



World Council of Credit Unions, Inc.

Volume 6, Issue 3 • October 2004

WORLD

*The Source for International
Credit Union Information*

Credit Union

Shared Branching
—Taking it Global





world's leading **advocate,**
platform, development
& **governance** agency for credit unions

Credit Union WORLD

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Credit Union World

Published by World Council
of Credit Unions, Inc.

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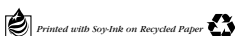
Contributors: Louie Penaflor, Katie Weber
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Publishing Information

Credit Union World is published three times
a year by World Council of Credit Unions, Inc.
World Council reserves the right to edit letters
to the editor and all submissions. Send submis-
sions, requests for subscriptions and address
changes to Kimberly Johnston, Editor.

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A Growing Movement

—by Arthur Arnold, President & CEO and L.R. (Bobby) McVeigh, Board Chairman, WOCCU

The World Council of Credit Unions has seen many positive changes and signs of growth in the international system. Credit unions worldwide continue to move in exciting new directions to expand the scope and breadth of their services. For WOCCU itself, this has been a period of both great challenges and successes.

As the recently released 2003 Statistical Report indicates, credit union membership worldwide experienced remarkable growth last year in all major areas. In 2002, membership stood at approximately 118 million. In 2003, it jumped to over 123 million from 84 countries. Total savings, capital and assets all climbed more than 10%, with assets topping US\$758 billion at year-end.

What accounts for these strong numbers? It's not one thing, but many.

In this issue of *Credit Union World*, we touch on areas of growth and issues addressed at the International Leadership Institute in the Bahamas. In August, more than 1,000 credit union leaders from 37 nations gathered in Nassau to discuss industry trends and attend presentations by leaders in the field. It was also an exciting opportunity to share experiences and celebrate "Value in the Credit Union Difference."

That difference may mean different things to different people, but it always comes down to putting members first. Our commitment to a "people helping people" philosophy does not change. What does change is our system for doing so, which we are continuously improving.

During the Annual General Meeting (AGM), held in conjunction with the Leadership Institute, World Council focused on the need to fight corruption with Good Governance. In fact, Governance joined Advocacy,

Platform and Development as one of WOCCU's central missions. Because of that initiative, WOCCU began working actively towards a guide to Good Governance Principles, which is included in this issue (see page 8).

Good Governance entails many things, but transparency, accountability, oversight, diversity and training form its foundation. In order to achieve success in all these areas, it is important to make changes to strengthen governance at the external, internal and individual levels. Only a continuous commitment to vigilance on these three levels will mend the issues in the system caused by corruption.

Partnerships continue to play an important role in our growth. This year, WOCCU is exploring a new type of partnership: international shared branching. Our feature article provides insights on this important topic and highlights a promising new program in Ecuador that will connect Ecuadorians to more than 1,300 service points in the United States.

Growth has been seen in WOCCU's International Partnerships Program, which pairs credit unions in developing and developed credit union movements for knowledge exchange



Arthur Arnold
President & CEO



L.R. (Bobby) McVeigh
Board Chairman

and collaboration. Since its implementation, sixteen formal partnerships have been created. Two examples of WOCCU's International Partnerships are included in this issue.

During the AGM, our board of directors underwent some organizational changes. Marcel Chorel of Credit Union Central of Canada (CUCC) and Jim McMahon of the Irish League of Credit Unions (ILCU) were replaced after serving both as delegates and board members. Newly appointed board members for WOCCU include Credit Union Central of Canada representative Wayne Nygren and Irish Credit Union League representative Mark Bailey. World Council applauds the commitment of those leaving the board and looks forward to working with our newest board members.

WOCCU will continue to act as a facilitator for knowledge exchange by providing a platform for the discussion of current challenges and future trends. As we prepare for the last months of 2004, WOCCU looks forward to new opportunities for growth. As always, creating benefits for our members is our most important goal. We invite you to join us as we work together to achieve it!



WOCCU 2004-2005 Board of Directors at 7th International Leadership Institute and Annual General Meeting held in Nassau, Bahamas, August 1, 2004.

Shared Branching: Taking it Global

—by Kimberly Johnston, Marketing & Communications Manager, WOCCU

As borders of commerce continue to disappear in today's truly multinational world, international shared branching is an idea whose time has come.

Alternately described as cross border services, international mutualization or just plain cooperation among cooperatives, shared branching is a way to help credit unions optimize member services. International shared branching can help credit unions in developing nations close the technology gap while adding national and international points of service for members.

World Council is on the verge of launching its first international shared branching project between credit unions in Ecuador and the United States. The program will be run in conjunction with its project partner, Credit Union Service Corporation (CUSC), and should be in place before the end of 2004.

Shared Branching—an overview

Shared branching has existed in the United States since the 1970's, however, it wasn't until the first cross border transaction was made between the neighboring states of Alabama and Georgia in the 1990's that it really became visible. Although the geographic distance covered in that initial transaction was small, the service offered credit unions a creative, cost-effective way to differentiate themselves and improve customer service. Credit unions saw it as a convenient opportunity to use economies of scale and incorporate the credit union philosophy at the same time.

Today, credit union members can enjoy the benefits of shared branching at 1,463 locations throughout the United States, Puerto Rico, Japan, South Korea, Guam, Italy and Germany. Countries currently outside of the U.S. are linked through U.S.

credit unions that have branches abroad on U.S. military installations.

With shared branching, members become a guest member at the participating credit union and have access to all the services they'd find back home, including deposits and withdrawals, loan payments and advances, Visa or MasterCard advances, transfers between accounts, account history reviews, money orders, travelers checks, wire transfers and loan services.

While shared branching is more common in mature credit union systems, it is also found in different forms in other countries. Credit union shared branching in developing and developed movements started at different, but parallel points. The United States started shared branching with a high technology base and in countries like Guatemala and later spreading to El Salvador and Nicaragua, they began shared branching through systems of faxing, emails, phone calls and Excel sheets.

In Nicaragua, credit unions utilize rudimentary back office shared branching services, in a network where all participating credit unions are branches of one another. Members can make teller transactions, withdrawals, deposits and loan payments at 12 credit unions and service centers, with 24 different service points throughout the country.

Chris McHugh, spokesperson for the Central de Cooperativas de Ahorro y Crédito Financieras de Nicaragua (Nicaraguan Credit Union Central), explained, "The credit unions in the system all look alike in terms of branding and signage. No matter which location they're at, members can feel like they're in their own credit union. With the exception of the location there is no difference."

CROSS SERVICES



Access to the shared branching network is one of the benefits of membership to the Central. The current network system depends on a chain of faxing confirmations to confirm balances and amounts. Although this method is based on a paper system, it is very efficient and provides members with the necessary safety and flexibility.

In the WOCCU-Bolivia project, shared branching is also beginning in 14 project credit unions on the national level. A system was created to process "inter-system" shared branching. Credit unions send data in a spreadsheet format to the WOCCU office, where the data is manually settled. The project acts as the processing center at this point, but creating a Central Finance Facility approved by the Bolivia Superintendency of Banks is one of the project's objectives. Through the Bolivia & Ohio

BORDER



mon technology platform utilized in all 91 credit unions and their 1,325 points of service. Leaders attribute the connectivity to a part of the success of the young credit union movement.

While some credit union leaders still debate the importance and value of shared branching, WOCCU feels that both credit unions and their members benefit.

For credit unions, it can be a way to expand the brick and mortar service presence of the credit union in a cost-effective way. For members, it can mean convenience, service and safety.

In Latin America, it also means the validity of being part of a strong national system. With access to a participating credit union service centers identified in the United States by a credit union "swirl" logo—any credit union member can have access to the services of their "home" credit union. Whether members are on vacation, off at college or have relocated, they can still experience the security and convenience of their credit union.

Arthur Arnold, WOCCU president and CEO, recently explained his views, "The economy in the world is now global—so it makes more sense than ever before to offer a way for credit unions to be linked internationally. Gone are the days of national businesses without facilities located in other countries. Even today's small businessman or woman may do business online or abroad. We are living in a world without economic borders."

While the ability to wire money is addressed by remittance services, Arnold feels that most people are looking for more. "Being able to wire money is just one piece of the financial market place puzzle. In the future, members will demand to have the ability to make withdrawals from abroad and perform transactions with any kind of financial institution. International shared branching puts us ahead of the game and allows credit unions in developing nations to more rapidly expand their offerings."

