

Subject: The Daily Exchange -- August 18, 2014
Date: Monday, August 18, 2014 12:31 PM
From: New Jersey Credit Union League <news@njcul.org>
Reply-To: news@njcul.org
To: staff@njcul.org
Conversation: The Daily Exchange -- August 18, 2014

Unsubscribe

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



The Daily Exchange

August 18th, 2014

Today's News:

- › Matz Responds to Two House Member Letters on RBC
- › Convention Corner: Coloring Outside the Lines and Listening Between the Lines with Jeff Tobe
- › Five Senators Urge Commerce Chief to Improve Patent System
- › Voting for the 2014 NJCUL Awards Program is OPEN!
- › FinCEN Releases Advisory to U.S. Financial Institutions on Promoting a Culture of Compliance
- › Free cuGreen Loan Program Information Session September 10th
- › VirtualCorps Webinar: Leveraging the CDFI Certification to Increase Community Impact and Relevance
- › 'Patent Troll' Study OK'ed by OMB
- › Credit Unions, Mark Your Calendars

Matz Responds to Two House Member Letters on RBC

ALEXANDRIA, Va. – NCUA Chair Debbie Matz last week responded to two U.S. House member letters on the agencies Risk-based Capital (RBC) plan noting the proposal's goal and indicating that risk weights will be refined.

"With the proposed rule, our goal is to ensure that those federally insured credit unions that have a higher appetite for risk hold enough capital to match that risk," Matz wrote in her Aug. 14 response Rep. Jim Bridenstine (R-OK). "In other words, the proposal seeks to scale the capital requirement based on an individual credit union's balance sheet risks."

Bridenstine's letter read, "NCUA examiners already have the ability to mitigate concentration risk through other regulatory actions, it appears that the inclusion of concentration risk as a part of the calculation of capital rules could be redundant and place credit unions at a competitive disadvantage relative to other insured depository institutions."

In both the Bridenstine letter, and in a separate letter on the same day to House Financial Services Committee Member Steve Stivers (R-OH), Matz also identified the five candidates for revised risk weights—in part due to input from comment letters and the three Listening Sessions.

"They include the risk weights for investments, mortgages, and member business loans, as well as credit union service organizations and corporates.

"The final rule will make appropriate changes in each of these areas to ensure that credit unions continue to make safe investments and provide sound loans to homeowners, member small businesses, family farms, and consumers," Matz wrote.



We want our members to get the information they need without clogging their inbox. Take our brief [communication survey](#) so you can begin receiving content relevant to you and your function at your credit union.

All respondents will be entered to win a \$150 gift card each week for six weeks. For each survey completed, the League will also donate \$5 to Children’s Miracle Network.



Upcoming Events:

August 20, 2014
Webinar: Director Series: Compliance Management & Fair Lending Training for the Board
3:00 pm to 4:30 pm
[More Information Click Here](#)

CUNA has advocated that the NCUA withdraw the proposal and instead pursue RBC standards as part of a multifaceted capital reform strategy. CUNA has expressed concerns with the proposal's interest rate risk scheme, risk weights, and implementation period should the rule prevail.

In providing justification for the new rule, Matz cited several factors, including new Basel capital according, the recommendations of the Government Accountability Office (GAO) and the NCUA's Inspector General and the issuance of new RBC rules last year by the other federal regulators.

Audio recordings of NCUA's 2014 Listening Sessions at which its RBC proposal dominated the discussions are available [here](#).

RBC comments letters from New Jersey credit unions and the League are available [here](#).

CUNA's Risk-based Capital Action Center is available [here](#).

Additional information on CUNA's and the NJCUL's legislative and regulatory advocacy efforts is available through CUNA's weekly [The President's Report](#), [Legislative Update](#), [Regulatory Advocacy Reports](#), and monthly [Legislative Affairs Webcast](#), as well as reported in various NJCUL publications such as the *Daily Exchange*.

