

**Subject:** The Daily Exchange -- February 10, 2014  
**Date:** Monday, February 10, 2014 10:43 AM  
**From:** New Jersey Credit Union League <news@njcul.org>  
**To:** staff@njcul.org  
**Conversation:** The Daily Exchange -- February 10, 2014

[Unsubscribe](#)

To ensure that you continue receiving our emails, please add us to your address book or safe list.



February 10th, 2014

Today's News:

- › Don't Miss Out on Reality Check 2014!
- › Take Part in the CUNA/League Credit Union Exam Survey
- › CEOs and Compliance Professionals: There's Still Time to Register for Wednesday's NJ READ Meeting
- › NCUA Risk-Based Capital Plan Could Cut CU Capital Buffers by Billions, CUNA Notes
- › NJCUL Banking You Can Trust Campaign Sponsors 'Caucus: New Jersey' Panel on Debt Management, Tune In!
- › VirtualCorps Webinars Offered on Feb. 11th and Feb. 18th Tackle the Affordable Care Act for CUs
- › CUNA Offers CFPB Real-Life Mortgage Closing Advice
- › Webinar: How to Provide Affordable Solutions for

**Don't Miss Out on Reality Check 2014!**

***There's Still Time to Register for the Hard-Hitting Conference that will Tackle Lending, Technology, the Economy, and Much More!***

ATLANTIC CITY, N.J. – Credit Union Reality Check is now in its fifth year! It has grown every year for one simple reason: attendees get to learn about some of the most pressing issues facing credit unions and get real-world views on how to tackle these issues.

Join the action taking place March 10-12, 2014 at Harrah's Casino Resort in Atlantic City. Register today at [www.CURealityCheck.com](http://www.CURealityCheck.com).

Credit Union Reality Check is about interaction and idea generation. Its unique format involves all attendees, all the time. There are no breakout sessions; every session takes place in one room so you don't need to choose one session over the other or miss out on any vital information.

Last year Reality Check attracted attendees throughout the country. We urge you not to miss out on this great opportunity to get a true educational experience that is focused on credit unions' real-world challenges, not make believe.

Why else attend Reality Check? For the level of content, you won't find a more affordable price tag. This is an event where your credit union can afford to bring a big group to take advantage of the opportunity.

Check out the Web site at [www.CURealityCheck.com](http://www.CURealityCheck.com) for more information and to register. The hotel reservation deadline is Feb. 20th, so make your reservations ASAP.

Thank you to our sponsors who make Reality Check possible: Alloya Corporate FCU, Alpha Omega Laser, CO-OP Financial Services, *Credit Union Journal*, CUinsight, CUNA, CUNA Mutual Group, Federal Home Loan Bank of New York, Financial Services, Inc. (FSI), Invest in

- › [Member Loyalty and Reward Needs](#)
- › [New HMDA Data Research Panel, Resources Announced by CFPB](#)
- › [Morgan Stanley to Pay \\$1.25B Over 'Faulty' Mortgage Bonds](#)
- › [Credit Unions, Mark Your Calendars](#)
- › [Look! A Distraction...](#)



## Are You Ready to Get Real???

Don't miss out on the one and only hard-hitting conference taking on all the issues that you need to know about. Join us March 10-12th at Harrah's Resort in Atlantic City for CU Reality Check 2014!

Check out [www.curealitycheck.com](http://www.curealitycheck.com) for more information and to register! Please keep in mind that the deadline to secure a hotel room at the reduced rate is Feb. 20th.



Home Loan Bank of New York, Financial Services, Inc. (FSI), Invest in America, LendKey, Mid-Atlantic Corporate FCU, Symbionce, and UBS.



[\[ BACK TO TOP \]](#)

## Take Part in the CUNA/League Credit Union Exam Survey

The CUNA/League exam survey is your chance to provide feedback to CUNA and your league on your most recent exam by either NCUA and/or your state regulator. The information, which will be kept anonymous, will help CUNA and the leagues hone their advocacy efforts on exam-related issues.