International Partnership, the project has been working with Corporate One Federal Credit Union's technology team in Ohio to develop a website to perform national shared branching.

In Poland, credit unions (SKOKs) are linked on a shared branching system. This is facilitated by a com-

Continued on Page 12

Differentiating Credit Unions in Today's Marketplace

—by Karen Cak Niederkoeh, Credit Union Analyst, WOCCU

In our consumer-driven world, every product must differentiate itself from its competitors in order to capture market share. Financial institutions are no different from soda brands or airline companies in this regard. In today's world, many consumers have a choice of financial institutions. Some lure customers by having a national presence. Others attract customers with free gifts or services. As a result, credit unions face a daunting challenge in this competitive marketplace.

Despite the competitive nature of today's marketplace, credit unions have continually grown across the world because of their ability to differentiate themselves through their services and community focus. Credit unions are fundamentally different from other financial institutions because they are not-for-profit entities and members have equal rights, regardless of their financial standing. Increasingly, credit unions worldwide emphasize or market this difference.

Although many credit union associations and leagues naturally emphasize the credit union difference, this emphasis has not been mandated by the national organizations. Instead, individual credit unions must assess their own markets and communities to determine how to differentiate themselves from other local financial institutions. Despite the individualized market plan for differentiation, it appears the key distinction between credit unions worldwide and other financial institutions is still service, followed closely by community focus.

A close-up photograph of a hand holding a whole, ripe orange. The hand is positioned at the bottom, with fingers gently gripping the fruit. The orange is bright orange with a textured peel. The background is dark and out of focus.

The
difference
in a

Australia—"Credit Unions—a different kind of banking"

In November 2003, at the Australian Credit Union Convention, participants sought to answer the question, "Why should someone do their banking with a credit union rather than some other financial services provider?" As a result of this Convention, a Brand Workshop developed, which led to the positioning statement, "Credit Unions—a different kind of banking." This positioning statement, used in Australia today, is intended to be a voluntary, low-cost complement to a credit union's existing branding message, rather than to serve as a national advertising campaign by itself.

According to Peter Hansen, the public relations and media manager at Credit Unions Services Corporation (CUSCAL), "In the

Australian market, the key difference that credit unions have over the competition, mainly large banks and regional banks, is service, and their members are taking notice of this difference." A recent study reports that 85% of credit unions members would recommend their credit unions to others, in comparison to only 36% of customers from the "Big Four Banks." One example of Australian credit unions' commitment to service is the availability of external dispute resolution to members. The Credit Union Dispute Resolution Centre (CUDRC)

credit union



In November 1998, Credit Union National Association (CUNA) held a system-wide planning session to identify key issues and challenges facing the movement, including the need for credit unions to effectively differentiate themselves through the National Credit Union Brand Campaign. As part of the Brand Campaign, CUNA created a National Credit Union Campaign Tool Kit in 1999 to assist credit unions with the adoption of the national brand signature and slogan to complement their individual identity. This signature consists of a symbol of linked hands, the name, “America’s Credit Unions,” and the slogan, “Where people are worth more than money.”

In addition to the Brand Campaign, CUNA’s Board appointed a Project Differentiation Committee in 1998 to reemphasize credit unions’ philosophy and commitment to members. Through this project, credit unions voluntarily adopt statements of principles that inform members of how they are different from other financial institutions. According to an August 2004 CUNA update, 269 credit unions are currently in the process of completing their statements of commitment to their members, while 1,343 credit unions have already completed these statements.

In the United States, as in Australia, credit unions effectively differentiate themselves from other financial institutions through service. According to Pat Keefe, vice president of communication and media outreach at CUNA, “Banks are in the business to make profits. Credit unions are in the business to maximize service. Simply stated, this is the credit union difference.”

One example of the credit union difference is the remittance service. Even though other financial institutions offer remittance services, credit unions offer lower transaction prices and quicker delivery.

helps credit unions and members resolve complaints in a fair and timely manner, at no cost to the member. Though most disputes are generally resolved internally, the availability of this low-cost process demonstrates the ongoing commitment of credit unions to member services.

In addition, Australian credit unions have accentuated their difference through an unprecedented commitment to the community. For example, the Members & Education Credit Union, a credit union based in the state of Victoria, offers a “green car” loan, in which the credit union offsets 100% of the greenhouse gas emissions that the car produces for the life of the loan. To this end, the credit union, in partnership with environmental organization Greenfleet, plants and maintains 17 trees annually for the life of the car loan.

United States—America’s Credit Unions “Where People Are Worth More than Money”

In the United States, the trend of emphasizing the credit union difference began in 1995, with the National Credit Union Values Campaign. This campaign developed in anticipation of a bill in Congress titled H.R. 1151 Credit Union Membership Act. Through public service announcements, credit unions sought to promote a deeper understanding of how credit unions differ. After the successful passage of H.R. 1151, the battle for market share continued as a result of bank mergers, proliferation of smaller, community-based banks and new entries into the financial services category. As a result of the increased competition, the need to highlight the credit union difference on a national level became apparent.

Who's Watching You?

The Need for Computer Security

—by Glen Christopher, Information Technology Industry Expert

Most of us think nothing of making an online purchase, using a credit card or checking financial records over the web. Unfortunately, what you might assume to be a secure and private transaction could be neither because of a powerful software epidemic that's hit everywhere from the board room to the home: Spyware. Variants of the classic "Trojan" program, which is used to gain backdoor access to a user's system—Spyware can secretly collect information like credit card numbers, passwords and personal financial information from your computer and send it back to the company that developed the program. Spyware features include keystroke logging, screen capture and the tracking of websites visited by the computer user.

Computer hackers are using Spyware to infiltrate increasingly sophisticated security systems. Since I started writing this article, the Department of Homeland Security warned American citizens not to use Internet Explorer because they had detected a group of computer hackers that had access to private information being sent with this browser.

According to the National Cyber Security Alliance, more than 90% of all broadband users have Spyware programs on their computers. Most Spyware programs infiltrate computers through freeware or shareware, especially music and file sharing programs. Spyware may also enter a computer as the payload of viruses and worms, or through e-mail attachments.

The sheer volume of Spyware on the Internet, combined with the growing number of Spyware-related crimes, makes this an issue that credit unions must address if they are to continue providing their members with safe and sound financial services.

It is the opinion of this author that Spyware is neither good nor bad. Spectorsoft makes three "Spy Software" programs, including eBlaster. Parents who want to track the online activities of their children use eBlaster legitimately. Companies may use Spyware programs to conduct market research or to enforce computer usage guidelines among their employees.

THE GOOD GUYS

The Federal Bureau of Investigations has used the WhenWhatWhere program, with the approval of the courts, to capture hackers. In addition to key logging and screen capture, this program will even turn on a computer's Webcam.

Early in March 2004, AOL users began complaining that the new version of AOL's instant messaging software was installing Spyware or software identified as Spyware by other software programs. AOL said that the controversial software, called Wild Tangent, was covered by the AOL license agreement.