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

Convention Corner: Coloring Outside the Lines and Listening Between the Lines with Jeff Tobe

ATLANTIC CITY, N.J. – The dynamic Jeff Tobe will treat attendees to two informative and interactive sessions during Convention: Coloring Outside the Lines and Listening Between the Lines.

Tobe's high-energy, participatory, humorous Coloring Outside the Lines workshop challenges you to step outside your comfort zone in positioning your product, your service or yourself more creatively than ever before. He provides the insight you require to give yourself the "competitive edge" for which we all strive in any profession.



As for his communication session, Tobe proves that with proper instruction and practice, anyone can learn to listen just like learning to read. Effective listening is the most powerful communication technique and yet, is probably the

August 21, 2014
Webinar: Home
Equity/Second Lien Risk
Management
3:00 pm to 4:30 pm
[More Information Click Here](#)

August 26, 2014
Webinar: Frontline Series:
Business Accounts: Who is
Authorized to Open, Close,
Transact?
3:00 pm to 4:30 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

Connect with Us:



the most powerful communication technique and yet, is probably the best kept secret of the top professionals in the country. Listening Between the Lines will give attendees nine techniques to more effective listening and communicating.

Hear from Tobe and other industry experts at our 80th Annual Meeting & Convention September 21, 2014 through September 23, 2014 at the Trump Taj Mahal in Atlantic City, NJ.

More information and registration is available on our Convention Web site www.njcuconvention.com.

[[BACK TO TOP](#)]

Five Senators Urge Commerce Chief to Improve Patent System

WASHINGTON – Five senators have written to the U.S. Department of Commerce secretary urging the office to reduce abusive "patent troll" lawsuits. The letter, signed by Sens. Mark Warner (D-Va.), Jeff Merkley (D-Ore.), Mark Begich (D-Alaska), Martin Heinrich (D-N.M.), and Tom Udall (D-N.M.), pushes for the office to improve the patent process by limiting low-quality, vague patents.

"While it is important that our legal system uphold the rights of intellectual property owners to enforce those rights in court, abusive litigation raises questions about whether too many illegitimate patents are being issued, whether vague patents are being stretched to cover ideas never envisioned by the patent holder and whether more can be done to protect our intellectual property regime from being misused," the senators wrote.

The lawmakers expressed appreciation for the Patent and Trademark Office's renewed focus on improving patent quality over the past year and encouraged the office to use its other tools to prevent low-quality patents.

The lawmakers say the overall goal is to address abusive legal actions, while "continuing to encourage innovation and technological advancement."

The letter suggests the Patent and Trademark Office should:

- Continually review and assess the operation examiner management system and performance metrics already in place to ensure they incentivize quality over quantity, and that examiner evaluation is not improperly incentivizing approval of low-quality patents;
- Direct examiners how to ensure complete applications records so any ambiguity in the initial process is documented and resolved. Applications files should provide a clear history of clarified terms and original intent so an approved patent cannot later be twisted to cover future inventions;
- Determine whether the functional claiming measures are addressing concerns that functional claiming provides a loophole from definite, precise claims and that not all

...reports from courts, precise claims and that not all functional claims are held to the relevant standards;

- Expand the use of crowd-sourcing and data analysis to identify types of patents and specific characteristics that are most likely to give rise to ambiguity and produce litigation risk. These areas should be specifically targeted for stronger measures; and
- Ensure public access to information about patents and their histories, especially the publicly searchable information on the Patent and Trademark Office's website.

CUNA has urged lawmakers to act to curb the patent system abuses, saying reforms are desperately needed. CUNA and the state credit union leagues have been active on every level urging lawmakers and the Obama administration address patent reform.

The letter is available [here](#).

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

Voting for the 2014 NJCUL Awards Program is OPEN!

It's Time for YOU to Decide the Winners!

HIGHTSTOWN, N.J. – Voting for the 2014 New Jersey Credit Union League Awards Program is now open!

