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Trade PACs Prep for November

By CLAUDE R. MARX

For CUNA's political action committee, Rep. John Hall (D-N.Y.) is still the one.

Hall, who before entering Congress was famous for writing such bubble gum pop music hits as "Dance With Me," "Dancin' In the Moonlight," and "Still the One," received \$2,500 from the Credit Union Legislative Action Council in November.

He isn't on a committee with jurisdiction over credit union issues but has been supportive of the cause. He also received contributions from CULAC in the 2006 and 2008 election cycles (\$7,500 and \$1,000, respectively).

Hall is one of 52 lawmakers, candidates and committees that CULAC gave money to in November. It contributed \$100,000 to federal candidates and committees in November, and \$1.06 million in 2009, according to reports filed with the Federal Election Commission.

Among the other recipients were: House Majority Whip James Clyburn (D-S.C.), whose campaign received \$2,500; Fred Upton (R-Mich.), the top Republican on the House Ways and Means Committee (which controls the fate of credit unions' tax-exempt status) received \$1,500, and Sen. Charles Schumer (D-N.Y.), the No. 3 member of the Democratic leadership and a key member of the Banking Committee, who is a key backer of lifting the cap on member business loans, received \$1,000.

According to the Center for Responsive Politics, it is the 19th largest PAC in terms of contributions to federal candidates this year. There are approximately 3,800 federal political action committees.

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Capital at 'Solvent Five' Survives Total U.S. Central Impairments

By HEATHER ANDERSON

After releasing November financial statements, in which many corporate credit unions wrote off 100% of their U.S. Central capital investments, only five can say their capital remains unimpaired: the \$2 billion Corporate America Credit Union, the \$2.2 billion Corporate Central Credit Union, the \$3.5 billion Corporate One Federal Credit Union, the \$92 million Iowa Corporate Central Credit Union and the \$1 billion Volunteer Corporate Credit Union.

Of the five, Corporate America and Corporate Central have even raised paid-in capital from members, getting a head start on proposed NCUA regulations that will likely increase the required ratio of non-callable, GAAP-approved PIC to moving average assets.

As of Nov. 30, Corporate Central reported \$59 million in Tier One core capital, the result of its successful 2009 "PIC-50" issuance that converted member capital shares

into \$47.4 million in PIC. The nest egg puts the Muskegon, Wis.-based corporate at 3.03% Tier One capital and nearly 8% total capital after including \$95.5 million in unimpaired membership capital shares.

And President/CEO Bob Fouch played Santa on Christmas Eve, delivering some good news in the form of December's investment report, posted on Corporate Central's Web site (www.corpeu.com).

"The impairment of capital shares at U.S. Central reduced Corporate Central's retained earnings significantly, but it is very important to note that NONE of our members' capital shares were impaired as a result," Fouch wrote in the report.

Corporate Central doesn't appear to have much risk in its own portfolio to worry about, either.

"As we have communicated many times in the past, we have not purchased any nonagency mortgage-related securities

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Build Pillars of Financial Strength
in the **AFFCU Web Hunt**



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Web Prowling Members Enable Md. CU to Gain Treasured Growth

By MYRIAM DI GIOVANNI

A new twist on a scavenger hunt has helped Atlantic Financial Federal Credit Union increase loan dollars and attract new members.


Teaming up with marketing technology firm Code Green, the Hunt Valley, Md.-based credit union launched a two-month "Web Hunt" campaign that resulted in a 68% increase in new members and a 66% increase in new loan dollars—representing over \$2.7 million more in loans for the campaign months in 2009 over same months in 2008.

"We track our Web site and realized that most of our members were just going straight into e-branch, doing their transactions and leaving," said Christine Musson, marketing manager for the \$71 million credit union. "There is so much useful information on the site that we didn't feel members were getting all they could out of it, and that is why a treasure hunt appealed to us as a way to get members to click around our Web site."

According to Code Green CEO Jason Green, who developed the Web Hunt, the interactive scavenger hunt system essentially gives members a push to explore the credit union's Web site while building a sense of community and fun.

The credit union's site basically became a game board for a sitewide treasure hunt. As play-

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AFFCU Web Hunt Tip #2 Close

Congratulations! You found a piece of the AFFCU Arch!
Click on the arch piece to add it to your game card.

BranchMap — use the BranchMap to find the more than 3,700 shared branches nationwide or one of the 30,000 FREE ATMs nationwide — that's more access to your account than the largest banks offer!

MAIL TO:

TIME SENSITIVE MATERIAL. PERIODICAL MAIL

ON THE INSIDE

Lagomarsino Resigns

Simone Lagomarsino has resigned her position as CEO of Kinecta Federal Credit Union. See page 3.

Focus Report: Technology

Credit unions are connecting with each other and their core processor through an online portal. Read this article and more in our Focus Report, pages 6-11.