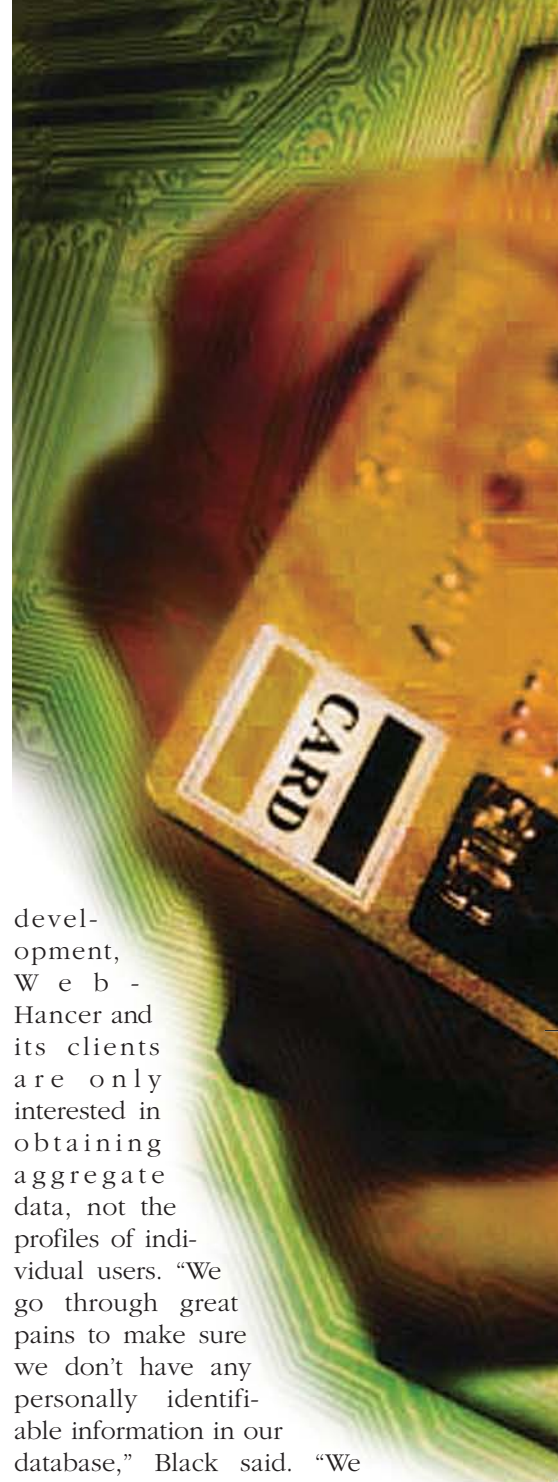
Organizations large and small who want to investigate the success of acquisition, conversion and retention strategies might engage a vendor specializing in Spyware like WebHancer Corporation. WebHancer tracks web surfing habits by installing a program—generally bundled with shareware and freeware programs that WebHancer sponsors on users' personal computers. The application then shadows the user, reporting what websites they visit, how they approach a given website and how long they remain at the site.


Though some may worry about the implications of such programs for privacy, according to Jonathan Black, vice president of business

development, WebHancer and its clients are only interested in obtaining aggregate data, not the profiles of individual users. "We go through great pains to make sure we don't have any personally identifiable information in our database," Black said. "We don't benefit from anybody having a poor experience." Unfortunately, illegitimate applications of Spyware are just as common.

THE BAD GUYS

Intrusive versions of Spyware are often referred to as Snoopware or Scumware. Scumware may change your default homepage without telling you or intervene when you're making an online purchase, redirecting you to a different site. A specialty variant of Spyware, Adware, also launches ads on the user's monitor.





Crimes committed using such software are rampant. Van Dinh, a 19-year old college student, was arrested in Boston several months ago on charges involving online securities fraud and identity theft. Dinh bought options on Sun Microsystems that would have become profitable if Sun stock had fallen. It did not fall, and Dinh faced the prospect of losing money. He went to a securities chat room and gathered names, offering people a free stock-charting tool. When a man in Massachusetts took Dinh's offer, he involuntarily downloaded Spyware that made his online brokerage account information available to Dinh. Dinh used the man's account to buy his own options, saving him the loss until he was caught.

Whether you are at home, at the office or at a public Internet access point, you are vulnerable to criminals using Spyware to harvest confidential information, including credit card numbers, computer passwords and personal financial information.

Tips

- Be vigilant about what you download. Visit www.spychecker.com to see if the program you are using has Spyware.
- Use a personal firewall like ZoneAlarm www.zonelabs.com or Tiny www.tinysoftware.com.
- Get a Spyware detector and eradicator. The most popular are: Ad-Aware www.lavasoft.de/; Search & Destroy www.safer-networking.org/ and Webroot's Spy Sweeper 2.1 www.webroot.com.
- Update Traditional computer security products like Norton Antivirus and McAfee VirusScan.

TAKE CARE OF YOUR SELF!

Though many countries are making legislative attempts to solve the problem, regulating Spyware is difficult because of the fine line between good and bad applications. Therefore, it is vital that credit union leaders and employees take an active role in protecting themselves and their members from hackers.

Computer security shouldn't be an issue just left for the IT department. Risk mitigation and business continuance strategies require the participation of all levels of employees in ongoing education and cautious computer-use practices.

One solution for protecting members is to offer a suite of tools, including a software firewall and anti-virus programs, as a way to help them ward off viruses, Spyware and snoopers.

What can credit unions do to protect their own systems? The two most important measures that they should take are to fund security initiatives and to conduct background checks on employees.

There are several other specific ways to protect yourself and your organization from Spyware. In recent months, Microsoft announced the release of "Service Package 2," an updated security system for Windows XP. A Microsoft operating system, unfortunately, is vulnerable by nature. That's one of the downsides to a system that is easy to use. In the past, Microsoft users had to take the time to harden it (make it more secure) themselves. With the new Service Package, Microsoft does some of the hardening for its users on an installation basis.

There are some Spyware programs that you may have to live with. It is vital, as we look at the future of the credit union industry, that we learn how to separate the benign Spyware from the illegitimate kind and deal with what we find appropriately.

Principles of Credit Union Governance

—by Kimberly Johnston, Marketing & Communications Manager, WOCCU

Corporate scandals of recent years have served as a vivid reminder that the credit union industry must commit itself to creating and maintaining a clearly defined system of governance—that is, a system designed to effectively control and distribute power within credit unions.

While all organizations, both public and private, must address this issue, credit unions, as cooperative institutions, face governance demands that are different than banks and other for-profit financial institutions. While for-profit organizations have only one goal—to maximize the owners' gain—credit unions must meet the needs of members, who are also owners.

To address the unique challenges that we face, World Council has created a draft of the International Principles of Credit Union Governance. These principles focus on governance needs at three distinct levels—individual, external and internal—which we hope will help to facilitate the cohesive functioning of a credit union's board and managers.

Credit union Good Governance Principles make up one component of the credit union difference. In December 2003, WOCCU's board added governance as its fourth mission. At the 2005 Annual General Meeting in Rome, WOCCU plans to present the General Assembly with the final International Good Governance Principles document.

WOCCU welcomes input on these principles, and urges your careful review and shared insights. Please send your comments to Karen Cak Niederkohr, WOCCU credit union analyst, at kcniederkohr@woccu.org or 1-608-231-7642.



Individual Governance

In order to perform their collective duties, individual board members and managers have an obligation to maintain ethical conduct and professionalism and to speak with a single voice once board decisions have been made. Board members are also expected to possess the skills necessary to fulfill their duties.



External Governance

All financial institutions, regardless of type, are expected to comply with these basic standards of transparency, auditing and financial reporting. Credit unions should comply with the International Credit Union Standards for Safety and Soundness, in addition to operating within national legal frameworks.



Internal Governance

Unlike a for-profit corporation, credit unions exist to serve their members. Thus, credit unions must address this additional layer of governance related to their democratic, member-driven nature. This includes a commitment to “one member, one vote,” as well as adherence to the International Credit Union Operating Principles and the role of the general assembly as the highest governing body.

INDIVIDUAL



EXTERNAL



INTERNAL



Integrity

- The credit union or national association should provide a standardized code of conduct clearly explaining improper behavior.
- Directors or managers must not have criminal backgrounds or recent bankruptcies.
- Board members must excuse themselves from discussions and voting on business matters from which they or their family will gain.
- Loans to directors or management must be approved by the board with no vote by the receiving party. All such insider loans must be made within the approved credit policy parameters and will be reported on a regular basis to the full Board.
- Immediate family members or those with close relationships should not serve on the board or in management at the same time.
- Directors with delinquent loans will be removed from the board.

Competence

- Individual members should have specialized financial or business skills and/or a member-focused viewpoint.
- All members of the board should have basic financial literacy, including the ability to interpret financial statements and standards, or commit to acquiring these skills through education or training within one year.

Commitment

- Directors should be willing and able to commit the necessary time to the governance of the credit union. Failure to attend board meetings may result in dismissal.
- Directors must respect the decisions of the board, actively promoting all policies that have been adopted, regardless of personal opinion, and to speak with one voice.

Transparency

- The board should commit to regular, honest communication of its activities with members, regulators and the general public, in the spirit of full disclosure.
- Financial statements, compliant with generally accepted accounting principles, should be made available to members and the public.

Compliance

- The board should ensure that the credit union meets or exceeds the International Credit Union Standards for Safety and Soundness, as well as any other relevant standards for financial institutions.
- The credit union should undergo annual external audits within 90 days of the end of each fiscal year.
- The audit relationship should be reexamined frequently, and the auditor changed at least every 3-5 years in a competitive bidding process.
- The board is expected to comply with both the letter and spirit of regulation and to cooperate fully with its country's regulatory body.

