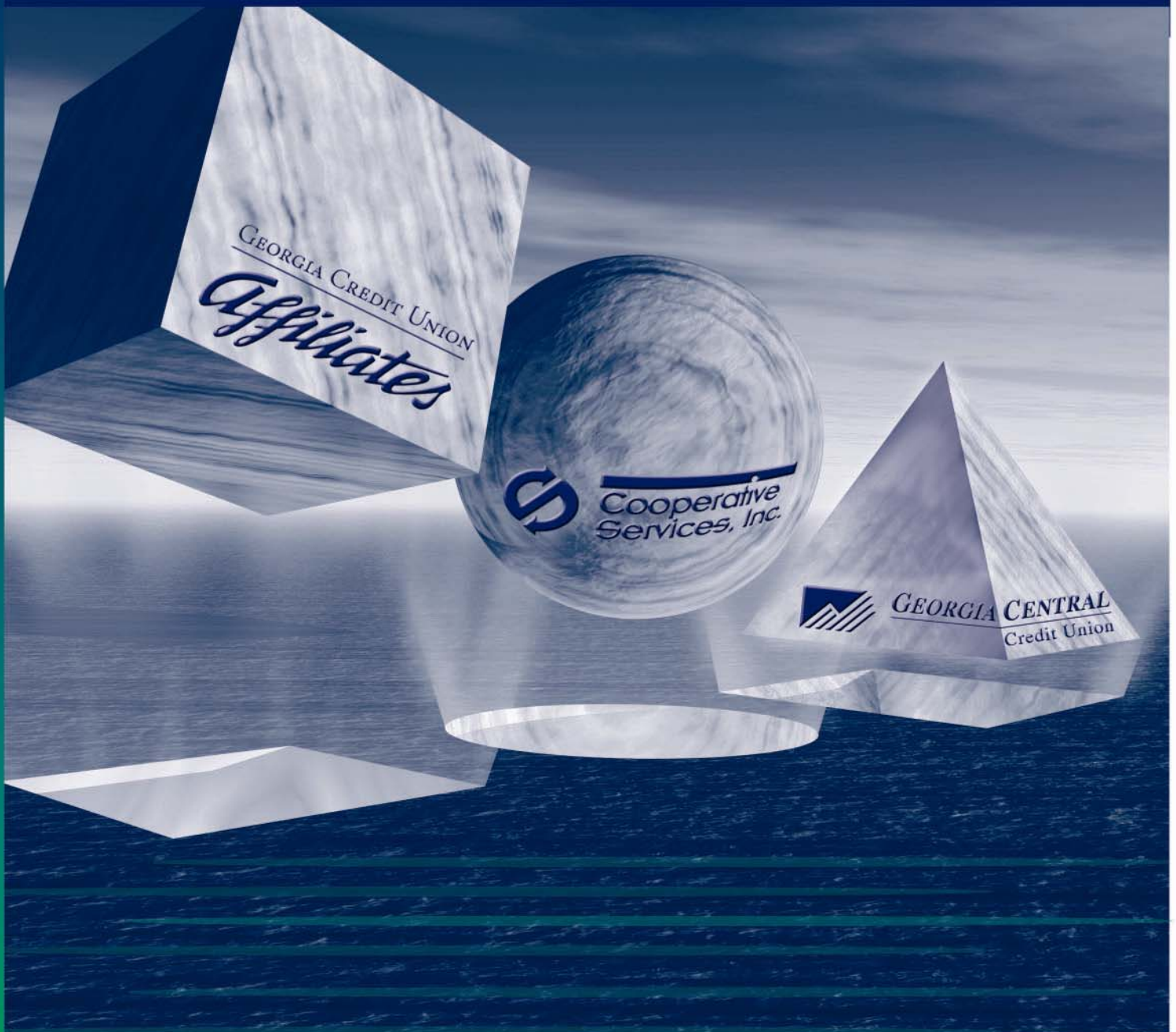


Chapter Reporter

October 2005



Brought to you by your state support organizations.



