

Hiking the Hill

STE's management team spent the last week of February 2010 "hiking the hill" in Washington, D.C. Over 4,000 credit union professionals nationwide met with their state's congressional leaders to provide information and education about issues important to credit unions and credit union members. Among those issues:

Raise the Member Business Lending (MBL) Cap (to 25% of assets) – H.R. 3380/S.2919

Credit unions are willing and able to lend to small businesses. By raising the lending cap from 12.25% of assets to 25%, credit unions could inject over \$10 billion into the economy and create over 100,000 jobs – AT NO COST TO THE TAXPAYER!

We asked our representatives to support the MBL legislation as part of the jobs bill.

Overdraft Protection Legislation – S.1799 / H.R. 3904

Bills have been introduced to limit the number of overdraft fees that can be charged per month and per year.

This legislation is well-intentioned; however, the Federal Reserve approved rules that will take effect in July 2010 that give users of the program additional options regarding overdrafts. Under the Federal Reserve's rules, members will be free to opt-in to an overdraft program or decide not to participate. While a segment of our membership does not currently utilize our overdraft service, those who do so find it valuable.

If passed, the pending legislation could effectively end overdraft programs because members would be restricted from using the

We need your voice!

Contact your U.S. Senators and Representative to the House and tell them why you belong to a credit union and the many benefits you receive from your membership.

service as they feel necessary. Additionally, the revenue lost by financial institutions would need to be recouped elsewhere, which could negatively impact all consumers.

We asked our representatives to allow the Federal Reserve's rules a chance to work before any additional restrictions are considered.

Interchange Fee Legislation – H.R. 2382/ H.R. 2695/ S.1212

Merchants have asked Congress to reduce their interchange obligations by allowing retailers to negotiate the terms of interchange fees with financial institutions.

Interchange fees are paid by merchants so that they can benefit from the card payment system. Interchange is payable to the card-issuing financial institution to support the operational framework for the consumer's debit and credit card transactions. In return for the merchant's interchange fee, the financial institution assumes the expense and risks of debit and credit cards, while the merchant is guaranteed payment for the product/service and assumes little to no risk. Merchants benefit from this arrangement.

Cost-shifting the fees will lower the quality and increase the cost of card services to consumers because providing card programs is costly and the financial institution relies on merchants to pay their fair portion of the cost through interchange fees.

We asked our representatives to oppose any legislative proposal that would affect the interchange we rely upon to support our debit and credit card programs.

Our U.S. Representatives from Ohio were accommodating and most met with us directly. They listened to our concerns and gave us assurance that they would consider our position on each issue, which is and always has been for the benefit of our members.

What's New?

New rules and regulations have been put into place that requires from financial institutions certain operational changes and disclosure notices. Two of the most notable are the Credit Card Accountability, Responsibility, and Disclosure (CARD) Act of 2009 and the Federal Reserve's new Overdraft Rules for Debit and ATM cards.

CARD Act

The majority of CARD Act regulations took effect February 22, 2010. The purpose of the CARD Act is to protect consumers from sudden interest rate hikes, hidden fees, and to provide more transparency by card issuers. For many financial institutions, these regulations meant sweeping changes in how their card programs operated. Our member-first VISA program required no changes resulting from the major elements of the CARD Act. One minor change you may notice is an enhancement to your monthly statement that provides useful information about repayment timeframes.

If you are interested in the provisions of the Act, visit www.federalreserve.gov/consumerinfo/wyntk_creditcardrules.htm for complete, easy to understand information. Or, you may visit our web site or call our office at 614-644-8175 and speak with a VISA card professional.

Overdraft Rules for Debit and ATM cards

New Federal Reserve rules give debit and ATM card users additional options regarding overdrafts. These new rules take effect July 1, 2010. Members will choose whether or not to enroll into an overdraft program. Currently, this service is provided automatically 90 days after a checking account is opened. Soon, we will be sending notices to applicable members asking them to choose whether they want to opt-in (agree) to the program.

Fee Change Notice

The following account fees have changed and will be applicable effective April 15, 2010:

- Courtesy Advance fees \$30.00
- Non-Sufficient funds fee \$30.00
- Wire transfer fee \$20.00
- Returned mail fee \$5.00

Please refer to our website for more information on our product and service fees.

STE's Platinum Visa Rewards Card
is named on the national
"Dean's List" of credit cards by
www.creditcardconnection.com.

Our Platinum Visa Rewards Card
met the major pieces of legislation
contained within the CARD Act,
before Congress ever voted!

Inactive Accounts

We are required to remit to the state's Unclaimed Funds Division all balances in accounts which had no activity or have not been acknowledged within the past five years. If your account has remained dormant for any length of time, please contact our office to initiate activity or acknowledge the account.

Contact Us:

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fax: (614) 466-5118
www.stecu.net
information@stecu.net

Hours of Operation:

Monday-Friday: 8:00am - 4:00pm
Remote Access 24/7/365!
Member of Shared Branch Network.
Visit our web site for locations and hours.

Important Information:

Lost/Stolen Debit or VISA Cards
Debit: (800) 528-2273 or (800) 782-0279
VISA: (800) 808-7230 - 8:00am to 10:00pm EST
(800) 991-4964 - after hours and weekends

Need your card limit raised?
Call our office at (614) 466-4988 or
(800) 434-7300

We will be closed on:
Memorial Day,
Monday, May 31, 2010