Structure

- The Annual General Meeting of the general assembly should be adequately promoted to ensure sufficient member participation.
- The board should be composed of an odd number of members, no less than five and no greater than nine.
- All board members are limited to a maximum of two consecutive terms, with each term lasting between two and five years.
- Interested general members who comply with the standards of individual governance should be allowed to stand for nomination.
- The board should encourage dialogue with general members at the Annual General Meeting.

Continuity

- The board should create strategies to maintain the competitiveness of the credit union.
- The board should create succession plans for both directors and management that ensure the continued existence of the credit union.
- The board should approve a disaster management plan and recovery plan.
- The board should ensure that the credit union attempts to follow financial standards for institutional capital, delinquency and loss provisions.

Balance

- The composition of the board should reflect the demographic makeup of its members and balance the financial service demands of members.
- The board should seek to balance diversity and experience, but all directors must meet the standards of individual governance.

Accountability

- The board is formally accountable to the general assembly, which is the highest level of responsibility.
- The roles and responsibilities of the board, committees and managers should be established clearly in the bylaws or other policies.
- It is the duty of the board to establish strategic direction, approve policies and monitor management's implementation of these policies and achievement of targets.
- It is the duty of management to prepare the plan and budget, undertake operations, implement the policies approved by the board and achieve the targets set forth.



Leadership Institute Recap

—Katie Weber, Public Relations Intern, WOCCU

World Council of Credit Unions' 7th annual International Credit Union Leadership Institute proved to be the most successful one yet, drawing 1,018 professionals from 37 countries to Paradise Island, Bahamas. Participants enjoyed an exciting and informative blend of speakers, workshops and breakout sessions that challenged old practices and laid the groundwork for future progress.

The conference, which was co-hosted by the Bahamas Co-operative League, Ltd. and the Caribbean Confederation of Credit Unions, included talks by motivational speakers like Roxanne Emmerich, founder of The Emmerich Group, and industry leaders like Dave Mowat and Bruce Ralston of the Vancouver City Savings Credit Union, which has released three reports on social accountability to date. Breakout sessions and workshops on topics ranging from identity theft and computer hacking to international remittances provided participants with a more interactive learning forum. Several WOCCU leaders took the opportunity to head sessions, including Brian Branch, chief operations officer and vice president, who spoke on "Credit Union Progress Around the World."

One major highlight of the conference was the Regulators Roundtable discussion. The Roundtable brought together participants from 12 countries to share ideas on issues such as the Basel II Capital Accord and the newly proposed International Accounting Standards for the treatment of shares and mergers. Prior to WOCCU's establishment of the Roundtable, there was no forum for regulators to communicate directly on matters affecting their industry at the international level.

Held concurrently with the Institute, World Council's Annual General Meeting (AGM) was also a big hit.

More than 200 conference participants gathered to witness WOCCU's board of directors and delegates prepare for the coming year. Arthur Arnold, WOCCU president & CEO, spoke giving an overview of World Council's three different missions: Advocacy, Platform and Development and introducing a fourth mission, Good Governance. Arnold explained that WOCCU would work hard in coming years to promote transparency, accountability, diversity and other practices that form the cornerstones of Good Governance.

Winners of the WYCUP Scholarship Competition were announced at the end of the Institute. WYCUP, the WOCCU Young Credit Union People Program, is an ongoing initiative that rewards young credit union professionals for achievements in their movements with a scholarship to the 2005 meeting in Rome, Italy. The 2004 winners include: Glen Bolger of Canada, Catherine Coffey of Ireland, Hillary Jalafi of Malawi, Dorwin Mazano of Trinidad and Irwing Pinares-Silva of Peru.

To cap off the conference, participants had a surprise speaker at "Caribbean Night," the Prime Minister of the Bahamas, Honorable Perry G. Christie.



PARADISE ISLAND, BAHAMAS
NASSAU, BAHAMAS

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Continued from Page 3

The Pilot Project: Jumping the Technology Timeline

World Council's decision to launch its international shared branching program in Ecuador was driven, in part, by the need to pull together strong Ecuadorian credit unions to work cooperatively to build an even stronger credit union system. Another factor was the existence of WOCCU-Ecuador, a United States Agency for International Development funded project. The primary goal of the project is to develop shared branching and to utilize a cross border component for members that includes remittances and cards services.

The strength of the Ecuador and Colorado International Partnership, which had been based on technology, also played a part in Ecuador being seen as a good pilot location. The fact that the Ecuadorian currency is the same as the United States dollar was also less cumbersome. Ideally, having identical currencies results in a shorter process of converting monies.

The development of shared branching programs will allow World Council to offer a more comprehensive package of financial services when implementing international credit union development projects. The pilot project in Ecuador is expected to begin by offering shared branching, *IRnet* and eventually debit and credit card services.

Although credit unions in developed countries might appreciate shared branching for the convenience it offers members, in the developing world, it is prized more for the security it offers.

For example, a field worker in Ecuador might work in one region of the country for an entire summer and be paid in cash every day. In the past, this worker would have had to travel home at the end of harvest season—often a substantial distance—carrying all of his earnings in cash. The threat of robbery along the way was frighteningly real, and the average worker risked losing all of his hard-earned wages. With shared branching, the worker can make

deposits in a local credit union with real-time transactions. Not only are the worker's funds safe, but authorized family members back home can have immediate access to them and can perform necessary transactions at any participating branch.

The proposed shared branching system in Ecuador will use a virtual private network (VPN), developed by CUSC, to send transaction data back and forth safely using the Internet as its backbone. This functionality allows credit unions to avoid the expense of a dedicated communication line, as was required in the past.

Only authorized machines can connect to each other for transactions. Technology also gives the issuing credit union the ability to look at additional member information to help fight fraud and allows, those making the teller transactions information to raise red flags if a member's identity is in question.

The pilot project will initially include ten of the strongest credit unions in the country, with a goal of 30 by the end of 2005. The pilot credit unions are geographically dispersed to achieve the best outreach for members. Participating credit unions have formed a committee to determine membership in the network. The committee will be facilitated by WOCCU, who will not have voting rights.

Preconditions for admittance to the network will require credit unions to implement financial disciplines, computerization, have a system structure, sufficient telecommunication capabilities, managerial competency and display a commitment to the system. Admittance into the network will be based on overall soundness and not size. Another important condition of inclusion in the network is the requirement of the credit union to be supervised by the Superintendency of Banks of Ecuador.

Most national shared branching programs have similar requirements.

However, as the service becomes international in scale, assessing and monitoring the financial soundness of partners becomes increasingly more important. Once the program is in place, American or Ecuadorian credit union members who are members of a credit union that provides shared branching services, will be able to walk into any participating credit union and make a transaction, just like they would in their home country. All transactions will be posted to their account in real time. The first international transaction is expected to happen later this year between credit unions governed by different countries.

Steve Schaefer, WOCCU technical officer, Latin America explained, "What this means to the new immigrant market will be immeasurable benefits from this network. It's a WIN WIN situation for the members and the credit unions on both sides of the border." Schaefer continued, "Shared branching also helps to position credit unions as a resource for new immigrants." With the U.S. and Ecuador statistics showing the majority of new Ecuadorian immigrants moving to the states of New Jersey and New York, shared branching education and marketing efforts will focus on credit unions in those states.

"The ability to share branches across borders is the next step in the process of the internationalization of credit union services," said Brian Branch, WOCCU chief operating officer and vice president. "World Council wants to bring credit unions from many different environments to the same level of financial discipline and policy in order to establish international mutualization."



The selection of CUSC as a development partner was driven by its Next Generation Network, which makes development efforts more cost-effective. The U.S. shared branch network has served credit unions internationally for some time, but they have all been U.S.-based and typically operated with restricted access. CUSC is also working with WOCCU to aid in the development of procedural protocol standards and ensuring the expansion of future programs in other countries. WOCCU staff and partner organizations are working with Caja Popular Mexicana and Caja Libertad (Mexico) to help make informative information technology (IT) decisions for a compatible IT platform needed to someday perform shared branching.

Upon success of the Ecuadorian pilot program, World Council's next step will be to create a similar program in Mexico—a country that remains largely unbanked and relies upon immigrants who now live in the United States for much of its income. Branch noted that WOCCU plans to expand to Latin American countries and create a global shared branching network. Credit unions and credit union service organizations continue to jump ahead of the technology timeline in thinking of ways to serve members better and reach out to underserved markets.

