



Communique

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Board Highlights

Board of Directors Meeting, June 7, 2006

At its June 7, 2006 meeting, Canadian Central's Board passed a resolution to form a committee of Young Leaders and received reports from a number of committees and task forces. The following are highlights of that meeting.

Networks Task Force

The Networks Task Force presented its Final Report to the Board. Since the Task Force began its work in June, 2005, tangible accomplishments include:

- Restoration of the ACCULINK® service in March, 2006
- Agreement on a "Participation Framework" regarding participation by credit unions in payments system networks
- Agreement on a new governance structure for credit union system participation in payments system networks that would allow direct credit union participation by changing the governance of CEDA (Cooperative EFT Development Association).

The Board passed a resolution to extend the mandate of the Networks Task Force to December 31, 2006 and approved in principle the changes to the network governance structure and the legal framework for CEDA. As a prelude to the anticipated governance changes, the composition of the Task Force will be revised to include individual credit unions.

Young Leaders Task Force

After discussing recommendations of the National Young Leaders Task Force, the Board passed a resolution approving the formation of a "limited life" committee of Young Leaders for a two-year period. This committee will be comprised of the current National Young Leaders Task Force and the 2006 Young Leaders Award Program Nominees. It will examine and possibly implement the recommendations contained in the National Young Leaders Task Force Report, which is available on Canadian Central's Web site www.cucentral.ca under the "Top Stories" button.

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Mandate Review

To ensure that Canadian Central continues to be relevant to the needs of the credit union system, the Board has been conducting a review of Canadian Central's mandate. A report based on a mandate review workshop held in March 2006 will be distributed to provincial Centrals. The next phase in the process will be to prepare a three year corporate plan for Canadian Central. This plan will be presented with the proposed 2007 budget at the Board's September 2006 meeting.

Special Strategy Committee

The Special Strategy Committee (SSC) was formed to prepare the credit union system for the possibility of bank mergers. While bank mergers are not a current priority for the federal government, it is prudent to maintain vigilance in this area. The following key action items were identified for the SSC and its subgroups:

SME Team

The Small and Medium Sized Enterprise (SME) Team will proceed with implementation of the SME Business Plan, especially the National Awareness Campaign component to the extent that funding is authorized.

ATM Team

This team will continue to consider ways to increase the size and scope of a credit union system no-surcharge Automated Teller Machine (ATM) network, with particular emphasis on ways to connect the ACCULINK® network and THE EXCHANGE® network.

Acquisition Working Group

Development of the Bank Branch Purchase Due Diligence and Acquisition Plan is ongoing.

Community Leadership Initiatives Committee

The Community Leadership Initiatives Committee of the SSC can play an important role in helping to highlight the credit union difference in terms of credit union support of community development and community initiatives. The membership of this committee will be finalized and a meeting will be held.

Government Affairs

Canadian Central continues to inform Members of Parliament, Senators and senior public officials about the credit union system's willingness and ability to serve as a strong competitor to banks and acquire branches that may become available as a result of bank mergers.

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Task Force on Credit Union System Reform

Canadian Central's Board has agreed to establish a National Task Force on Credit Union System Reform. This Task Force will address some of the fundamental questions that are being raised in the credit union system about system structure. During its June 2006 meeting, the Board's Governance & Human Resources Committee was assigned the task of reviewing the Terms of Reference, composition, time frame and budget for this Task Force.

Legislative Affairs

Daniel Burns, Chair of Credit Union Central of British Columbia and a Director of Canadian Central, was appointed Interim Chair of the Legislative Affairs Committee to replace Wayne Nygren who recently retired as CEO of BC Central.

Canadian Central will partner with Canadian Co-operative Association (CCA) to host a joint Parliamentary Reception in the fall of 2006. A joint reception has a number of advantages, including the ability to present the Canadian co-operative sector as a whole to parliamentarians during Co-op Week, thereby sending positive messages about co-operation among co-operatives and the strength of credit unions and co-operatives in Canada. These receptions are usually attended by Members of Parliament, Senators, senior departmental officials and other key stakeholders in Ottawa.

Conferences

Canadian Central held a successful AGM and Conference for Credit Union Executives in Vancouver, April 30 and May 3. Registration sold out prior to the conference date with close to 700 registrants and feedback on the conference has been positive. A highlight was the Members' Forum on Wednesday, May 3, which featured challenging presentations from the perspective of large, medium-sized and small credit unions and a provincial Central. The event was an opportunity for system leaders from across Canada to discuss a range of important system issues, including issues pertaining to the structure of the Canadian credit union system.

Canadian Central, in conjunction with the National Lenders Policy Committee, will be hosting the National Lenders Conference in Ottawa, September 30 to October 2. Online registration for the conference will be available soon on Canadian Central's Web site, www.cucentral.ca.

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