Survey replies are confidential, and identifying information from individual credit union respondents will not be seen by individuals outside of CUNA's Market Research Department. Only summary results will be reported.

Click [here](#) to take the survey.

If you have any questions about the survey, please contact [mktresearch@cuna.com](mailto:mktresearch@cuna.com).

[\[ BACK TO TOP \]](#)

## CEOs and Compliance Professionals: There's Still Time to Register for Wednesday's NJ READ Meeting

HIGHTSTOWN, N.J. – Credit union CEOs and compliance stakeholders, come join us for the first NJ READ meeting of the New Year this Wednesday, February 12th from 2:00 – 4:00 p.m. at the League office. Email Nicola Foggie at [nfoggie@njcul.org](mailto:nfoggie@njcul.org) or call 800-792-8861 ext. 112 to register.

The NJ READ group discussion will center on NCUA's latest "Exam Modernization" changes.

We will also have time for a discussion about the recent regulations

## Upcoming Events:

**February 11, 2014**  
**VirtualCorps Webinar:**  
**Affordable Care Act:**  
**Employee Benefit Issues**  
**and Marketing**  
**Opportunities; Training and**  
**Education to Members**  
**3:00 pm to 4:00 pm**  
[More Information Click Here](#)

**February 19, 2014**  
**Webinar: Opening Accounts**  
**for Minors: Compliance,**  
**Ownership & Access Issues**  
**3:00 pm to 4:30 pm**  
[More Information Click Here](#)

**February 20, 2014**  
**Compliance Update &**  
**Roundtable: 10 Fraud Areas**  
**Affecting Credit Unions**  
**Location: NJCUL and via**  
**Video Conference**  
**10:00 am to 3:00 pm**  
[More Information Click Here](#)

## Contact Us:

### Address

299 Ward Street  
Hightstown, NJ 08520  
Driving directions

### Phone

800.792.8861  
609.448.2426

### Fax

609.448.3499

### E-mail

[info@njcul.org](mailto:info@njcul.org)

## Connect with Us:

we will also have time for a discussion about the recent regulations that have come into effect, and the new exam and compliance challenges they bring to credit unions, before joining the 3:00 p.m. NCUA Town Hall meeting Chairman Matz is hosting, with CFPB Director Richard Cordray.

CEOs, short of time? Feel free to send your compliance professional to represent your credit union. Don't miss this opportunity to be a part of exam and regulatory solutions for credit unions!



• Regulatory Examination Assistance & Development •

[\[ BACK TO TOP \]](#)

## NCUA Risk-Based Capital Plan Could Cut CU Capital Buffers by Billions, CUNA Notes

WASHINGTON – NCUA's proposed risk-based capital rule could prove costly for many credit unions, forcing them to increase their capital levels by a net \$7.3 billion to maintain their current margins above the proposed "well-capitalized" thresholds, according to CUNA.

CUNA Chief Economist Bill Hampel explains, "We looked at the 2,504 federally insured credit unions with more than \$40 million in assets, and compared their current margins above being well capitalized to what they would be if the NCUA proposal were in effect. Although the rule would only apply to credit unions with more than \$50 million in assets, many—if not most—of the almost 300 credit unions with between \$40 million and \$50 million in assets will exceed the \$50 level in just a few years."

About one-third, or 863, of these 2,504 credit unions would enjoy greater buffers above well-capitalized thresholds under the proposal, but the total increase among these credit unions would be only \$63 million, Hampel says. The remaining 1,641 credit unions with above \$40 million in assets would see their cushions above well-capitalized thresholds shrink by a combined total of \$7.4 billion if the proposal were in effect.

NCUA's proposal would restructure the agency's current prompt corrective action (PCA) regulation to include calculation of a capital-to-risk-assets ratio, analogous to Basel III for community banks, but with substantially higher risk weights. The proposal would impose higher capital requirements for credit unions with higher concentrations of assets in real estate loans, member business loans, longer term investments and some other assets. The proposal would apply to credit unions with assets of more than \$50 million. A final version of the proposal is not likely to go into effect until 2016 or later.