"CUSC is proud to be partnered with WOCCU on this most important pilot

program for shared branching," says Carroll Beach, president/CEO of CUSC. "Shared branching is uniquely crafted to make a significant difference in these countries' financial delivery channels, not to mention the lives of its local credit union members. CUSC looks forward to continuing its relationship with WOCCU in connecting credit unions around the world to its members," says Beach.

WOCCU is excited to be part of this new endeavor—just one more example of how World Council works to bring "what if" to reality.



Credit Unions' Outreach Grows

One of the country's poorest states—Veracruz, Mexico

—by Molly Schar, Governmental Affairs Manager, WOCCU



Caja Libertad members and their families pose for a photo after conducting a weekly business meeting. (Photos courtesy of Molly Schar)

In a small community a bumpy hour and a half by truck from the closest town, a voice booms from a large speaker overhead to announce the arrival of the Caja Libertad field agent. Soon, the bright one-room community multi-purpose building begins to fill with residents gathering for their monthly meeting to conduct financial transactions.

On a break from their first day of school, grinning children peek through the windows to watch their parents and neighbors take their turns at the small plastic table. The credit union field agent sits with his paperwork and calculator across from the community's savings group president, who recounts the money and verifies the field agent's figures. Individual debits and credits are entered into the passbook each group member brings to the meeting.

Today, 15 women and six men have come to do business. The savings part comes first. Before the formation of the group, explains one member, there were simply no savings. All the money was spent. Since the group was formed in September 2003, its members, she says, are learning how to save. They save for emergencies and for better futures for their children.

The group's women chat idly, fanning themselves with their passbooks in an effort to find relief from the stifling heat. Once the savings have been collected, the group's president calls for those seeking loans to approach. Reshuffling the money, he explains that before the credit union came to their community, credit was completely unavailable. The only way to get money was to sell a farm animal. Now he is repaying a loan he took out to put grass in his fields to feed his livestock. It's much better this way, he says. Another member of the group borrowed money to build fences for his cattle, making his farm more productive.

This community of about five hundred people dreams of having a secondary school for its children. Today, about 30 children walk three hours roundtrip to continue their education beyond the sixth grade. None of the savings group's members had the opportunity for advanced education. That's why they are there, they explain, to work toward a better future for their children.

Caja Libertad's branch office in Tatahuicapan is one of a number of outreach posts in the Mexican state of Veracruz. WOCCU began its Veracruz project in January 2003 with funding from SAGARPA, the Mexican Ministry of Agriculture, Livestock, Rural Development, Fishing and Food. The US\$2.4 million, three-year project involves strengthening participating credit unions and increasing their outreach throughout Veracruz, one of Mexico's poorest states. In the first year of the project, the number of member-clients served by the five credit unions increased by more than 300% to 28,305.

With an office in Xalapa, the capital city of Veracruz, WOCCU staff began the project by dividing into two teams, says project director



COUNTRY INDICATORS

National Capital: Mexico City
Government Type: Federal Republic
Population: 104,959,594
(July 2004 est.)
Population Below Poverty: 40% (2003)
Unemployment: 3.3% (2003)
Inflation Rate: 4% (2003 est.)
Exchange Rate: 10.79 pesos/US\$1
GDP: US \$942.2 billion (2003 est.)
GDP per Capita: US\$9,000 (2003 est.)
Source: CIA Fact Book

CREDIT UNION INDICATORS

Credit Union Locations: 69
Members: 467,165
Assets: US\$358,000,000
Loans: US\$283,000,000
*Source: Caja Libertad

Luis Jara. One team concentrating on institutional strengthening and the other team works to expand service to rural areas.

"In Veracruz, there are a great number of people unserved by financial institutions," says Jara. "We are working with the participating credit unions to make them stronger and to reach out to the huge unbanked population."

For Jara's team, that means a lot of time in the field. On the institutional strengthening side, project staff work with participating credit unions to improve their financial management by instituting financial disciplines, improving credit analysis and implementing business planning. On the development side, WOCCU staff members help the



credit unions reach the underserved through creating and training community-based savings groups.

In the project's first year, WOCCU identified five existing credit unions for participation: Caja Popular Ahorros Yanga, Sociedad Cooperativa Las Vegas, Union de Credito Mixta, Sociedad Cooperativa Coyutla and Caja Solidaria Zongolica. Additionally, a credit union WOCCU works with independently of this project, Caja Libertad, agreed to participate in expanding service in the state of Veracruz by establishing new branch offices and employing the savings group concept. For each credit union, a diagnostic was completed and a work plan designed. A contract between WOCCU and each credit union, based on individual work plans, was signed.

WOCCU's work with participating credit unions has also focused on bringing them into compliance with the institution performance standards required by Mexico's Popular Savings and Credit Law. Passed in 2001, the law requires compliance by supervised institutions by June 2005. By following WOCCU's work plan, says one credit union manager, he knows he will be in compliance with the Popular Savings and Credit Law, because WOCCU's financial performance standards go beyond what is required by the government.

New to the project is a newly-formed credit union called Cofistmo. Located in the coastal town

of Coatzacoalcos, Cofistmo was formed by a group of local businessmen concerned about the lack of opportunities for area workers and microentrepreneurs. The credit union's vision is based on access.

"There is great potential here in oil, agriculture, pharmaceuticals and tourism," says a Cofistmo board member. "But banks will not help anyone who isn't wealthy to take advantage of these resources. We decided to establish a credit union because banks would not do microenterprise services to help develop the community."

With a welcoming office in downtown Coatzacoalcos, Cofistmo has already begun to serve local residents. The credit union has noticed the need in the city is great, says its manager, but there is also a great need in the rural area around the city. With WOCCU's assistance, the credit union is now looking at ways to reach out to rural residents.

At this point in the project, the participating credit unions have established a total of six rural branch offices and 200 savings groups. The credit unions employ field agents who travel by motorcycle across the mountainous terrain to visit each group at least once a month to conduct financial transactions.

The savings groups consist of people in rural areas without access to brick-and-mortar financial institutions. The credit union field agent meets with the groups and conducts financial transactions. Upon return to the credit union, the transactions are recorded in the credit union's data system.

For many involved in the project, working with the savings groups is the most rewarding part of the job. The groups range in size from as few as eight members to as many as 90. Each credit union field agent manages a number of groups based on the total number of members served.

Some of the community-based groups had been formed informally before the project began, says Jara. Others came together when they heard the project and its resources would be coming to their communities. Yet others were formed by the credit unions themselves, working with WOCCU to send in field agents to recruit group members. As many as 200 active groups are now incorporated into the project. The groups are dynamic, growing as people hear about them. One new member says she was convinced by the group to join, attracted by the idea that through this saving mechanism she will have money to use for future needs.

Members of the savings groups also have access to more traditional credit union services, such as life insurance, funeral insurance and the protection afforded their savings by belonging to a supervised institution.

"With the establishment of each group, a seed is planted," says Jara. "As people accumulate savings and take out loans, the seed grows. When the groups grow to blossom, it will be as if each community has its own credit union. And in a way, it will be so."

Missouri & Barbados

WOCCU's Newest International Partners

—by Mica DeLong, Director of Communications, Missouri Credit Union Association



Missouri Credit Union Association and Barbados Co-operative League Ltd. executives pose for a photo during an exchange in Barbados.

The World Council of Credit Unions' newest International Partnership joins a Caribbean island with a midwestern U.S. state. The Barbados Co-operative Credit Union League Ltd. and the Missouri Credit Union Association (MCUA) signed a partnership agreement in June, making them the 15th international WOCCU-facilitated partnership. The WOCCU program pairs developing and developed credit union organizations to promote mutual growth and knowledge exchange.

MCUA president/CEO Rosie Holub, MCUA board chairman Hal James and MCUA senior vice president of credit union development Don Cohenour traveled to the Caribbean island June 15-20 to sign the agreement, along with World Council program specialist and international partnership manager, Victor Corro. "The trip was an opportunity for us to learn more about the league and credit union operations in Barbados," says Holub. "We visited the league and several credit unions to determine how we could mutually benefit from our relationship."

