

**Subject:** The Daily Exchange -- October 27, 2014  
**Date:** Monday, October 27, 2014 1:21 PM  
**From:** New Jersey Credit Union League <news@njcul.org>  
**Reply-To:** news@njcul.org  
**To:** staff@njcul.org  
**Conversation:** The Daily Exchange -- October 27, 2014

To ensure that you continue receiving our emails, please add us to your address book or safe list. [Unsubscribe](#)

[Update Your Communications Preferences](#)



- October 27th, 2014
- Today's News:
- › 2nd Comment Period Insights will Further Improve RBC Plans, Matz Pens
  - › CMG's Online Discovery Conference Available On Demand!
  - › Agencies Request Comment on Proposed Flood Insurance Rule
  - › Read the Latest Headlines from Our Business Partners with the Fall 2014 PSG Newsletter, Final Issue
  - › FinCEN Issues Quarterly Update of SAR Stats
  - › Get Required BSA Training at a Convenient Location and Time
  - › Sponsorships & Tickets Now Available for National Credit Union Foundation's Wegner Dinner
  - › Retirement Fair Program is a Great SEG Development Tool
  - › Credit Unions Mark Your

## 2nd Comment Period Insights will Further Improve RBC Plan, Matz Pens

ALEXANDRIA, Va. – A second comment period for NCUA's risk-based capital (RBC) rule will offer new insights into the proposal's framework and implementation, NCUA Chair Debbie Matz said. Matz, responding to an Oct. 15 letter from Rep. Tom Marino (R-Pa.), outlined several areas that will be changed when the revised proposal is issued.

"The revised proposed rule will include changes requested by stakeholders during the initial comment period, such as a longer implementation period and revised risk weights for mortgages, investments, member business loans, credit union service organizations and corporate credit unions, among other changes," she wrote.

Matz also added that stakeholders will be invited to provide thoughts on alternative approaches for addressing interest-rate risk, a concern that Marino highlighted in his letter.

"Ultimately, a clear and well-established risk-based capital rule is vital to the future success of the credit union system," Matz wrote. "The insights obtained during a new comment period will allow NCUA to further improve the proposed framework before implementation. These modifications will better ensure the rule's final effectiveness and workability."

Board member Rick Metsger said interest-rate risk must be addressed in the proposal but separately from credit risk.

"Weighting credit risk and interest-rate risk with a single numerical value created conflicts that ultimately made it difficult to accurately weigh the risk of either," he said. "I am pleased we appear to be

WE WANT



YOU

Be a Part of  
Creative You 2015!

We know you have innovative ideas, just like our five teams that took part in the **first year** of Creative You!

Get in the game! Creative You is a program designed for credit unions to share their innovative and creative solutions to challenges the system is facing here in New Jersey. It's a collaborative initiative with a competitive element that brings together credit unions and their ideas.

Want more information? Have an idea? Let us know! Fill out the 2015 [Entry Form](#) to submit an idea, sign-up your team, or request to be placed within a team. Please return the form to Barbara Agin at [bagin@njcul.org](mailto:bagin@njcul.org) by December 22, 2014.

All of the details for the 2015 round of Creative You are available [here](#).

weight the risk of equity," he said. "I am pleased we appear to be moving in the direction of separating interest-rate risk and credit risk, and that structural change alone is sufficient for me to believe an additional comment period would be appropriate."

CUNA has taken a different approach to interest-rate risk, instead suggesting that it should not be part of the proposal, but along with concentration risk, it should be addressed in the regulatory, examination, and supervision process.

"Risk-based capital models are specifically suited to address credit risk, not other financial risk exposures," reads CUNA's comment letter on the proposal. "By focusing exclusively on concentrations of longer-term assets, the proposal fails to account for how the maturity structure of liabilities can mitigate interest-rate risk...it ignores the existence of NCUA rules that already address interest-rate risk, and it provides no data to support the proposed risk-weightings and concentration escalators presumably used to measure interest-rate risk."

CUNA's comment letter and additional RBC resources are available at the CUNA Risk-based Capital Action Center [here](#).

RBC comment letters from New Jersey credit unions and the League are 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*.

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

## CMG's Discovery Conference Available On Demand!

CUNA Mutual Group's live innovative online Discovery Conference is over, but credit unions can still have the power to experience the dynamic and relevant sessions full of tools and tips to help your credit union thrive.

Discovery is available On Demand through June 30, 2015. Register now for free access to the same great content with even more flexibility.

The conference includes:

- 12 informative booths
- 12 thought leader sessions
- 100's of downloadable resources

For more information and to register for access to this great conference, click [here](#).





