



# ALERT

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## A VIEW FROM THE BOARD ROOM

### **Military Saves**

*Ralph R. Story, DCUC Chairman; Secretary Board Directors VyStar CU, FL*

The Department of Defense has announced an annual campaign to draw attention to and reiterate the importance of savings. In a memorandum dated September 18, 2006, Dr. David Chu, the UnderSecretary of Defense for Personnel and Readiness, advised each of the Service Secretaries of the “Military Saves” program and the importance of teaching our Service members to save and spend their money wisely. He outlined the criticality of this initiative, especially as it relates to personal financial readiness and mission readiness, and the need to change behavior.

The *Military Saves Campaign* will focus on helping our Service members and their families establish savings goals and develop positive financial habits. Additionally, the campaign hopes to create an environment and provide our troops the opportunity to set money aside for emergencies and the future. In essence, the campaign hopes to give Service members the knowledge to handle their money responsibly, and in doing so, will allow our troops to maintain their personal readiness and protect their families.

With all of the recent concerns about Payday Lending, misleading insurance programs, and questionable investment products being pushed at our Service members, now is the time for Defense Credit Unions to step up, join in and support this first annual *Military Saves Campaign*. February  
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## CEO UPDATE

### **Congress Takes Action!**

*Roland A. “Arty” Arteaga, President/CEO, DCUC*

Last month, my CEO update challenged you, DoD and Congress to take action to address predatory lending. This past month, Congress took action in the form of two bills: 1) the Military Personnel Financial Services Protection Act, which was signed into law by the President on September 29, and 2) the 2007 National Defense Authorization Act (NDAA), which includes an amendment to stop predatory lenders from targeting military personnel and their dependents. Although the President had not signed the NDAA into law (as of press time), he was expected to do so sometime during the week of October 16.

The Military Personnel Financial Services Act (MPFSA) adds leverage to the recently approved Department of Defense Instruction (DoDI), 1344.07 (Personal Commercial Solicitation on DoD Installations) and further protects our troops from the sale of periodic payment plans and predatory insurance sales. In essence, this new law adds a legal layer of oversight to the selling of insurance and securities products on military bases and provides for the development of military personnel protection standards regarding such sales. Aside from banning the sales of contractual plans, the MPFSA also requires disclosures for private life insurance (to include advising troops of the availability of Servicemembers’ Group Life Insurance — SGLI); clarifies state jurisdiction for insurance sales on base, stateside and overseas; establishes a list of barred brokers and insurance agents; and provides potential investors with on-line access to information on broker-dealers.

What action if any will DoD take on the MPFSA? Frankly, given the March 30, 2006 approval and publication of DoDI 1344.07, I believe DoD has already captured the overall basic requirements of the MPFSA. Studies and reports (measuring the regulation’s effectiveness) will be forthcoming, however, for the most part, 1344.07 preconceived the law, and implemented insurance and security safeguards earlier this year.

As to the 2007 National Defense Authorization Act, while this annual bill addresses DoD’s personnel programs, military strength levels, infrastructure needs, and authorized weapon systems, this year’s bill also contains a provision mandating a 36% annual interest rate cap on loans to servicemembers and their dependents. Introduced by Senators Jim Talent (R-MO) and Bill Nelson (D-FL) in June of this year, the Talent-Nelson (T-N) amendment will be signed into law by the time you receive this issue of the Alert. Section 670 of Subtitle F (“Other Matters”) stipulates that “a creditor described in subsection (a) may not impose an annual percentage rate of interest greater than 36 percent with respect to the consumer credit extended to a covered member.” The soon-to-be law goes further to address



*Roland A. Arteaga*

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## DEFENSE CREDIT UNION COUNCIL, INC.

is an association of credit unions serving Department of Defense personnel, military and civilian, worldwide.

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Left to right: Al Alums-Executive Director, Fighting Back Partnership; Kathy Hoffman-Fighting Back Partnership; Sherry Cordonnier-director of Corporate Relations, Travis CU; Noreen Diaz-Community Outreach Officer, Travis CU; Andy Anderson-Community Involvement/Government Affairs Manager, Travis CU. Picture provided by Travis CU.