CUNA analysis of the proposal indicates that a number of credit unions would fall from being comfortably well-capitalized under the current system to being merely well-capitalized under the proposed



current system to being merely well-capitalized under the proposed system. Currently, 68% of credit unions with more than \$50 million in assets maintain more than a two-percentage point buffer above being "well-capitalized."

This total would fall to about 62% under the proposal, Cheney wrote in the latest edition of The Cheney Report. Almost 10% of credit unions would drop below "well-capitalized" under the proposed rule, he added.

[\[ BACK TO TOP \]](#)

## **NJCUL Banking You Can Trust Campaign Sponsors 'Caucus: New Jersey' Panel on Debt Management, Tune In!**

HIGHTSTOWN, N.J. – The New Jersey Credit Union League's Banking You Can Trust consumer awareness campaign sponsored a debt management panel discussion on the public television program "Caucus: New Jersey".



*Garden Savings FCU President/CEO Lou Vetere (front left) with the "Caucus: New Jersey" panel on debt management with moderator Steve Aduato (back center).*

Past NJCUL Chairman of the Board and Garden Savings FCU President/CEO Lou Vetere spoke on the panel, which was moderated by Steve Aduato.

The broadcast schedule for the segment is below. Make sure to tune in!

**Saturday, March 1st**

NJTV 12:00 PM  
NJTV 6:00 PM

**Sunday, March 2nd**

NJTV 8:30 AM  
NJTV 11:30 PM

**Tuesday, March 4th**

WHYY 5:30 PM  
WLIW World 7:00 AM

**Saturday, March 29th**

Thirteen 12:30 PM

**Sunday, March 30th**

NJTV 8:30 AM

Look for similarly sponsored segments throughout 2014, brought to you by the Banking You Can Trust campaign.

[\[ BACK TO TOP \]](#)

---

## VirtualCorps Webinars Offered on Feb. 11th and Feb. 18th Tackle the Affordable Care Act for CUs

### ***Two Webinars will Review Employee Benefit Issues and Marketing Opportunities; Training and Education to Members***

HIGHTSTOWN, N.J. – The Patient Protection and Affordable Care Act of 2010, which was signed by the President and upheld by the Supreme Court, is now impacting credit unions and their employees alike. These dramatic changes may require credit unions to alter the administration and operation of their medical benefit plans.

Two VirtualCorps Webinars, offered through the League, are designed to educate credit unions with 50 or less employees about what is required under health care reform and best practices to implement. You will learn about:

- Small Business Health Option Program (SHOP) Marketplace
- Summary of Benefits & Coverage (SBC)
- Medical Loss Ratio Rebate Distribution
- Impact on HRA, FSA, HSA and wellness programs
- Additional Medicare Withholding on Wages
- New nondiscrimination rules prohibiting more generous benefits to credit union executives
- New HIPAA Final Omnibus Rule and what credit unions need to do to comply

This ACA Webinar is being offered on two dates in February. Click on the date below for more information and to register:

- [Tuesday, February 11th at 3 p.m.](#)

- [Tuesday, February 18th at 3 p.m.](#)

*EDUCATION CANCELLATION POLICY: NJCUL must receive written cancellation in our office seven (7) days prior to the education session in order for you to receive a refund; substitutions only after this date. All cancellations will be subject to a \$25 cancellation fee.*



[\[ BACK TO TOP \]](#)

## CUNA Offers CFPB Real-Life Mortgage Closing Advice

WASHINGTON – CUNA detailed the common problems and issues faced by consumers at mortgage closings, common errors and changes that have occurred at closings, and the resources borrowers use to define unfamiliar loan terms in a Friday letter to the CFPB.

The letter provided specific responses to questions raised by the CFPB. The bureau last year asked credit unions and other stakeholders for information regarding the mortgage closing process.

CUNA's responses were derived from surveys of credit union members and in coordination with the CUNA Lending Council and CUNA's Consumer Protection Subcommittee.