**THE POWER OF YOU**  
NOW ON DEMAND UNTIL 6.30.15

[ [BACK TO TOP](#) ]

Upcoming Events:

November 4, 2014  
Executive Leadership  
Series Session: Financing  
Innovation  
Location: NJCUL  
10:00 am to 2:00 pm  
[More Information Click Here](#)

November 4, 2014  
VirtualCorps Webinar:  
Mobile Payments: What You  
Need to Do Next  
3:00 pm to 4:00 pm  
[More Information Click Here](#)

November 5, 2014  
Lending Roundtable:  
Lending Best Practices  
Location: NJCUL and via  
Video Conference  
10:00 am to 12:30 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](mailto:info@njcul.org)

Connect with Us:

**Agencies Request Comment on Proposed Flood Insurance Rule**

Five federal regulatory agencies announced the approval of a joint notice of proposed rulemaking to amend regulations pertaining to loans secured by property located in special flood hazard areas. The proposed rule would implement provisions of the Homeowner Flood Insurance Affordability Act of 2014 (HFIAA) relating to escrowing flood insurance payments and the exemption of certain detached structures from the mandatory flood insurance purchase requirement. HFIAA amends the escrow provisions of the Biggert-Waters Flood Insurance Reform Act of 2012 (the Biggert-Waters Act).

In accordance with HFIAA, the proposed rule would require regulated lending institutions to escrow premiums and fees for flood insurance for loans secured by residential improved real estate or mobile homes that are made, increased, extended, or renewed on or after January 1, 2016, unless the regulated lending institution or a loan qualifies for a statutory exception. In addition, the proposed rule would require institutions to provide borrowers of residential loans outstanding on January 1, 2016, the option to escrow flood insurance premiums and fees. The proposal includes new and revised sample notice forms and clauses concerning the escrow requirement and the option to escrow.

Finally, the proposal would eliminate the requirement to purchase flood insurance for a structure that is a part of a residential property located in a special flood hazard area if that structure is detached from the primary residential structure and does not also serve as a residence. However, under HFIAA, lenders may nevertheless require flood insurance on the detached structures to protect the collateral securing the mortgage.

In a separate rulemaking, the agencies will address other provisions of the Biggert-Waters Act for which the agencies have jurisdiction and that were not amended by HFIAA.

The proposed rule is being issued by the Board of Governors of the Federal Reserve System, the Farm Credit Administration, the FDIC, the NCUA, and the Office of the Comptroller of the Currency.

Comments will be due 60 days after the rule is published in the Federal Register, which is expected shortly.

[ [BACK TO TOP](#) ]

**Read the Latest Headlines from Our**



## Business Partners with the Fall 2014 PSG Newsletter, Final Issue

HIGHTSTOWN, N.J. – Professional Services Group (PSG), a subsidiary of the New Jersey Credit Union League whose mission is to provide New Jersey credit unions with quality products and services, publishes a quarterly newsletter for League members and vendors to read up on all of the latest news from our Business Partners.



The Fall 2014 edition of the newsletter is available for download [here](#).

In this newsletter, you'll find the latest information from Alloya Corporate FCU, Alpha Omega Laser, CO-OP Financial Services, CUNA Mutual Group, LSC,

Symbionce, and UBS.

Please note: This is the final issue of the PSG newsletter. In an effort to streamline communications to our member credit unions, and to alleviate the clogging of our members' inboxes, the League is discontinuing some of its regular publications and replacing them with more targeted communications. As part of this initiative, the League is discontinuing the PSG newsletter, the quarterly newsletter featuring articles from our Business Partners. This is the final issue.

You can find articles from our Business Partners going forward in the Daily Exchange and monthly Exchange newsletters. If you are not subscribed to either and would like to be, visit [www.njcul.org/news.aspx](http://www.njcul.org/news.aspx) to subscribe.

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

## FinCEN Issues Quarterly Update on SAR Stats

The Financial Crimes Enforcement Network (FinCEN) issued the SAR Stats quarterly update, which provides information on Suspicious Activity Reports (SARs) filed through Sept. 30, 2014. The updated statistics can be viewed at [www.fincen.gov/news\\_room/rp/sar\\_by\\_number.html](http://www.fincen.gov/news_room/rp/sar_by_number.html).

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

## Get Required BSA Training at a Convenient Locations and Time

**Two Sessions Available on November 18th**

HIGHTSTOWN, N.J. – Get your NCUA-required Bank Secrecy Act (BSA) training on Tuesday, November 18th. Train your tellers, teller supervisors, member service representatives, and new account

managers at one of three locations: "live" at the League office in Hightstown or via video conference at Atlantic FCU in Kenilworth or Members 1st of NJ FCU in Vineland.

The League will hold two sessions: morning from 9:30 a.m. to 11:30 a.m. and afternoon from 1:30 p.m. to 3:30 p.m. Please note: for the PM session, video conferencing at Atlantic FCU will NOT be available. It will be available live at the League and via video conference at Members 1st of NJ FCU only.

The cost is just \$69.00 per person.