## Travis CU Supports Vallejo's Fighting Back Partnership

*Sherry Cordonnier, Director of Corporate Relations*

Travis CU presented a \$5,000.00 check to the Fighting Back Partnership recently at the Vallejo City Council Meeting in Vallejo, California. Vallejo's Fighting Back Partnership is a non-profit collaboration that partners with business, residents, and government to improve neighborhoods, strengthen families, and support youth development creating a safe, healthy, and thriving community. The check was presented at the Vallejo City Council Chambers to announce to the citizens of Vallejo that Travis CU had opened a new branch to service current and new members and that it intended to be an active partner in the Vallejo community.

## AmeriCU Receives Presenting Sponsor Award from American Heart Association

*Jennifer S. Montalbano, AmeriCU CU*

AmeriCU CU's CEO, Mark Pfisterer and Executive Assistant, Sonya Ezell were presented with the American Heart Association's Presenting Sponsor Award on Wednesday, September 27. Sonya Ezell was this year's top fundraiser for America's Greatest Heart Walk, raising \$17,468. "We are very honored to receive such a prestigious award. I feel it's a testament to our dedication to the American Heart Association," said Mr. Pfisterer.

AmeriCU's annual participation in the American Heart Association Heart Run/Walk in Utica, Syracuse, and Watertown, New York has grown over the past 14 years and is just one of many community events that the credit union sponsors, and employees are encouraged to participate.

[www.dcuc.org](http://www.dcuc.org)

# U.S. Coast Guard Family Named September NMFA Family of the Month

Michelle Joyner, National Military Family Association

The Ramos family; Chief Warrant Officer 2 Benedict Ramos (ISM3), Jennifer, Morgan, and Rudy have been selected as the September NMFA Family of the Month. This U.S. Coast Guard family is a role model for giving. They give of their time, talent, and treasure in support of numerous humanitarian outreach programs in their neighborhood. The family actively support and participate in fundraisers and events that help families in financial distress and homeless citizens. They are leaders in their church, school, and local hospital support programs and participate in programs to aid children of incarcerated parents, clean up their neighborhood, and support cancer research.

If you know a family like the Ramos family that exemplifies the best of the military family lifestyle, nominate them at [www.nmfa.org/familyaward](http://www.nmfa.org/familyaward). They may win \$500 and be nominated for the NMFA Family of the Year, an additional cash prize and trip.

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## AFFN's Dave Weber Chairs Military Saves Committee

Sarah Shirley, Director, Military Saves, Consumer Federation of America

Senior Airman Crystal Chavana was working in the Public Affairs office at Eglin Air Force Base when a photographer with the Military Saves campaign asked if she'd be willing to pose for the campaign poster. She agreed. Later it occurred to her, "It's going to be bad if I'm on all these posters and I'm not saving." She went to [www.MilitarySaves.org](http://www.MilitarySaves.org), made a simple debt reduction and savings plan, and took action to start the plan. Next time she has a flat tire, she won't have to borrow money from her parents! Now she has no debt, an emergency fund, a retirement account, and a house down payment fund.

In February thousands of military members and their families will be invited to do what Crystal did — join *Military Saves* by setting a savings or debt reduction goal, making a plan to reach that goal, and recording it at [www.MilitarySaves.org](http://www.MilitarySaves.org). "Savers" increase their chances of success because they've taken concrete action by writing down their goal and plan, and sharing it with others through the campaign Web site.

*Military Saves* is a social marketing campaign that motivates, persuades, and encourages the wider military community to get out of debt and save money. It is part of *America Saves*, a nationwide campaign sponsored by Consumer Federation of America and endorsed by the chairman of the Federal Reserve Board. Part of the Department of Defense Financial Readiness Campaign, Military Saves is a voluntary public-private partnership among Consumer Federation of America, DoD, the military services, defense credit unions, military banks, and other for-profit and non-profit partners. Programs for defense credit unions are being developed by the campaign's Financial Services Committee. The committee, chaired by Dave Weber of the Armed Forces Financial Network, includes DCUC members, Fort Belvoir Federal Credit Union, Langley Federal Credit Union, Navy Federal Credit Union, and Pacific Marine Credit Union.

The committee split into two working groups, one to help develop campaign materials for financial institutions, and the other to assist CFA, DCUC, and the Association of Military Banks of America as they work with credit unions and banks who choose to participate in *Military Saves Week*.

Intense focus on taking positive financial action is designed to drive demand for financial education and counseling as well as debt reduction and wealth building products. The long-term goals are to increase personal and household savings, decrease consumer debt, and to change social norms to emphasize asset development over consumption. In a *Military Saves* world, it would be cooler to have a savings account than to have a hot car!

