like "belt and suspenders", but the additional attention will confirm the quality of the portfolio and the adequacy of safeguards that have been established to protect the credit union from an undue risk of loss.

The League provides business loan portfolio review services through a special engagement with Hill Creek Consulting, LLC, an independent firm that specializes in helping credit unions launch and improve their business lending programs. For more information, contact auditsolutions@cucenter.org or Kathy Enderlin at (800) 842-1242.

Siewewright to lead April 11 Lender's Network Focus on the Future

Mark Siewewright, FiServ Corporate SVP for Market Development, will lead a day-long program focusing on two issues of vast importance to credit unions in this nation. His understanding of technology, national and international financial markets and consumer trends will help seminar attendees gather vital insight into the challenges that credit unions face in today's marketplace.

The first portion of the program will deal with how credit unions can "compete to win." Mark will address the ways that credit unions

can build share through deepening member relationship, improving distribution and delivery as well as reaching new important demographic segments. After lunch, Mark will lead the group through a "state of the industry" analysis of the current lending market.

To learn more about this valuable educational opportunity, being held at the Sheraton Milford Hotel, contact Suzanne Knapik at sknapik@cucenter.org or (800) 842-1242.

Hebert Candy Bar sales to support Special Olympics

The Rhode Island Credit Union League's Social Responsibility Committee is preparing for the annual Hebert Candy Bar sales to be held during the month of May. All proceeds will be donated to the Special Olympics



Rhode Island on behalf of the Rhode Island Credit Unions. If you have any questions, contact Donna Bevilacqua at the League office, 1-800-842-1242.



Agency Update

Solutions

Needs-based lending drives member satisfaction, bottom line

Credit unions exist to foster and grow the financial well-being of their members. That is the mission and vision of every credit union ever chartered. Fulfilling that mission means credit unions must strengthen their lending strategies by whatever means possible—always working to develop a staff of true lending consultants.

Consider the case of a member who requests a car loan. The loan officer who simply does his or her due diligence and then grants the loan has lost an opportunity to help both the member and the credit union. The officer has satisfied the immediate request—but may have failed in showing the member how to maximize his or her individual situation to meet more than just the stated need.

Obviously, some lenders go a step further. The member needs a loan? Ask if there is a broader need: perhaps instead of a simple car loan, the member is offered a home equity loan which allows for cash back to pay off high-interest credit cards.

But credit unions that really want to grow the financial well-being of their members will take a highly holistic approach. These credit unions will focus on a needs-based lending strategy, engaging in conversations that educate the member about their broader, perhaps-unperceived needs. In other words, what else does the member need to be thinking about?

In the payment protection arena—debt cancellation or credit insurance—a needs-based approach teaches the member about protection factors he or she may not be aware of. When the member comes in for a car loan, for example, the needs-based lender will uncover other aspects of his or her financial picture, including the need for loan protection: what happens if the member dies before the loan is satisfied? There may be life insurance in place, but does the member want the proceeds of the policy used to pay down loans, or rather to meet the

critical needs of the family?

Disability is another significant risk that members need to be educated about. According to 2004 research by America's Health Insurance Plans, 75-80% of disabilities are caused by illness, not injury. When you consider some of the more startling statistics—every 26 seconds an American has a coronary attack—offering a loan to a member without having these discussions almost becomes contrary to the mission of meeting member needs.

Payment protection driven by needs-based lending enables credit unions to do several important things simultaneously. Not only are member needs more fully met, but the credit

union's overall financial position is strengthened. This is accomplished, obviously, by protecting the credit union's loan portfolio through less risk of default, and also through an increase in non-interest income streams. But there is yet another facet to the diamond: credit unions who learn and practice a needs-based approach

usually find that their entire business takes a turn for the better. Good behavioral lending strategies naturally result—affecting cross-sales of credit cards, deposit products, CDs, and other opportunities.

Needs-based lending strategies require a level of critical thinking, evaluation, and judgment that often comes through years of experience. It requires that lenders talk about a whole-needs approach with the member. Does that mean that only senior loan officers can rise to the level of a needs-based lending strategy? Not at all. Staff at all levels can participate in and support a needs-based lending strategy. By implementing an effective needs-based culture,

the credit union can support that lending strategy, meet enhanced member needs, strengthen the bottom line, and achieve specific training goals that impact the entire organization.

In order to succeed, such a training approach sets specific goals, has committed and involved leadership, invests heavily in staff development and support, provides positive motivation, and includes powerful sales tools. CUNA Mutual offers a program that touches every one of those key elements, offering credit unions a methodology that better meets members' full financial needs, as well as those of the credit union.

The Lender Development Program® (LDP) trains credit union staff and coaches them through the stages of developing needs-based lending strategies. The result is that members' financial needs are more fully met (fulfilling the credit union's mission), and, by protecting more members, the credit union's loan portfolio risk is decreased while at the same time non-interest income is increased.