CUNA's letter said credit union members are often overwhelmed with the sheer amount of paperwork and disclosures they receive at closing. A typical closing package is over 100 pages, and contains 25 spots for consumer signatures, on average. "Most consumers cannot possibly read and understand everything they are signing...These notices and disclosures are so voluminous that the consumer and the closing process are often disadvantaged, rather than helped," the letter added.

CUNA suggested that many of these closing documents could be consolidated.

Consumers continue to have difficulties understanding Truth in Lending disclosures, Good Faith Estimates, and HUD-1 closing statements, Ihrig added.

While many borrowers feel helpless at closing, credit unions have suggested that clearly laid out, simplified financial information about the transaction would aid the borrowers and lenders.

CUNA's comment letter is available [here](#).

[\[ BACK TO TOP \]](#)

## Webinar: How to Provide Affordable Solutions for Your Member Loyalty and

## Reward Needs

**Date:** Wednesday, February 19, 2014

**Start Time:** 10:30 a.m.

Loyalty and rewards are a necessity in today's business environment! Do your members go elsewhere for mortgages, auto loans, home improvement loans, etc.? If so, why? Learn what hundreds of organizations already know.

### **Solutions that will be discussed during the Webinar:**

- 1) Offer your members a BP cents-off-per-gallon fuel card for every loan application, new account opening, etc.
- 2) Offer a custom and affordable coupon book, for any size credit union, with thousands of dollars in savings at local, regional, and national merchants. The book will be branded with your CU logo and can contain any message.
- 3) Add value to your statement stuffers with BP cents-off-per-gallon codes to use at the pump or local, regional, and national merchant offers to make sure your message is saved and read.
- 4) Set up an online program that allows your members, exclusively, to print coupons redeemable at local merchants.

To learn more about these solutions and other options, please join us for this **free** Webinar.

**Presenter:** Dick Froiseth, Regional Sales Manager, SaveAround, [dfroy@savearound.com](mailto:dfroy@savearound.com), 607.624.3570

**To Register:** Email Barbara Agin, [bagin@njcul.org](mailto:bagin@njcul.org). Log-in information will be sent to you prior to the Webinar.

### **Contacts for questions:**

John Hendery, [jhendery@njcul.org](mailto:jhendery@njcul.org), 800-792-8861 ext. 108

Angel Santos, [asantos@njcul.org](mailto:asantos@njcul.org), 800-792-8861 ext. 109



[\[ BACK TO TOP \]](#)

## **New HMDA Data Research Panel, Resources Announced by CFPB**

WASHINGTON —A new small business panel to help consider Home Mortgage Disclosure Act (HMDA) changes and new resources to help

users navigate publicly available HMDA data were announced by the CFPB on Friday.

Under HMDA, financial institutions with total assets of more than \$43 million that have home or branch offices in defined metropolitan statistical areas must collect certain mortgage loan data and report it to federal regulators.

CFPB Director Richard Cordray on Friday said the bureau is seeking feedback on how the HMDA reporting process can be improved, and new requirements that would more accurately capture access to credit in the mortgage market.

A Small Business Regulatory Enforcement Fairness Act (SBREFA) panel has been assembled to consider these and other HMDA issues.

Potential HMDA reporting additions discussed by the panel will include: total points and fees, and rate spreads for all loans; riskier loan features including teaser rates, prepayment penalties, and non-amortizing features; lender information, including a unique identifier for the loan officer and the loan; property value and improved property location information; age and credit score; mandatory reporting of denial reasons; debt-to-income ratios; qualified mortgage status of loans; and combined loan-to-value ratio.

The first meeting of the SBREFA panel is scheduled for March, and an advance notice of proposed rulemaking on HMDA changes will likely be issued this year, Cordray said. Many of the proposed data points under consideration are required by the Dodd-Frank Act, but many are not. CUNA will raise this as a point of concern with the agency.

The CFPB has produced a new data tool that will help users examine HMDA information filed between 2007 and 2012. Users will be able to filter information by geographical location, loan characteristics, property type and more. They will also have the option of comparing refinances, home purchases and home improvement loans through summary tables, and can then download these tables and data in the format of their choice.