To get involved, set your savings or debt reduction goal at [www.MilitarySaves.org](http://www.MilitarySaves.org), and then contact Sarah Shirley at [sshirley@americasaves.org](mailto:sshirley@americasaves.org) or 850-863-8585.

*BOARD ROOM* continued from page 1

25—March 4, 2007 is the launch date for this inaugural event and I highly encourage your participation and support.

The Consumer Federation of America, led by none other than our good friend Sarah Shirley (Director for *Military Saves*) has established a committee of experts to develop campaign materials for *Military Saves*. This committee met earlier this month to discuss the level and type of support required at the installation (in terms of marketing and program resources) and to brainstorm events leading to the late February launch date. As this campaign develops over the next few weeks information will be provided by DCUC and will also be available at [www.militarysaves.org](http://www.militarysaves.org). During the interim, do not hesitate to contact Sarah Shirley at [sshirley@americasaves.org](mailto:sshirley@americasaves.org) for additional info and/or particulars about the campaign and overall *Military Saves* program.

This is a great opportunity for Defense Credit Unions to assist our Service members in building a more stable and financially rewarding future. Let's answer the UnderSecretary's call for support and assistance, and do our part to enhance the personal readiness of our troops. The *Military Saves Campaign* is gaining momentum—let's be a part of it!

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## Historic Currency in Local Display

Jackie Boryca, Marketing Director

SAC FCU, located at 11515 South 39th Street will host an exhibit on the history of U.S. currency, featuring historic notes and coins on loan from the Federal Reserve Bank of Kansas City. The display traces currency from the Colonial period through current day, focusing on currency of major historical significance, including State Bank Notes, Fractional Notes and Gold Certificates. The display also features Demand Notes — the currency that led some to refer to bills as "greenbacks."

The display is being made available by the Federal Reserve Bank of Kansas City. The Bank and its branches in Denver, Oklahoma City and Omaha, serve the Tenth Federal Reserve District: Colorado, Kansas, Nebraska, Oklahoma, Wyoming, northern New Mexico western Missouri.

**For speaker presentations from the  
2006 Conference, visit [www.dcuc.org](http://www.dcuc.org).**

## **ENT Celebrates the Grand Opening of UCCS Service Center**

*Amy Triandiflou, ENT FCU*

**E**nt FCU, official financial service partner of the University of Colorado at Colorado Springs (UCCS kicked off the grand opening of its 21st Service Center, its first on a college campus.

Student leaders hosted a ribbon cutting and unveiling of a signature mural at the new Service Center with UCCS Chancellor, Pam Shockley-Zalabak; UCCS Vice Chancellor of Administration and Finance, Brian Burnett; Ent Chairman of the Board, James Stewart; and Ent President and CEO, Charles Emmer.

The Grand Opening coincided with the launch of the Lion OneCard, a multiuse university photo identification card that will allow access to on campus services with an option to add ATM and Visa® debit card services for Ent members.

“Ent’s partnership with UCCS directly promotes our goal of community service, education and financial literacy,” said Emmer. “We want to be part of campus life whether it is the new Service Center, providing student scholarships or supporting the athletic department.”

The UCCS Service Center is designed to address the needs of a campus setting. For instance, on-location campus ATMs dispense cash in convenient \$5 increments. Most of the UCCS Service Center staff are former UCCS students who understand student needs. The Service Center also provides a kiosk for students to drop in and use online banking, geared to the high tech style of the student community.

“Ent’s presence on our campus is not limited to the Service Center,” Burnett said. “We are pleased with their support as we grow throughout the region.”

Grand Opening activities included a free money giveaway at the on campus ATMs (University Center and Columbine Hall), complimentary food and drink, a live concert by Leer 43, prize drawings, “cash cube” dollar giveaway and an appearance by Boomer the UCCS mascot. A signature mural was unveiled in part to celebrate the partnership of the college and the credit union and its introduction of the Lion OneCard

*CEO UPDATE continued from page 1*

mandatory disclosures; the preemption of State or Federal laws (including State Usury law) that are inconsistent with the T-N amendment; the different treatment of servicemembers and their dependents related to state residency; rollovers, renews, repays, refinance, and consolidations; the right to legal recourse; access to financial accounts; use of vehicle titles as security (except for loans to purchase a car); the requirement (as a condition of a loan) to establish an allotment; and the option to prepay loan without penalty.