This session will focus on:

- When a CTR needs to be completed and how to correctly complete a CTR
- When a SAR is required and what is required to correctly complete a SAR
- Identifying money laundering and suspicious activity
- CIP and OFAC compliance; and
- Customer due diligence requirements.

To register for either session at any of the three locations, email Mary Zelinsky at [mzelinsky@njcul.org](mailto:mzelinsky@njcul.org) and your credit union will be invoiced.

To purchase and register online please 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.*



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

## Sponsorships & Tickets Now Available for National Credit Union Foundation's Wegner Dinner

MADISON, Wis. – Credit union leaders and supporters can now purchase their sponsorships and tickets for the 27th annual National Credit Union Foundation Dinner Presenting the Herb Wegner Memorial Awards. The dinner will take place on March 9, 2015 at the Marriott Marquis in conjunction with the CUNA Governmental Affairs Conference (GAC) in Washington, D.C.



wasnington, D.C.

[BUY TICKETS / SPONSORSHIPS](#)

Sponsorships and tickets are available online at [ncuf.coop](http://ncuf.coop) or by mail with the deadline of February 6, 2015 to purchase. There are a variety of sponsorship and ticket levels for this premier event with different benefits associated with each.

Denise Gabel, Chief Operating Officer of the Northwest Credit Union Association, will be returning as the evening's emcee. For the first time in seven years, the dinner has moved locations, this time to the new Marriott Marquis located directly across from the Washington Convention Center.

"Every year, attendees comment that the dinner and awards ceremony are better than the previous year. 2015 will be no different," said Gigi Hyland, Executive Director at the National Credit Union Foundation. "For 2015, we are in a brand new, bigger venue. Most importantly, we have four absolutely outstanding Wegner Award winners who will leave you feeling inspired and re-energized."

The awards ceremony celebrates the highest national honors in the credit union movement. The 2015 honorees are:

- **Lifetime Achievement:** Mike Mercer, President/CEO of Georgia Credit Union Affiliates;
- **Lifetime Achievement:** Bob Schumacher, retired President/CEO of MountainCrest Credit Union;
- **Lifetime Achievement:** Clarence Hall, Jr., Chairman, Board of Directors and President/CEO of Issaquena County FCU; and
- **Outstanding Organization:** Iowa Credit Union League

[Click here to learn more about this year's award winners.](#)

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

## Retirement Fair Program is a Great SEG Development Tool

HIGHTSTOWN, N.J. – According to the latest research of investors aged between 21 and 50 years, only 39% are confident they will have enough money for retirement. And of those that are confident, two thirds have yet to develop an actual retirement plan.



The National Credit Union Foundation's REAL Solutions Program in cooperation with CUNA Mutual Group have developed a new Retirement Fair to assist credit unions in helping their members better prepare for retirement. The Fair is an experiential learning experience, similar to the popular Financial Reality Fair program offered through the New Jersey Credit Union Foundation. The program is designed to get members of all ages, not

just those nearing retirement, to think more carefully about the type of lifestyle they would like to pursue in retirement and then link it to their financial plan.

At the start of the year, the New Jersey Credit Union Foundation hosted an informational session on the program and now, based on credit union interest, will be offering the program to New Jersey credit unions at no cost.

To participate in the program, each credit union will need to sign a Memorandum of Understanding outlining the details of participation and responsibilities of the credit union as well as the Foundation.

For more information or to sign up to participate, please contact New Jersey Credit Union Foundation Executive Director Candice Nigro at [cnigro@njcul.org](mailto:cnigro@njcul.org) or 609-448-2426 ext. 110.

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

## 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**

November 4 -- [VirtualCorps Webinar: Why Credit Unions are Pursuing Affiliate Structures](#)

November 4 -- [Executive Leadership Series Session: Financing Innovation](#)

November 5 -- [Lending Roundtable: Lending Best Practices](#)

November 5 -- [Collections Roundtable \(Afternoon Session\): Collections Best Practices](#)

November 12 -- [NJ DNA Meeting at the League Office](#)

November 18 -- [VirtualCorps Webinar: The Affordable Care Act-Gifts and "WRAPS"](#)

November 18 -- [BSA Training for Frontline Staff \(PM Session\)](#)

November 18 -- [BSA Training for Frontline Staff \(PM Session\)](#)

### **Industry Events**

October 29 -- [Southern Chapter Meeting: Indirect Lending](#)

November 5 -- [Northern Chapter Meeting](#)

November 7-9 -- [DCUL's 2014 Volunteer Leadership Conference](#)

November 10 -- [Reality Fair at Ocean County College Southern](#)

[Education \(SEC\)](#)

December 9 -- South-Central Chapter Meeting -- More Information Coming Soon

**2015**

March 8-12 -- [CUNA's 2015 GAC](#)

April 13-15 -- [CU Reality Check at the Golden Nugget Hotel & Casino in Atlantic City](#)

April 28 -- [NJCUL's 27th Annual Golf Tournament](#)

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

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](#)**