During the course of the week, the Missouri delegation met with Barbados League staff, including board president Ashton Turney and general manager Anthony Pilgrim. The Missouri group also attended an annual meeting of Barbados' largest credit union, Barbados Public Workers' Cooperative Credit Union.

"We discovered that we face similar challenges," says MCUA board chairman Hal James. One of those challenges is dealing with lawmakers. Both Missouri state government and the national Barbados government have bicameral legislatures.

"They struggle with communicating the credit union difference to their elected officials, who hear more from other financial institutions on the island," says James. "Just like in Missouri, their competitors are attempting to restrict and limit what services credit unions can offer."

MCUA has a strong political advocacy program, which was listed as one of the target areas in the partnership agreement signed by the two entities. Other target areas include shared branching, ATM availability and deployment and debit/credit cards.

"Our credit union leaders are excited about the prospect of networking with fellow credit union representatives from a more mature credit union system," says Turney. "They regard it as an opportunity for knowledge transfer as it relates to providing the next generation of credit union products and services."

Barbados is primed for growth. Of the 84 countries worldwide with credit unions, Barbados ranks fourth in terms of membership penetration. More than 50% of Barbados' economically active citizens are members of credit unions.

"The partnership we have created has the potential to significantly improve the ability of all Barbadian credit unions to continue strong growth and meet the financial needs of its members," says James.

"We want this to be a true exchange of ideas and



COUNTRY INDICATORS

National Capital: Bridgetown
Government Type: Parliamentary Democracy, Independent
Population: 278,289
Population Below Poverty: N/A
Unemployment: 10.7% (2003 est.)
Inflation Rate: 1.43% (2004)
Exchange Rate: 2 Barbadians/US\$1
GDP: US\$4.496 billion (2003 est.)
GDP per Capita: US\$16,200 (2003 est.)

Source: CIA Fact Book

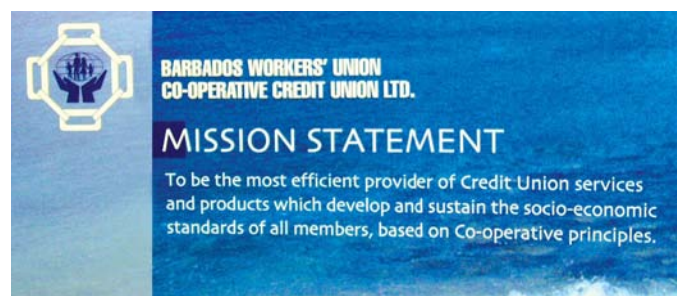
CREDIT UNION INDICATORS

Credit Union Locations: 39
Members: 108,129
Savings: US\$271,544,483
Loans: US\$222,514,519

*WOCCU Statistical Report 2003

resources," says Holub. "From our perspective, we have a lot to gain culturally. We're learning about different business models and discovering how Missouri fits into the global credit union community."

The next step in the partnership is for Barbadian credit union leaders to visit Missouri. The exchange is scheduled for Sept. 26–Oct. 2. It includes visits to the MCUA offices in St. Louis, meetings with Missouri credit union leaders and a trip to the state capital to meet with elected officials and credit union regulators.



Washington DC League & Nicaragua

A Dialogue on Board Governance

—by Carla Decker, President/CEO, District Government Employees' Federal Credit Union



l-r: Alfredo Fontes, treasurer, OAS Staff Federal Credit Union; Chris McHugh, Nicaragua project director, WOCCU; Carla Decker, president/CEO, District Government Employees' Federal Credit Union; John Link, treasurer, Agriculture Federal Credit Union; Juan Altamirano, manager, Nicaraguan Central Credit Union; Steve Schaefer, technical officer, Latin America/Caribbean, WOCCU.

In late July, John Link, director of Agriculture FCU, Alfredo Fontes, director of OAS Staff FCU and I traveled to Nicaragua to share our experience and knowledge of board governance.

The trip stemmed from a Partnership Agreement between the D.C. Credit Union League (DCCUL) and Central de Cooperativas de Ahorro y Crédito Financieras de Nicaragua (Nicaraguan Credit Union Central.) The partnership began in 2001 on International Credit Union Day. A goal of the partnership has been to foster an exchange of “thoughts, ideas and enthusiasm in the form of communications and visits by representatives of both movements.” Monthly conference calls between our two groups focus on many issues, but governance is seen as most important.

Our trip started with an orientation session at the Nicaraguan Central and we spent the following days visiting with managers and directors of credit unions. Throughout the visit, we were left awestruck and inspired by the country's emerging and vibrant cooperative movement.

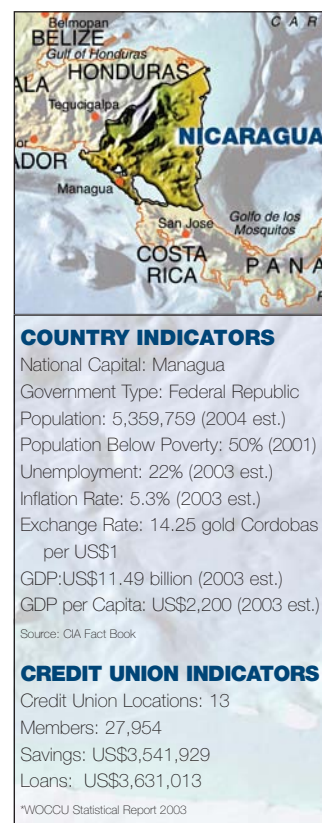
As we learned more about the Nicaraguan system, we realized the need for board governance training is heightened in a system that lacks a regulatory framework and statutory guidance; confronts the socioeconomic and political challenges of a developing nation; and faces issues of continuity as a result of volunteer term limits.

The highlight of our trip was the meeting between us, fifty Nicaraguan credit union managers and directors, and the leadership of the Central. Given the differences in our two movements, we agreed that this session would be more dialogue than a training event.

The meeting began with an introduction to the complex, well-supported and highly developed U.S. credit union system and how it contrasted with the Central, which is the sole collaborative entity in the Nicaraguan movement.

We moved on to speak about directors' roles and responsibilities, summarizing them as setting institutional goals and monitoring performance. The process for strategic planning was introduced as an opportunity to develop a shared vision to engage new directors and create a forum for training. To monitor performance, we discussed appointing committees to focus on specific areas, reviewing comparative financial and budget reports, and linking CEOs performance appraisals to achieve organizational goals. We then decided to focus more closely on issues of special interest to the group—these turned out to be Board recruitment and training.

On recruitment, we described our nominating processes. Conversely, in the Nicaraguan system, the entire electoral process, beginning with nominations, takes place during the Annual Meeting. Upholding democratic principles is of utmost importance to a people living in an emerging democracy. Nonetheless, their present electoral process does present challenges, including



ensuring member participation in Annual Meetings. Further, to enable everyone's participation, the credit unions must also be willing and capable to train any member elected to office.

The session concluded with a lively discussion about contrasts between the U.S. and Nicaraguan credit union system. Participants turned to considering “what if's” and concluded that further discussion was needed to explore the implications of adopting a nominating process as a vehicle to strengthen the democratic process. In addition, they overwhelmingly agreed that the Central should provide additional training opportunities. Six days after our arrival, we left Managua with a sense of belonging to a broader cooperative movement.