While Congress has provided the Department of Defense the authority to develop implementing regulations, DoD must consult with NCUA (and other regulatory agencies) in prescribing and developing regulatory guidance. Rest assure, as was the case with the development of DoDI 1344.07 (and other DoD regulations), we will be coordinating with the Department to ensure the end product addresses the true intent of legislation — curtailing predatory lending — and eliminates unintended consequences. DoD has advised us of the same, and we look forward to working with them in that regard.

Congress has acted! Two pieces of legislation passed and signed into law. Both within a month of each other and both focused on protecting our troops, your members against predatory lending!

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### **DoD YOU SHOULD KNOW...**

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...that Dean Hunstad, our Department of Navy Military representative, has given noticed he will be moving to a different position within the Office of the Director of Financial Operations. I would like to take this opportunity to publicly thank Dean for his superb support over the years. Regardless of the issue or its complexity, I could count on Dean to give me an honest appraisal, a fair opinion, and an objective decision. A true professional in all respects, let there be no doubt, Dean Hunstad will be missed. Thank you sir for all you have done...not only for our troops and their families, but also for those of us “serving those who serve our country”!

...that Lessie Turner has been named as Dean’s replacement. I had the genuine pleasure of meeting Lessie last month, and first impressions being what they are, there

## **The Armed Forces Financial Network**

### **Together AFFN and Fort Belvoir FCU Made \$3,000 Donation**

*Jacqueline R.C. Connor, Fort Belvoir FCU*



**F**ort Belvoir FCU donated \$1,500 to Better Opportunities for Single Soldiers (BOSS) on Fort Belvoir. Armed Forces Financial Network (AFFN) matched this donation providing a combined contribution of \$3,000. Fort Belvoir FCU has proudly supported the AFFN donation-matching program for the last 3 years giving a total of \$9,000 to organizations on Fort Belvoir.

Better Opportunities for Single Soldiers is a program designed to enhance and support Single Soldiers well-being, contribute to community service, and assist in the planning of recreation and leisure events. The Armed Forces Financial Network is an electronic funds transfer network serving defense credit unions and military banks, with over 181,000 ATMs worldwide and over 1 million merchant/retail locations globally. For more information on AFFN, please visit [www.affn.org](http://www.affn.org).

is no doubt in my mind Lessie will do an equally superb job overseeing our troops' interest and those of our members. Welcome aboard Lessie!

...that Gene Healy, our Marine Corps representative at Headquarters, has submitted his retirement paperwork for January 2007. I will defer my farewell to Gene until later this year; however, at this juncture, suffice it to say, he has been one heck of a supporter and one great Marine! Though Gene will be with us a few months, his replacement, Charles "Keith" Dove is now on-board transitioning into his new job. I look forward to meeting and working with Keith in the very near future...and welcome him to the world of cooperatives!

...that Reg Relief was signed by the President on October 13. Among the various provisions passed into law is the land lease provision for on-base credit unions. Section 1770 of the Federal Credit Union Act has been amended (italicized) to read, "Notwithstanding any other provision of law upon application by any credit union organized under State law or by any Federal credit union organized in accordance with the terms of this chapter, which application shall be addressed to the officer or agency of the United States charged with the allotment of space on lands reserved for the use of, and under the exclusive or concurrent jurisdiction of, the United States or in the Federal buildings in the community or district in which such credit union does business, such officer or agency may in his or its discretion lease land or allot space to such credit union without charge for rent or services if at least 95 percent of the membership of the credit union to be served by the allotment of space or the facility built on the lease land is composed of persons who either are presently Federal employees or were Federal employees at the time of admission into the credit union, and members of their families, and if space is available..." In essence, the Federal Credit Union Act now permits the Department discretionary authority to lease you land at no cost (similar to no cost office space) ...provided you meet the 95% rule. In short order, we will be working with the Military Departments to determine how they will move forward with this new legislation and what guidance they will publish in support of this new language. As we coordinate this action, we will keep you abreast of procedural changes and guidance.

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## NOTES ON DEFENSE CREDIT UNIONS — AND THEIR PEOPLE...

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### Defense Credit Union People in the News...

Security Service FCU, San Antonio, TX, named **Tina Conchin** Director of MIS projects and promoted **Ruby Mata** to manager of its Nacagdoches service center...ENT FCU, Colorado Springs, COL named **Wayne Paton** Vice President of small business and corporate services.