Member credit unions are encouraged to vote by visiting our survey page at <https://www.surveymonkey.com/s/2014NJCULAWARDS>.

Review entries and cast your votes for entries in the following categories:

- Catherine L. Miller & Alexander Kosobucki Marketing Award
- Difference Maker of the Year Award
- Calvin Jackson Memorial Volunteer of the Year Award
- Credit Union of the Year Award
- CEO of the Year Award

Voting will close on August 29, 2014. Get your votes in today!

If you have questions regarding the NJCUL Awards Program, please contact Candice Nigro at cnigro@njcul.org or 609-448-2426 ext. 110.



FinCEN Releases Advisory to U.S. Financial Institutions on Promoting a Culture of Compliance

BSA/AML shortcomings have triggered recent civil and criminal enforcement actions—FinCEN seeks to highlight the importance of a strong culture of BSA/AML compliance for senior management, leadership and owners of all financial institutions subject to FinCEN's regulations regardless of size or industry sector, according to a recent advisory.

A financial institution can strengthen its BSA/AML compliance culture by ensuring that (1) its leadership actively supports and understands compliance efforts; (2) efforts to manage and mitigate BSA/AML deficiencies and risks are not compromised by revenue interests; (3) relevant information from the various departments within the organization is shared with compliance staff to further BSA/AML efforts; (4) the institution devotes adequate resources to its compliance function; (5) the compliance program is effective by, among other things, ensuring that it is tested by an independent and competent party; and (6) its leadership and staff understand the purpose of its BSA/AML efforts and how its reporting is used. This advisory describes each of these areas in more detail below. Financial institutions should consider how to incorporate the guidance outlined in this advisory in a manner that is commensurate with their risk profile and business model.

Click [here](#) for the full advisory.

Free cuGreen Loan Information Session September 10th

***See How this Program Can Increase Your Credit Union's
Loan Volume***

HIGHTSTOWN, N.J. – New Jersey credit unions have recently completed a pilot program for cuGreenLoans, a state-subsidized, interest-free loan available to homeowners for qualifying energy efficient home improvements through the New Jersey Clean Energy Program. The pilot program was very successful for the credit unions involved and the New Jersey Credit Union League is looking for more credit unions to participate in this program that has now been rolled out to all approved contractors throughout New Jersey.

In order for a member to be eligible for participation in the program, they must fall into the common underwriting criteria developed by New Jersey credit unions, be a New Jersey resident, and be a customer of (or converting to a customer of) PSE&G or Elizabethtown Gas. Currently, the program excludes New Jersey Natural Gas and South Jersey Gas customers.

Join us for an information session on Wednesday, September 10 from 10 a.m. to 12:30 p.m. to see how this program can increase your credit union's loan volume, as well as draw new members into your credit union. NJCUL's Candice Nigro along with the two pilot credit unions, Garden Savings FCU and XCEL FCU, will lead the discussion and answer questions.

The session will be held "live" at the League and will be broadcast to attendees at Atlantic FCU in Kenilworth and Members 1st of NJ FCU in Vineland via video conference.

There is NO CHARGE to attend. Lunch will be provided.

To register for this session, please send an email to Mary Zelinsky at mzelinsky@njcul.org and include name(s) and location.



cuGreenLoans

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

VirtualCorps Webinar: Leveraging the CDFI Certification to Increase Community Impact and Relevance

VirtualCorps.comTM

The US Treasury Department's CDFI Fund was established in 1994 to provide resources to community development financial institutions (CDFIs). Since its inception, eligible credit unions have received over \$130 million in awards. A growing number of credit union is embracing this certification to tap into external resources, differentiate themselves in the marketplace and establish strategic partnerships with public and private entities operating in the low income/financially underserved space.

The September 16th VirtualCorps session "Leveraging the CDFI Certification to Increase Community Impact and Relevance" will provide an overview of CDFI certification requirements and the process to apply for the certification. Participants will learn about the benefits it brings to credit unions and will gain an understanding of resources available to CDFI certified credit unions.