In fact, CUNA Mutual research has shown that credit unions participating in LDP see not only an almost immediate 20 percent participation lift in payment protection products, but also positive growth in other credit union product lines including loan growth, deposit growth, cross-sales, and referrals to their Members Financial Services or other financial services program. That is a very compelling reason to consider the program.

Perhaps even more compelling? Knowing that the development of a needs-based culture is a win-win situation. The member's financial position is strengthened, and so is the credit union's. For more information on developing and energizing a holistic needs-based lending approach in your credit union, please contact your CUNA Mutual Sales Executive.

“...the development of a needs-based culture is a win-win situation. The member's financial position is strengthened, and so is the credit union's.”



Office Closed

The League office will be closed on Monday, April 16. The League's regular office hours are Monday through Friday 8:00 a.m. to 5:00 p.m.

CUDL – you’ve come a long way

CUDL® was the nation’s first indirect lending platform for credit unions. Originally founded by the Golden One Credit Union (California) in 1989, it was developed around the simple idea of credit unions and auto dealerships working together.

Today, CUDL is the nation’s leading provider of automotive lending technology products and services for credit unions. CUDL is a CUSO owned by 80 credit unions and credit union organizations throughout the country and enjoys a client list comprised of 580 credit unions representing over 18 million members and 8,000 auto dealerships. In 2006, CUDL credit unions funded over \$18 billion in automotive loans and were collectively ranked as the sixth largest auto lender in the US.

CUDL products and services are developed specifically for credit unions. They are designed to improve processing efficiencies, improve risk management capabilities and create more marketing opportunities for credit unions.

CUDL provides a web-based portal between automotive dealers and credit unions, allowing credit union members to get credit union financing right at the dealership. In order to improve risk management and cost efficiencies, credit unions can utilize CUDL’s own automated decision engine or can utilize their existing decision engines. Integrated solutions have also been developed with credit union data processing systems allowing for improved processing and cost efficiencies.

For credit unions that prefer a “complete” solution to their point-of-purchase auto lending needs, Credit Union Auto Finance (CUAF) of Rochester, New York, is the answer. In partnership with CUDL, CUAF offers complete processing services to credit unions including underwriting, quality assurance, compliance, funding and all back-end processing. CUAF is an excellent solution for credit unions that want to take advantage of the many benefits of providing point-of-purchase auto financing to their members without hiring additional staff.

www.cudlautosmart.com

According to J.D. Powers & Associates, 67 percent of new car buyers use online research tools before purchasing their next vehicle. Credit unions have embraced this concept, and based on data from Callahan & Associates’ 2006 Auto Lending Report, 79 percent of all credit unions surveyed offer online auto buying to their members.

CUDL’s AutoSMART product for credit unions is a state-of-the-art auto buying research and shopping tool. Designed specifically for credit unions and their members, the site provides members a complete library of automobile shopping resources available online. This service offers members a robust, information-rich vehicle shopping and research experience, providing the very latest car reviews, articles, tips, and advice to assist them with their vehicle buying needs.

A customized AutoSMART website helps strengthen and reinforce a credit union’s brand and identity. AutoSMART, unlike other online automotive research sites, does not permit competing lenders from stealing members financing on the credit union’s website!

The AutoSMART website product is available to all credit unions regardless of their point-of-purchase program status with CUDL. This website is a “stand-alone” product now available through CUDL and can be customized in many ways to fit a credit union’s needs. AutoSMART keeps members coming back to the credit union’s website and reinforces

the credit union’s commitment to keeping its members informed.

National Lending Network

CUDL continues to grow and develop technology-related products and services aimed at improving credit unions’ ability to compete in the point-of-purchase lending arena. CUDL credit union clients are always in control of their own programs, their own underwriting guidelines and their own marketing activities. If you are interested in improving processing efficiencies, improving risk management capabilities or creating more marketing opportunities for your credit union, please contact CUDL today. For more information about CUDL, go to our corporate website at www.cudl.com. For more information about AutoSMART, go to www.cudlautosmart.com. To discuss how CUDL can help you, please contact Tom Sawvelle, New England Area Manager at (774) 249-4690, or Tom Garvey, Senior Credit Union Sales Consultant at (508) 965-0969.

“Tying It All Together”

Marketing and Sales Conference – April 26

The League will host a marketing and sales seminar on April 26 at the Sheraton Hotel in Milford, MA, in conjunction with both the Marketers Network and the Business Development Network. This program presents the issues, concepts, and strategies that should be driving credit union marketing decisions today.

This day-long program will bring together some very thoughtful and successful marketing

and business development professionals to discuss marketing and business development synergy, overcoming obstacles to building successful sales programs, using new media to promote the credit union, and the opportunities and challenges faced by credit unions that are considering a name change.