Hurricane Katrina: GA Credit Unions Respond

In the weeks that have followed Hurricane Katrina, credit unions around the country have come together to deliver unprecedented measures of relief to Gulf Coast credit unions. While the level of support to this point has been impressive, the rebuilding process has just begun. Sustained, long-term efforts will be required if credit unions along the Gulf Coast are to fully recover and resume full service to members and their respective communities.

To assess next-step relief strategies, I recently traveled to Florida, along with several from our staff to meet with Florida and Louisiana League officials. Priorities at this stage appear to be continued communications with all disrupted credit unions, ensuring that credit unions are up and running, delivering assistance to credit union staffs and finally, providing practical aid to credit union members. In facilitating these priorities, a list of the ways Georgia credit unions can help is being developed. At the moment, it includes:

***Contribute to the Georgia Credit Union Foundation** – Please send contributions to GCUA, 6705 Sugarloaf Parkway, Ste. 200, Duluth, GA 30097, Attn: Dan Denning.

***Take part in the Adopt-A-Credit Union Initiative** – CUNA is coordinating the Adopt-A-Credit Union programs to provide Gulf Coast states with necessary human, technical and financial resources to help credit unions resume full functionality. Please contact Kelly Garmon at kellyg@gcua.org if your credit union is interested in helping in this capacity.

***In-Kind Contributions** – Gwinnett FCU has loaned two repossessed SUVs to Louisiana League staff, Suncoast School FCU in Florida has donated a warehouse of used furniture. These type of donations will be essential in the weeks to come. If your credit union is interested in making an in-kind contribution, email Mike Culbertson at mikec@gcua.org for an updated list of needed supplies.

***Promote the Use of CU Service Centers** to assist evacuees in Georgia in accessing their credit union accounts. Most affected credit unions appear to be back online, yet CUSC is rapidly working to assist Gulf Coast credit unions in joining the network. For more information, please contact Liz Lewis at lizl@gcua.org.

***On-Site Assistance** – Lockheed Georgia Employees' FCU has already sent loan officers to several affected sites to issue emergency loans. GCUA and the Florida League have also sent staffers on-site to assist in technical capacities. Most needs of this nature will be supported under the Adopt-A-Credit Union initiative.

League Support – GCUA will continue to work closely with other leagues to gauge the most effective means of relief. Check the GCUA Hurricane Relief Resource Center at www.gcua.org for the latest relief information.

Keep doing good things.

Mike Mercer,
GCUA President & CEO



Teamwork



CURIA

Credit Union Regulatory
Improvement Act of 2005

Modernizing and improving the quality of service credit unions provide to 86 million Americans

We Need CURIA

As you know, credit unions operate under many outdated and burdensome regulatory constraints. CURIA is a much needed measure of modernization to many of these rules, which would enable you to serve your members better today, and in the future. Additionally, CURIA contains something for your credit union, and all credit unions nationwide. Maybe not today, or even next week, but sometime soon you will need what CURIA offers.

The last major piece of legislation for credit unions was H.R. 1151, the Credit Union Membership Access Act of 1998. That bill fixed a huge field-of-membership issue, but it came with some regulatory restrictions that have gotten worse with time. Beyond that, it's been more than two decades since credit unions have received legislation at the national level to significantly improve their regulatory environment. With that much time passed, a number of outdated provisions in the Federal Credit Union Act are forcing credit unions to be left behind in the marketplace. CURIA specifically addresses three key areas: Capital and Net Worth Reform, Economic Growth and Regulatory Modernization.

To date, CURIA has 100 sponsors, including two from Georgia. If you haven't already sent letters to Georgia legislators, please visit the GCUA website today at www.gcu.org and send your letter electronically by clicking on the "Support CURIA" banner and following the prompts.

Get to Know CU GROW

GCUA recently joined forces with credit unions and consumer organizations throughout the state to establish the CU Grow Campaign – an initiative designed to improve financial literacy and assist Georgians in lower their cost of living. In addition to connecting credits unions with financial literacy resources, the CU GROW Campaign enables member growth through the GettingAhead Association — a coalition of community organizations created to help consumers lower their cost of living. Credit unions that choose to do so, can bring the Association into their field of membership; GettingAhead Association members are eligible to join any credit union that has the association as a sponsor group.