This session is ideal for credit unions who are low income designated and want to learn more about how accessing external resources and strategic partnerships in low-wealth communities.

Speakers: [Scott Butterfield](#) or [Pablo Defillipi](#)

Time: 3 p.m. to 4 p.m.

Cost:

Live Webinar Only: \$99

Recorded Version Only: \$99

Live Webinar & Recorded Version: \$125

Registration

To register and pay by check, email

Mary Zelinsky at mzelinsky@njcul.org and your credit union will be invoiced. To register and pay online, click [here](#).

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.



• Education • Development • Growth • Essentials •

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

'Patent Troll' Study OK'ed by OMB

WASHINGTON – The White House's Office of Management and Budget (OMB) approved Friday the Federal Trade Commission request to launch a two-part study on "patent trolls."

The FTC study will request information from patent assertion entities, manufacturers and others. It will focus both on reviewing general patent troll activity and comparing troll enforcement efforts to that of manufacturers and other non-practicing entities in the wireless chipset industry.

The investigation will look at how patent assertion entities organize their corporate legal structure, what types of patents they hold, and how they acquire patents and generate revenue. It also will examine how the companies engage in licensing demands and litigation, what patent assertion costs the companies face and how much money they earn from their activities.

CUNA has been a longtime advocate of meaningful patent reform. In July, the trade association submitted a joint letter supporting the Targeting Rogue and Opaque Letters Act that passed the House subcommittee on commerce, manufacturing and trade.

"Financial institutions of every size have been targeted by Patent Assertion Entities, often referred to as patent trolls, who in most cases assert patents of dubious quality through vaguely worded demand letters and intentional attorney complaints," the letter reads. "Instead

letters or intentionally vague complaints," the letter reads. "Indeed, patent trolls' recent focus on credit unions and community banks threatens to pose additional, unwarranted costs on lenders and the communities they serve."

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

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

September 9 -- [VirtualCorps Webinar: The Gen Y Loan \(Private Student Loans\)](#)

September 10 -- [Free CuGreen Loan Program Information Session](#)

September 16 -- [VirtualCorps Webinar: Leveraging the CDFI Certification to Increase Community Impact and Relevance](#)

October 7 -- [VirtualCorps Webinar: The Well-Access to Unlimited Business Communication Problem-Solving Insights](#)

October 14 -- [VirtualCorps Webinar: Big, Balanced and Sustainable Loan Growth](#)

Industry Events

August 20 -- [4th Annual Miracle Night with the Somerset Patriots](#)

September 2 -- [11th Annual McGraw-Hill FCU Golf Classic](#)

September 9 -- [Southern Chapter Meeting: Risk Management](#)

September 9 -- [NJ/NY Sister Society Meeting of the GWLN](#)

September 9 -- [South-Central Chapter Meeting: cuGreenLoans](#)

September 10 -- [Miracle Jeans Day](#)

September 15th -- [Picatinny Federal Credit Union's 16th Annual Golf Outing to Benefit the Captain Sean P. Grimes Scholarship Fund at the Picatinny Golf Club](#)

September 20 -- [Renaissance Community Development Credit Union's 7th Annual Bike-A-Thon](#)

September 20 -- [Affinity Federal Credit Union Foundation's Run for Scholars Twilight 5K & Kids' Fun Run](#)

September 21-23 -- [NJCUL's 80th Annual Meeting & Convention at Trump Taj Mahal](#)

October 16 -- [International Credit Union Day](#)

October 10 -- [International Credit Union Day](#)

October 16 -- [Shop for Miracles](#)

2015

April 13-15 -- CU Reality Check at the Golden Nugget Hotel & Casino
in Atlantic City

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

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

New Jersey Credit Union League | news@njcul.org | New Jersey Credit Union League | 299 Ward
Street | Hightstown, NJ 08520

[Manage Your Subscription](#)