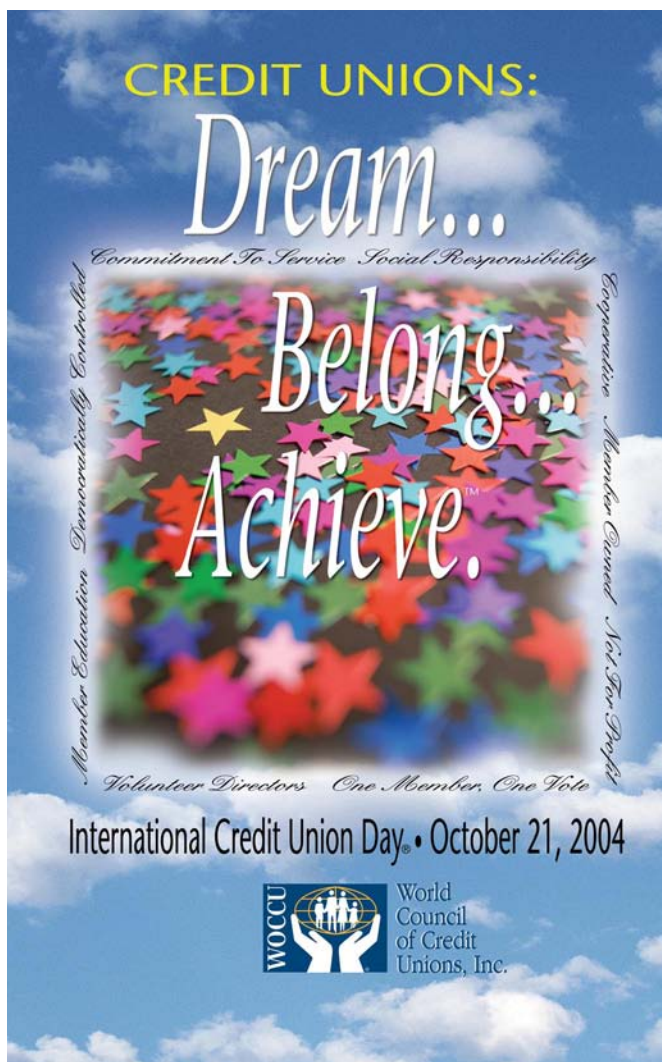
123 Million Celebrate ICU Day

—by Katie Weber, Public Relations Intern, WOCCU

This year will mark the 33rd annual International Credit Union Day. Celebrated every year on the third Thursday in October, ICU Day serves as a tribute to the pioneers of the credit union movement. We also use ICU Day to honor the many people of today whose continuous commitment is building new credit unions or sustaining and developing existing savings and credit cooperatives around the world.

In 2002, 112 million credit union members from many different countries celebrated ICU Day. This year, an estimated 123 million credit union members in 84 countries worldwide will take part in the festivities on October 21. The theme, *Credit Unions: Dream...Belong...Achieve*, was selected in an online poll by over 3,000 credit union member votes. It is a well-chosen theme for this year's ICU Day because it represents the credit union philosophy that together we can achieve a better future. When World Council held an online poll for theme selection, it allowed as many people as possible to participate and become involved in the celebration, making them an important part of the final design.

In the past, members of the World Council of Credit Unions have celebrated



and promoted International Credit Union Day by sponsoring picnics, fairs, festivals, parades and credit union open houses.

Staff at World Council will commemorate the day with their own festivities and will continue the tradition of donating perishable foods and volunteering in the community. Along with many others who are taking their message of the credit union difference to the local, national and international media, World Council is transmitting its International Credit Union Day message and greetings to members, affiliates and donor organizations through the Internet, radio waves and print media. WOCCU has also put together a packet of ICU Day materials, complete with model public service announcements and posters, to help credit unions around the world publicize their celebrations.

WOCCU president and CEO Arthur Arnold will deliver a message on the importance of credit unions and the credit union philosophy by means of a digitally-streamed video and audio greeting on the WOCCU website. An excerpt from the speech reads, "We have a lot to celebrate this year! As I speak, more members are joining—the movement never stops growing!"

Credit unions have historically provided financial services in regions and countries where there were none. Through the efforts of the movement's founders and today's leaders, credit unions continue to offer access to affordable financial services, making the human difference and enabling millions of people to grow.

Mark your calendars for this year's International Credit Union Day celebration on Thursday, October 21, 2004.

For more information on ICU Day, please contact Kimberly Johnston, WOCCU Marketing and Communications Manager at kjohnston@woccu.org or visit the website at www.woccu.org/get-involved.

Beyond service, U.S. credit unions also differentiate themselves through their commitment to the community. According to Mike Beall, president of the Maryland Credit Union League, "Local ownership is what makes credit unions unique, because it allows money to be invested back into the local community." At the Prince George's Employees Federal Credit Union in Maryland, for instance, a unique program has been developed to bring financial education, including the importance of savings, to a group of incarcerated women. Since the implementation of this program, the inmates have expressed an interest in joining a credit union.

Canada

Although a national branding campaign emphasizing the credit union difference does not exist, credit unions have marketed the difference on a provincial level. The need to recognize the credit union difference developed because of the recent increase in charter bank mergers. In order to plan the credit union system's response to the opportunities offered by bank mergers, the Board of Credit Union Central of Canada (CUCC) recently appointed the Special Strategy Committee (SSC) to provide a coordinated response to the federal government, emphasizing the credit union difference.

Emphasis on the credit union difference also occurred during the May 2004 Canadian Conference for Credit Union Executives. This conference taught credit union members how to grow the credit union difference by tapping into stakeholders' values, building a stronger pool of leadership talent and targeting underserved members.

Canadian credit unions have also differentiated themselves through their unparalleled commitment to service, and this is evident through their consecutive National Quality Institute awards for customer service excellence. Credit unions further differentiate themselves in Canada through their community sponsorship. In 2002, they collectively contributed US\$3.4 million to various community economic developments and US\$13.7 million to organizations within their trade areas or provinces. This unique level of community support is also evident in direct involvement. According to a recent survey, 73% of Canadian credit union staff volunteers for community activities and organizations representing the credit union during their time off.

Ireland

Unlike other credit union movements, Ireland does not have a formal campaign emphasizing the credit union difference. According to Liam O'Dwyer, chief executive officer of the Irish League of Credit Unions (ILCU), "Credit unions in Ireland are an unbranded brand. [We] operate from a fairness point of view and as a result, the people of Ireland trust credit unions. Consequently, credit unions do not have to announce their difference." Since over 50% of the Irish population belongs to a credit union, they have maintained the existing international symbol of the hands holding the globe and have not implemented a separate campaign emphasizing the credit union

difference. According to O'Dwyer, "this symbol is regarded as the social difference in Ireland."

Even though Irish credit unions do not announce their difference, the credit union difference is still apparent in Ireland. For example, Irish credit unions target rural and disadvantaged areas with their services. In many of these areas, the Money Advice & Budgeting Service, an independent organization, offers advice to people experiencing financial difficulty. After Money Advice & Budgeting Service advises, credit unions then offer loans at competitive rates to low income people, including loans to people with poor credit scores.

Credit unions also differentiate themselves by offering innovative products and focusing on the community. For instance, interest rates on loans are on a product, not a risk, basis. Credit unions also market to the younger population through the National Youth Policy, because it is vital to maintain a strong youth base and encourage the development of a lifelong involvement in the movement.

Credit Union Difference in the Future

Based on the examples of Australia, the United States, Canada and Ireland, credit unions around the world define and emphasize the credit union difference distinctly, whether through service, innovative products, community focus, etc. In Australia, the United States and Canada, emphasis on the credit union difference through branding, marketing and communication is vital to educating the public and attracting new members. Although the credit union difference in Ireland is inherently understood and does not require branding, awareness of this difference is necessary to meet the changing needs of credit union members. In order to help clarify the international credit union difference and its future impact, WOCCU will issue a white paper on the credit union difference by the end of 2004.

CU Honorees



Senior members of Caja Popular Mexicana and Caja Libertad visit World Council (Madison) as part of an advocacy visit to Washington, DC. WOCCU senior staff also pictured.



L.R. (Bobby) McVeigh, board chairman, recognizes outgoing board member and CUCC representative, Marcel Chotel (r), for his service to the international credit union movement and WOCCU as board member & delegate 1998–2004. A plaque was presented at the 2004 Annual General Meeting in Nassau, Bahamas



Jim McMahon, outgoing board member from Ireland, will also be recognized later in 2004 for his contributions to World Council as a director from 2002–2004. McMahon was unable to attend the 2004 AGM.

People Helping People—Worldwide



Carl Stewart
President and CEO
Water & Power Community Credit Union

About Water & Power Community Credit Union

Founded in 1936, Water and Power Community Credit Union (WPCCU) is a full-service financial cooperative with over \$460 million in assets from its more than 50,000 members. From its six branches in Los Angeles, Downtown, the San Fernando Valley, San Gabriel Valley and Westside, WPCCU and its partners offer members a complete array of products and services, including VIGO remittances; courtesy pay; checking and savings accounts; consumer, mortgage and business loans and certificates; as well as a variety of 24-hour account access options such as Internet banking, loan by phone, ATM and debit cards. Under its California State Charter, WPCCU members come from the employees and retiree associations of Los Angeles Department of Water and Power, select sponsor groups and people who live, work, worship, or go to school in neighborhoods around its branches. For more information, visit www.wpcu.org.

CU World: Why did your credit union become a WOCCU Supporter?