### Defense Credit Unions in the News...

**Redstone FCU**, Huntsville, AL, recently awarded a \$2,000 scholarship to eight students from Alabama A&M University, Wallace State Community College, The University of Alabama, Athens State University, Calhoun Community College, J.F. Drake State Technical College, Oakwood College, and The University of Alabama in Huntsville. The students were recognized at a dinner held at the Huntsville Museum of Art. This year there were 134 applicants who submitted an application, transcript, letters of recommendation, a listing of extracurricular and community activities, and an essay. This year's essay topic was "Volunteerism – the Credit Union, the Community and Me..." **Barksdale FCU**, Bossier City, LA, recently partnered with KTBS3, KPXJ21 and the Salvation Army for the ArkLaTex Summertime Fan Drive. The Bossier Council on Aging is in desperate need of approximately 200 to 300 fans for the elderly who cannot afford to purchase their own. In order to help the BCOA, Barksdale FCU held a car wash where donations were accepted and the employees raised \$685 towards the purchase of fans for the elderly. Barksdale FCU matched the donations and over 100 fans were purchased...**Nevada FCU**, Las Vegas, NV, is partnering with the Las Vegas Fire & Rescue Foundation to provide Visa gift cards to needy residents to purchase emergency necessities... **Travis CU**, Vacaville, CA sponsored the 3rd Annual Travis Open held at the Cypress Lakes Golf Course at Travis Air Force Base. The tournament is a fundraiser for Travis Air Force Base booster clubs that put on morale, welfare and recreation events for the troops. Travis CU sponsored a hole for the tournament and provided bags for golf incentive items given to each team who entered the competition. Over 75 people entered the tournament this year making the event a great success.



### Tower Awards Five Members College Scholarships

Every year, the Credit Union Foundation of Maryland and Washington, D.C. awards 10 young adult members a \$1,000 scholarship in the College Essay Program. This year, five out of the 10 winners were Tower members. The theme for this year's annual essay was: "Do high school students need financial literacy education while they are still in school? What part should credit unions play?" Tower's Senior Vice President of Member Services, Dick Brake, presented a check in the amount of \$5,000 to Kyle Swisher, Executive Director of the Credit Union Foundation to support the Foundation's future scholarship programs. The College Scholarship Program is supported by Maryland and Washington, D.C. credit unions. Photo provided by Tower FCU.

# A Message From the Commandant of the Marine Corps

*M.W. Hagee, General, U.S. Marine Corps*

On November 10, 1775, our Corps was born as the Continental Congress raised the “first and second battalions of American Marines.” Each Year as we celebrate our birthday, we pause to reflect on the Marines of yesteryear who fought in our touchstone battles and forged the modern Marine Corps with their courage, integrity, and undying commitment to their fellow Marines. Each of our storied battles is a link in the long chain that binds all Marines together- from the Continental Marines at Bunker Hill to the Teufelhuden crossing the wheat fields of Belleau Wood. This chain binds us to the Marines on the crest of Mount Suribachi; it passes through the ice and snow of Chosin Reservoir and the steaming jungles of Vietnam, and it anchors firmly today in the sands of Iraq.

This year’s celebration again finds many from our ranks, serving with distinction in harm’s way. As we have for the past 231 years, our Corps is answering the Nation’s call. I can report first hand that our Marines fighting on the front lines of the Long War on Terror are performing brilliantly, acquitting themselves with honor, dedication, and dignity in difficult and dangerous environments.

All Marine are making a difference. Regardless of where you are serving, you are adding new chapters to the legacy that was earned with sweat and blood on old battlefields. Just as previous generations of Marines shaped today’s Marine Corps, your deeds are molding the Corps of tomorrow. Our Corps has never been stronger, and all Americans are extremely proud of your magnificent performance and unwavering commitment to server our Corps and country. With high caliber Marines like you, our future has never been brighter.

Another irreplaceable element of our success as Marines is the terrific support we receive from our families. Through the long hours, the exercises, and the combat deployments, their support is unconditional and firm. They give us love and devotion, providing us with the strength to drive on when duty calls. Today we should all acknowledge our loved ones for their patient, steadfast service.