The benefits of financial literacy efforts and the GettingAhead Association that make up the CU GROW campaign are clear from a consumer perspective, yet credit unions also stand to benefit in many important ways. In addition to growth opportunities, credit unions participating in the CU GROW campaign help strengthen a positive reputation, enable differentiation-a significant marketing strategy- and provide their respective staffs with a tool to assist members in meaningful ways. For more information on the CU GROW Campaign, please contact Kelly Garmon at kellyg@gcua.org or (770) 476-9625, ext. 3415.



GEORGIA
CREDIT UNIONS ... You'll Like Us Better.



Cooperative Advertising Campaign

Because Georgia credit unions are a better deal for consumers, it is important that we as an industry, articulate this message throughout the communities we serve. In an effort to let the public know just why they will "like us better," the Cooperative Advertising project was developed and launched last winter with the popular tag line "Georgia Credit Unions, You'll Like Us Better." The

campaign successfully delivered 2,073,128 website impressions and reached 82.6% of our target demographic an average of 6.8 times via television impressions. Building on the success of the winter campaign and leveraging collective purchasing power, the fall advertising campaign received funding from 73 credit unions and their state support organizations. Slated to reach 13 markets through more than 3,400, 30-second spots, the cooperative campaign began in early September and is scheduled to run for a total of seven weeks.



Annual Member Survey

It's almost time for Georgia Central's Annual Member Satisfaction Survey, and your chance to provide us with the valuable feedback we use to evaluate recent projects and plan future endeavors. Each year we look forward to receiving your responses and make every effort to pursue the recommendations we receive. The surveys will be mailed before the end of the year, so keep an eye out for yours! We'll also e-mail members a link to complete the questionnaire conveniently online.

Corporate to Increase Lending Limits



Georgia Central will soon be able to increase its collective extension of credit to members thanks to a change in the state banking law that went into effect in September. Formerly, the legal lending limit was 10% of the shares, deposits and surplus of the borrower; the law change makes each individual credit union's limit up to 100% of Georgia Central's capital (putting us on par with what is allowable under Federal regulation). Staff is currently working on changes to the credit model that should go into effect later this year.

4th Quarter Market & Investment Update Conference Calls

Be sure to mark your calendar and join our Investment Services Department every other Tuesday for the Market & Investment Update Conference Call. Typical content includes economic highlights, yield curve analysis, investment product recommendations and information about current regulatory issues by our qualified Investment Services team.

Upcoming Calls for 4th Quarter 2005
November 1st, 15th & 29th
December 13th

Calls begin at 10:30 am and generally last 30 minutes. The dial-in number is 800.930.1353; no pass code is required. For more information, please contact a member of the Investment Services Department at 770.476.9704, ext. 5.

2005 Holiday Closings Reminder

Georgia Central would like to remind our member credit unions about upcoming holiday closings.

2005 Holiday Schedule
Veterans' Day, Friday, November 11th
Thanksgiving Day, Thursday, November 24th
Christmas Day, Monday, December 26th
New Years Day, Monday, January 2nd

Cooperative Principles for Georgia Credit Unions:

- **Members, Not Just Customers** – By joining a credit union, people become members and owners. Members expect more value and deserve more respect than is available in the typical customer interaction at non-cooperative financial institutions.
- **Democratic Control** – Members have equal influence in the voting process and equal opportunity to run for election to the board. One member, one vote. Once elected, directors have fiduciary responsibility to all members.
- **Service Differentiates** – Democratic control provides a decision-making environment that elevates creating value for the members above profit accumulation at the credit union. It is the dedication to providing service that differentiates credit unions from for-profit suppliers.
- **"Profits" Belong to the Members** – In order to grow and provide new services, credit unions generate capital by retaining a portion of earnings. These retained earnings are used for the betterment of the entire membership.