Stewart: Water and Power Community Credit Union (WPCCU) is a proud supporter of the World Council of Credit Unions. Beginning in 1936, Water and Power Community Credit Union began serving the financial needs of the employees of the Department of Water and Power (DWP) in Los Angeles, CA. Realizing that not only the DWP workers needed a source of personal financial assistance, WPCCU has expanded its reach over the years to communities around the Los Angeles basin, touching the rich cultural diversity inherent in Southern California.

At WPCCU we believe that people from all walks of life and cultures need to have a choice of how and where they want to access financial services. Credit unions are but one of the choices that people have. However, credit unions have benefits that not all people are aware of. With support of credit unions like WPCCU, WOCCU is better able to promote the message of “people helping people” to a worldwide audience.

CU World: How do your credit union’s values relate to international credit union development?

Stewart: WPCCU’s values are inherent in our mission statement, which states that we are a friendly financial service provider dedicated to helping members within the community build a secure financial future by providing quality products while excelling at member service and education.

In much the same way, WOCCU helps foster awareness of credit unions and quality service. As WPCCU spreads the word about credit union services and products in the local area, WOCCU promotes the advantages of belonging to a credit union to a worldwide audience, enabling millions of people to have access to affordable financial services.

Like WOCCU, WPCCU is a strong supporter of the credit union movement and delivers the credit union message to government legislators, regulators and credit union organizations. WPCCU mirrors the values that WOCCU embodies.

CU World: What are the benefits that you see international credit union development offering to credit unions?

Stewart: International credit union development is an important element of

the credit union movement. As a leading advocate of the credit union advantage, the World Council is responsible for increasing the general public’s awareness of credit unions through media relations and the International Credit Union Day celebrations. In addition, WOCCU lobbies elected officials to support credit union development and legislation. All these activities benefit credit unions worldwide in their endeavors to educate the general public.

As an international organization, WOCCU also helps credit unions in the following ways:

- Provides international forums, which help increase visibility and create a platform for exchanging ideas
- Implements credit union projects focused on technical assistance by educating people and providing the knowledge, tools and systems to ensure sustainability
- Gives credit unions the opportunity to learn and incorporate tools, which increase value such as “Best Practices” in methodology, accounting, monitoring, business planning and law.

The international credit union movement—through WOCCU—gives credit unions the unique opportunity to offer the best products and services to members and potential members. WPCCU is happy to be a partner in WOCCU’s endeavors.

Supporters *Make a Difference Become a Supporter Today*



World Council of Credit Unions, Inc.



BRONZE

—Minimum of \$1,000 annually - Individuals

Australia

Nicholls, Rob and Chris - Pyrmont, Australia

Canada

McVeigh, Robert - Cape Breton, Canada

The Netherlands

Arnold, Arthur and Barbara - The Hague, Amsterdam

United States

Chatfield, David and Rebecca - Upland, CA
Cutter, Dennis and Shelby - Spokane, WA
Goodwin, Ralph and Toni - John Day, OR
Jollette, Barry and Carole - Redwood City, CA
McCartney, Judy - Santa Ana, CA
Ray, Bernadine and Schnell, Dana - Tucson, AZ

—Minimum of \$1,000 annually - Organizations

Australia

Australian National CU Ltd. - Sydney, NSW
Members & Education CU Limited - Kew, VIC
National CU Association, Inc.

- Indooroopilly, Queensland

New South Wales Teachers CU - Homebush, NSW

Queensland Teachers CU - Brisbane, QLD

Brazil

COCEDAE - Rio De Janeiro

Canada

CU Central of British Columbia - Vancouver, BC
CU Central of Nova Scotia - Halifax, NS
CU Foundation of British Columbia - BC

Chinook CU - Hussar, ALB

Envision Financial - Delta, BC

GVC CU - Burnaby, BC

HEPCOE CU Ltd. - Toronto, ONT

Nova Scotia CU Charitable Foundation - Halifax, NS

Woodslee CU - Essex, ONT

Ireland

CUDA - Dublin

Comhar Linn INTO CU - Dublin

Coolock Artane CU - Dublin

Dubco CU Ltd. - Dublin

Killarney CU Ltd. - Killarney

Lucan District CU Ltd. - Dublin

Mullingar CU Ltd. - Mullingar, Co. Westmeath

Newbridge CU Ltd. - Newbridge

RTE CU - Dublin

Rush CU - Dublin

St. Agnes CU, Ltd. - Dublin

St. Mary's Navan CU - Navan, Co. Meath

Tullamore CU - Tullamore

Kenya

AFYA SACCO Society Ltd. - Nairobi

* Co-op Bank of Kenya, Ltd. - Nairobi

Kenya Bankers SACCO Society - Nairobi

* Mwalimu SACCO - Nairobi

Strathmore University - Nairobi

Scotland

Capital CU Trust - Edinburgh

Dalmuir CU - Dalmuir

United States

AEA FCU - Yuma, AZ

Agriculture FCU - Washington, DC

America First CU - Ogden, UT

** American Heritage Federal CU - Philadelphia, PA

Arizona Central CU - Phoenix, AZ

World Council of Credit Unions, Inc. (WOCCU) thanks the many individuals, credit unions, credit union organizations—such as corporate credit unions, leagues, foundations, credit union suppliers—and non-credit union related organizations that have chosen to become Supporters. Your desire to commit, connect and engage directly with World Council enables millions of people to grow.

Arkansas CU League - Little Rock, AR
Arrowhead CU - San Bernardino, CA
Atlantic Regional FCU - Brunswick, ME
Bayer FCU - Elkhart, IN
Bethpage FCU - Bethpage, NY
BF Goodrich FCU - Tuscaloosa, AL
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Northeast Florida Chapter of Florida CU League - Jacksonville, FL

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Shreveport FCU - Shreveport, LA
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Tennessee Teachers CU - Nashville, TN
Tremont CU - Braintree, MA
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Tropical Financial CU - Miami, FL
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Ukrainian FCU - Rochester, NY
US FCU - Bloomington, MN
USA FCU - San Diego, CA
Vantage CU - Bridgetown, MO
Verity FCU - Seattle, WA
Visions FCU - Endicott, NY
Water and Power CCU - Los Angeles, CA
Xerox FCU - El Segundo, CA

SILVER

—Minimum of \$5,000 annually - Individual
United States

Mapother, William - Louisville, KY

—Minimum of \$5,000 annually - Organizations
Canada

Credit Union Central of Alberta - Calgary, AB

Ireland

** Bishopstown CU Ltd. - Cork

Dundrum CU Ltd. - Dublin

United States

Louisiana CU League - Harahan, LA
OCUL Services, Inc. - Beaverton, OR
Orange County's CU - Santa Ana, CA
Pacific Service CU - Walnut Creek, CA

* RSM McGladrey, Inc. - Brisbane, CA

San Mateo CU - Redwood City, CA

** United Nations FCU - New York, NY

GOLD

—Minimum of \$10,000 annually
Ireland

* Irish League of CU's - Dublin

Mexico

Caja Libertad - Querétaro

The Netherlands

Rabobank Nederland - Amsterdam

United States

Alabama CU League - Birmingham, AL
American Association of CU Leagues - Madison, WI
Arizona Credit Union League, Inc. - Phoenix, AZ
California and Nevada CU Leagues - Rancho Cucamonga, CA

Colorado and Wyoming CU Leagues - Arvada, CO

Credit Union Executives Society - Madison, WI

Empire Corporate FCU - Albany, NY

New York CU League - New York, NY

Ohio CU League - Dublin, OH

Pennsylvania CU League & Pacul Services

- Harrisburg, PA

State Employees CU - Raleigh, NC

Texas CU League - Dallas, TX

Western Corporate FCU (WesCorp) - San Dimas, CA

SAPPHIRE

—Minimum of \$25,000 annually
United States

National CU Foundation - Madison, WI

Minnesota CU Network - Bloomington, MN

PLATINUM

—Minimum of \$50,000 annually
CUNA Mutual Foundation - Madison, WI
US Central CU - Overland Park, KS

World Council recognizes and thanks the investors in the new International Development Fund

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Heritage Family Credit Union, Vermont
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Washington Credit Union Foundation, Washington

Get involved—see our website at:
www.woccu.org—or contact:

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* New Supporters since June issue of Credit Union World (online only).
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** Increased annual contributions.

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