To all who have earned the title Marine, to the superb Sailors who serve with us in every clime and place, and to our precious families—I wish each one of you a heartfelt Happy 231st Birthday. *Semper Fidelis and Keep Attacking!*

*The Defense Credit Union Council congratulates the Marine Corps on 231 years of faithful service.*

## Aberdeen Proving Ground FCU Presents Member with \$1,000 in Free Gas

*Desiré P. Phelps, Marketing Communications Specialist*

Aberdeen Proving Ground FCU member, Robert K. Williams, of Conowingo, is the winner of the “Pump Up Your Savings” sweepstakes. Robyn Mannone, Assistant Vice President of the Member Loan Center at Aberdeen Proving Ground FCU, presents him with \$1,000 in FREE Gas. Mr. Williams has been an Aberdeen Proving Ground FCU member since 1998 and financed two vehicles with the credit union during this summer’s promotion. Individuals who submitted an Aberdeen Proving Ground FCU Auto Loan application between June and August were automatically entered into the sweepstakes to win \$1,000 of free gas. Over 4,000 people were entered to win.



*Aberdeen Proving Ground member, Robert K. Williams, of Conowingo, is the winner of the “Pump Up Your Savings” sweepstakes. Photo provided by Aberdeen Proving Ground FCU.*

**The Holidays  
Are Right Around  
the Corner!**

Don't forget to order  
your 2006 White  
House ornament.

[www.dcuc.org](http://www.dcuc.org)

## Navy FCU Pensacola Branches Enter Naval Air Station 5K Charity Run for the 5th Year

*Keasha Lee, Public Relations Specialist*

Navy Federal employees from Pensacola Express and Northcross Village branches participated in the 23rd Marine Corps Aviation Association’s (MCAA) 5K Run for charity by distributing information to attendees; providing awards to the top male and female finishers; and presenting a donation check to New Horizons of Northwest Florida.

The MCAA’s Roy S. Geiger squadron has held a 5K run in Pensacola since 1983 to support New Horizons of Northwest Florida, an organization that has provided over 64 years of service to people with developmental disabilities through operation of their group homes and a 24-hour care residential facility. “We are always glad to participate in events that allow us to connect with members of the community and our core membership,” said Waverly Wilcox, Manager, Northcross Village branch.

Navy Federal employees manned a booth during the event handing out brochures, applications and promotional items. Liz Walton, a Member Service Representative for Northcross Village, presented New Horizons of Northwest Florida with a \$1,000 corporate donation check during the awards ceremony.

# Lawmakers Ban Payday Loans to Service Members

*Karen Jowers, staff writer, Army Times*

Within a year, a new law will make it illegal for creditors to offer payday loans and car title loans to military borrowers, whether through brick-and-mortar storefronts or over the Internet.

For other consumer loans, creditors can charge no more than 36 percent in annual interest to military borrowers, eliminating loans costing troops annual rates of 800 percent or more, in extreme cases.

The costs of fees, service charges, renewal charges, credit insurance premiums and any product sold with the loan must be included in the calculation of the percentage rate.

The provisions take effect when the Defense Department comes up with regulations to implement them or by Oct. 1, 2007, whichever comes first. The provisions, part of the 2007 defense authorization bill passed by Congress and awaiting President Bush's signature, offer sweeping protections for military personnel and their families for all consumer credit.

Creditors who violate the law face a fine, up to a year in jail or both, for a misdemeanor offense.

Going far beyond the provisions earlier introduced by lawmakers, many of the changes are the result of Pentagon recommendations in an August report to Congress on payday lending.

Lenders will no longer be able to lend money using a check, or any other means

of access to a financial account, as security for a loan. This affects storefront payday lenders and Internet payday lenders, who often gain electronic access to borrowers' accounts.

The law will not be retroactive, and service members with outstanding payday loans when the law takes effect will have to pay them off. It will not apply to residential mortgage loans or loans for buying a vehicle or other personal property.

The changes will mean that "lenders can't have the upper hand over service members," said Jean Ann Fox, director of consumer protection for the Consumer Federation of America.

"No lender should be soliciting money" based on what is essentially a bad check, she said.

Ira Rheingold, executive director of the National Association of Consumer Advocates, said, "If there are a lot of people who need short-term cash, there are enough good actors out there who will figure this out."

Steven Schlein, a spokesman for the Community Financial Services Association, a trade group for the payday loan industry, said that even without an outright ban on payday loans, reducing the maximum interest rate that any lender could charge service members to 36 percent would not even cover overhead costs for payday lenders, much less allow them to clear a profit.

The CFSA contends that the law will place a hardship on military personnel by

eliminating a source of easy credit that many troops rely on.