Users will be able to save and share their results on a website or through social media.

Click [here](#) to access more resource information.

[\[ BACK TO TOP \]](#)

---

## **Morgan Stanley to Pay \$1.25B Over 'Faulty' Mortgage Bonds**

WASHINGTON – Morgan Stanley and the Federal Housing Finance Agency (FHFA) have reached a \$1.25 billion settlement to resolve alleged violations of federal and state securities laws.

Under the terms of the settlement, \$625 million, each, will be paid to Fannie Mae and Freddie Mac. The settlement follows a suit that alleged Morgan Stanley misled Fannie Mae and Freddie Mac by selling faulty private-label mortgage-backed securities between 2005 and 2007.



The FHFA has filed 17 similar lawsuits. This is the seventh to be settled.

NCUA also sued Morgan Stanley and eight other institutions over the sale of nearly \$2.4 billion in mortgage-backed securities to Southwest and Members United corporate credit unions.

The agency has sued a number of Wall Street banks in similar cases. In November, JP Morgan agreed to pay NCUA \$1.4 billion in a settlement over mortgage-backed securities issued, underwrote and sold to now-defunct corporate credit unions in 2006 and 2007. The wholesale lenders collapsed in 2009 due, in part, to the faulty instruments.

The Morgan Stanley-FHFA settlement is available [here](#).

[\[ BACK TO TOP \]](#)

---

## Credit Unions, Mark Your Calendars

HIGHTSTOWN, N.J. – The New Jersey Credit Union League would like you to mark your calendars for these upcoming events:

### **NJCUL Education**

February 11 -- [NJ DNA Meeting: Idea Implementation](#)

February 12 -- [NJ READ Meeting](#)

February 25 -- [Teller Training for Frontline Staff](#)

February 20 -- [Compliance Update & Roundtable: 10 Fraud Areas Affecting Credit Unions](#)

March 18 -- [Full-Day: Cross Selling from the Credit Report](#)

March 19 -- [Full-Day: ALM Update 2014](#)

April 8 -- [ELS Session: Economic, Political and Tech Trends: 10 Things You Need to Know to Grow Your Business](#)

### **Industry Events**

February 18 -- [Northern Chapter Meeting: The NJ CU Foundation](#)

February 23-27 -- [CUNA's 2014 Governmental Affairs Conference](#)

February 23 - March 1 -- [America Saves Week](#)

March 10-12 -- [2014 CU Reality Check Conference](#)

March 28 -- [Reality Fair at The Wallace School](#)

April 2 -- [Financial Fitness Day](#)

April 4 -- [NJ CU Foundation Casino Night](#)

April 10 -- [Reality Fair at Barringer High School](#)

April 20-26 -- [National Credit Union Youth Week](#)

May 3 -- Jersey Shore FCU's 5th Annual 5K in May for the Marianne DiNofrio Pancreatic Cancer Research Foundation at Birch Grove Park

May 16 -- [Reality Fair at Ewing High School](#)

May 20 -- [NJCUL's 26th Annual Golf Tournament](#)

May 29 -- [Greater Alliance Federal Credit Union's 31st Annual Golf Outing](#)

June 2 -- North Jersey FCU Foundation's 5th Annual Above and Beyond Golf Outing at Picatinny Arsenal Golf Course

July 21 -- 4th Annual Garden Savings Federal Credit Union Golf Outing at Fiddler's Elbow Country Club

July 30 - August 1 -- [NYIB Conference](#)

September 21-23 -- NJCUL's 80th Annual Meeting & Convention at Trump Taj Mahal

[\[ BACK TO TOP \]](#)

## Look! A Distraction...



Who else has a case of the Mondays?

[\[ BACK TO TOP \]](#)

This message was sent to staff@njcul.org from:

New Jersey Credit Union League | 299 Ward Street | Hightstown, NJ 08520

[Manage Your Subscription](#) | [Forward To a Friend](#)