You can see the complete brochure as well as register for the conference online through the League’s website www.riculeague.org.

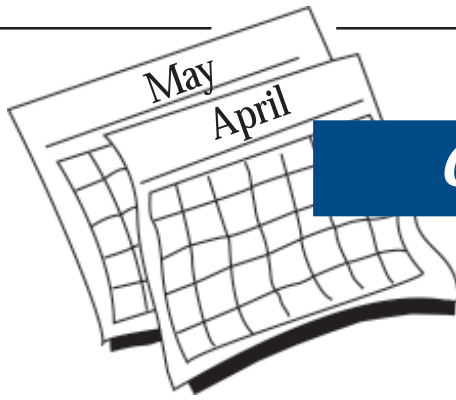
Credit unions...membership - Continued from Page 4.

The second new report - Best Practices: Lessons Learned from Business-Services Providers - chronicles eight different credit unions on their paths to becoming successful business services providers. The report features credit unions of differing markets, locations, and asset sizes, each with their own unique assortment of risks and challenges.

While each case study is different, the report includes some important similarities as well, such as each credit union’s: methodical, market-driven approach to analysis and planning;

creation of a staff with a credit union approach and business expertise; and focus on building relationships rather than conducting transactions.

Both reports are available in printed and PDF downloadable format. For more information, go to buy.cuna.org and enter stock number 27826P for the youth membership report or stock number 27733P for the business services provider report in the product finder box, or call (800) 356-8010, press 3, and use the stock number as a reference.



Calendar of Events

Introduction to Supervision and Management

April 3 - Part I
April 10 - Part II
Credit Union Center
Marlborough, MA

QUICKBITES (one hour telephone conferencing)

April 3 - Check Fraud
May 9 - Internet Security: Spoofing, Spamming and Phishing
May 31 - ALM (Two Hours)
June 5 - Payday Lending the Credit Union Way
June 14 - Making Better Loan Decisions (Two Hours)
June 19 - Why Members Sue Credit Unions and Win

Webinars

April 5 - Make Business Lending Work for Your Credit Union
June 26 - Third Party Vendor Negotiations

Lender's Network

April 11, 2007
Sheraton Hotel
Milford, MA

Compliance Update

April 12, 2007
Members United Corporate
Federal Credit Union
Warwick, RI

Bankruptcy and Basic Collections

April 24, 2007
Sheraton Hotel
Milford, MA

Advanced Collections

April 25, 2007
Sheraton Hotel
Milford, MA

Marketing & Sales Seminar

April 26, 2007
Sheraton Hotel
Milford, MA

BSA Review

May 8, 2007
White's of Westport
Westport, MA

Special Delegates Meeting and Get Together Dinner

May 10, 2007
Hemenway's Restaurant
Providence, RI

Lender's Network

June 13, 2007
Sheraton Hotel
Milford, MA

Rhode Island Credit Union League Annual Meeting

June 18, 2007
Aldrich Mansion
Warwick, RI

President's Message - Continued from Page 1.

Through the Community Investment Fund (CIF), credit unions are expanding the effort to provide financial literacy training to middle and high school students. Through the REAL Solutions Program, credit unions will be reaching out to assist people in the community who do not have a formal banking relationship with any financial institution, to be able to affordably cash checks and receive short term loans.

On another level, credit unions are assisting in state-wide efforts on programs that benefit the entire community. One of these is the sponsorship of the Annual Credit Union Championships which provide funding for the girls' and boys' high school basketball championship games. This annual event is the highlight for the basketball careers of many great players from high schools throughout the state.

In a similar manner, the credit unions support Special Olympics Rhode Island with over

\$50,000 a year in donations. In addition, credit union volunteers support the Special Olympics Rhode Island Sports Celebrity Carnival in February as well as the Special Olympics Rhode Island state games in June.

Through the cooperative efforts of all credit

unions, the League is able to be the catalyst for many contributions that credit unions make to their communities throughout the year. To all of you who make those contributions possible, thank you.

Crowd of...2007 GAC - Continued from Page 3.

- US Treasurer Anna Escobedo Cabral;
- SBA Administrator Steven Preston;
- Fox Anchor Brit Hume;
- Political sparring partners, James Carville and Mary Matalin; and
- Actor/activist Martin Sheen.

Credit Union National Association President Dan Mica challenged credit unions to double their attendance numbers for 2008 when the event moves to the Washington DC Convention Center. "It is time for those in

Washington – our federal regulators and legislators – to see more of us," he said. He deemed that his call to increase attendance is needed due to the growing intensity of banker anti-credit union activity.

Credit union attendees also met with members of the Rhode Island Congressional delegation. Issues such as data security and CURIA were discussed and were favorably received.