"This law will have a lot of unintended consequences," Schlein said. "Military personnel could possibly go into a bank or credit union for overdraft protection and be denied." Once the law takes effect, it will prohibit:

- Creditors from requiring a service member to set up an allotment as a condition of getting a loan.
- Creditors from using the title of a vehicle as security for a loan to service members or their family members.
- Creditors from using a check or other means of access to a military borrower's financial account as security for a loan.
- Creditors from rolling over, renewing, repaying, refinancing or consolidating any consumer credit using proceeds of other credit extended by that same creditor to the military borrower.
- Creditors from forcing service members to waive their rights under any state or federal law, including the Service members' Civil Relief Act.
- Creditors from denying military borrowers the option of prepaying the loan and from charging a penalty for paying off part or all of the loan early.
- Creditors from making unreasonable demands to make it difficult for the service member to take a creditor to court.
- States from allowing creditors to violate or waive any state consumer loan protections for military borrowers simply because the borrowers are nonresidents, or because of their military status.

*Reprinted by permission of Army Times*

## Chairman Johnson Visits Site of the First Credit Union in America



A dinner was held recently at the America's Credit Union Museum, Manchester, NH in honor of National Credit Union Administration Chairman JoAnn Johnson. NCUA Region I Director, Mark Treichel, New Hampshire Banking Commissioner Peter Hildreth; Deputy Commissioner Bob Fleury; Dan Egan, President/CEO NHCUL; and Peggy Powell, ACUM Executive Director attended as did New Hampshire credit union CEO's and Chairman in the state. Chairman Johnson visited the site of the first credit union in America to see the home of the first credit union and review how the movement began in the United States in 1908.

*Clifford Taylor, SCU Board Chair; JoAnn Johnson, NCUA Chair; Peter Hildreth, NH Banking Commissioner; and Gordon Simmons, ACUM Board Chair & President/CEO, SCU. Photo provided by SCU.*

## Report On The George E. Myers Fund

The Defense Credit Union Council is selling the 2006 White House Christmas Ornament again this year as a fundraiser for the George E. Myers Scholarship Fund. The price remains at \$20 per ornament. The 2006 White House Christmas ornament honors the administration of the 21st President of the United States Chester A. Arthur (1881–85). Having served just six months as vice president to James A. Garfield, Arthur assumed the presidency in September 1881 when Garfield succumbed to the wounds inflicted by an assassin's bullet. He brought to the White House a luxurious style that signaled the nation's return to prosperity after the economic troubles of the late 1870s.



The design of the 2006 ornament is inspired by the period motifs and rich decor of Arthur's White House, which will be forever distinguished by the early work of famed American artist and decorator Louis Comfort Tiffany. The North Portico of the White House is depicted in the center beneath an American bald eagle. The two translucent ovals flanking the center depict the American dogwood blossoms that Tiffany incorporated in a large screen of red, white, and blue glass, which stood in the Entrance Hall until the turn of the century. The naturalistic leaves that comprise the gold-plated outer wreath of the ornament are derived from murals painted in the Entrance Hall. The honeysuckle details ("anthemia") in the inner oval frame are adapted from the high Victorian decoration of the East Room.

If you are interested in this year's ornament you can go to [www.d cuc.org](http://www.d cuc.org) and scroll down to the picture of the ornament in the bottom left hand corner, click on the box and it will take you to the ornament description and order form.

Please make checks payable to the National CU Foundation – GEM Fund. To order by credit card (VISA or MasterCard only), please include the account number, name on the card, expiration date, and account address if different from delivery address (no P. O. Box address for delivery). *Photo of the White House Ornament is used with permission of the White House Historical Association.*

## Don't Forget Treats for Troops!

With the holiday season fast approaching, please remember our troops. Visit [www.Treatsfortroops.com](http://www.Treatsfortroops.com) and send a care package to our soldiers. You can choose from dozens of themed packages or hundreds of individual items, all selected after lots of input from soldiers and family members.

Individuals, organizations and groups who don't personally know anyone in the military, but want to show their support can sponsor soldiers through our unique Foster-A-Soldier Program. Sponsors can choose their soldiers by branch of service, home state or gender.

For the latest credit union  
news, visit our Web site:

[www.d cuc.org](http://www.d cuc.org)

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*Welcome to  
the famous  
Davenport Hotel,  
downtown  
Spokane's most  
prestigious  
address...and  
host to the*

**DCUC  
44th Annual  
Conference**

**“In all things, the hotel sincerely tries to so well please its guests that they will be glad they came, sorry to leave and eager to return.”**

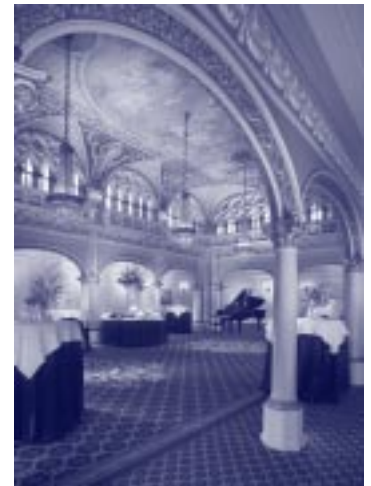
*Louis Davenport, 1914. Walt Worthy, 2002*

The Davenport Hotel has been world famous since it opened in September of 1914. At its opening, The Davenport Hotel was the largest private telephone branch exchange in the entire Pacific Northwest (with 450 handsets) and was similarly the largest and most complicated plumbing job (with 30-miles of pipes delivering hot, cold and drinking water to every one of its 405 rooms). Gilded with gold, sparkled by crystal and illuminated throughout with “electroliers,” it was as grand as the finest ocean liners of the day. It was truly one of America’s exceptional hotels.

The September 1915 Hotel Monthly described Louis Davenport as “the man with a vision who created a hotel with a soul.” Davenport was a “quiet, unassuming, earnest man,” but demanded perfection in every facet of his operation. In all things, he wanted his staff to consider first the comfort and convenience of the guests. “When you get that ‘home’ feeling in the hotel,” he once commented, “you get all that can be attained.”

The Davenport Hotel stands today as a perfect blend of old and new, respecting the best of what was and embracing the best of what is. The old lobby fireplace burns year-round as a symbol of hospitality. A new digital network invisibly ties every room of the hotel to the Internet. Spokane’s finest restaurant, spa, candy shop, and book store all reside under the same roof as Spokane’s finest hotel.

The Davenport Hotel is truly “one of America’s exceptional hotels.”



**Famous Guests**

The Davenport Hotel has been home to royalty, kings of industry, captains of commerce, stars of stage and screen and just about every American president of the 20th century. In these halls, you can walk in the shadows of great men and women including Charles Lindbergh, Amelia Earhart, Mary Pickford, Clark Gable, John Philip Sousa, Lawrence Welk, Marian Anderson, Bob Hope, Bing Crosby and Benny Goodman to name just a few. Authors Zane Grey and Dashiell Hammet wrote scenes in their works set at this most famous hotel in the West.

The Defense Credit Union Council is pleased that the Davenport Hotel will host our 44th Annual Conference. From the stunning lobby, to the luxurious sleeping rooms, from the incredibly beautiful meeting rooms to the warm hospitality of the staff, we hope you will join us next summer to experience for yourself one of the finest hotels in our country!

*Thanks to the Davenport Hotel for use of its pictures and website information.*



**THE  
DAVENPORT HOTEL**  
*and Tower*

**A Bit About**

# Spokane

**Location of DCUC's 44th Annual Conference**



The 44th Annual Defense Credit Union Conference will be held in the "All American" city of Spokane, a spirited community in the midst of a natural wonderland of forests, lakes and mountains.

The heart of Spokane is the Spokane River, where spectacular falls and scenic beauty sit right next door to downtown, where some excellent restaurants and fine shopping are located. With a metropolitan area population of about 500,000, Spokane is Washington's second largest city and the largest metropolitan area between Seattle and Minneapolis.

Where exactly is Spokane? About 280 miles directly east of Seattle and only 30 miles west of the resort town of Coeur D'Alene, Idaho, Spokane sits on the sunny side of Washington between two magnificent mountain ranges, the Cascades and the Bitterroots. Seventy-six lakes sit within a 50-mile radius, which contributes to the area's beauty as well as the recreation possibilities.

Because of its location between two mountain ranges, Spokane is truly a four-season city. The average high temperature in August is 82.5 and the average low is 54.3 degrees.

*Mark your calendars today for August 19-22, 2007 and plan to join us next summer in the wonderful city of Spokane for another great DCUC conference!*

## **What to do in the Spokane area...**

- **Go shopping!**
- **Stroll through beautiful parks**
- **Tour great wineries**
- **Attend a performing arts event**
- **Visit top-notch Museums**
- **Ride a Mountain Gondola**
- **Escape to Green Bluff orchards**
- **Try your luck at a casino**
- **Visit the Silver Valley**
- **Take in Grand Coulee Dam**
- **Cruise Lake Coeur d'Alene or the Spokane River**
- **Savor the beauty of the area... three national parks are within a day's drive of Spokane.**