

MEMORANDUM

To: Subscribers to *NAFCU's Share Drafts and Negotiable Instruments Handbook*

From: Sheshunoff Information Services

Subject: Highlights

In your first 2008 update to *NAFCU's Share Drafts and Negotiable Instruments Handbook*, we include the following:

- Updated W-9 Form and Instructions
- Federal Reserve Board final rule amending Appendix A to Regulation CC consolidating the Utica, NY check processing region into the Cleveland and Philadelphia regions.
- NCUA Regulatory Alert No. 07-RA-09 reminding federally-insured credit union of the importance to submit accurate and complete suspicious activity reports, along with guidance from the FinCEN regarding common errors found in SAR reporting.
- NCUA's quick reference brochure issued on November 8, 2007 regarding the deposit insurance coverage of member funds.
- Case Study: *Drew v. Commerce Bank* that involved a negligent misrepresentation claim against a bank based on a teller's statement to a depositor that funds from the deposit of a money order were available for withdrawal, but in fact the item was returned as counterfeit after the depositor withdrew the funds to complete a wire transfer.
- Federal Trade Commission Brochure titled "Giving the Bounce to Counterfeit Check Scams" drafted to educate consumers of the rising risk of counterfeit check scams.
- NCUA Fraud Alerts 08-Fraud-01 and 08-Fraud-02 identifying recent fraud scams involving HELOC accounts and the use of "Vishing", a new term, involving the use of phishing, social engineering and the telephone system to obtain member account information.
- An updated "Your Insured Funds" Brochure from NCUA.
- Updated Operating Circulars #3, 4 & 6 recently issued by the Federal Reserve Board.
- Memorandum of Understanding between the Office of Foreign Asset Control and Federal Regulatory Agencies detailing the sharing of information on OFAC violations and economic sanctions.

If you have any comments or questions, or would like information on an additional Sheshunoff product, please call 1-800-456-2340, or visit our Web site at www.sheshunoff.com.

FILING INSTRUCTIONS

- Remove 11/07 title page through page xxxii. Insert 6/08 title page through page xxxii.

Tab — Introduction

- Remove old pages 1-i and 1-ii. Insert updated pages 1-i and 1-ii.
- Remove old pages 1-47 through 1-56. Insert updated pages 1-47 through 1-56.

Tab — Rights and Obligations Under the UCC

- Remove old pages 3-i and 3-ii. Insert updated pages 3-i and 3-ii.
- Remove old pages 3-5 and 3-6. Insert updated pages 3-5 and 3-6.
- Remove old pages 3-41 through 3-58.

Tab — Collections and Funds Availability

- Remove old pages 8-i and 8-ii. Insert updated pages 8-i and 8-ii.
- Remove old pages 8-7 and 8-8. Insert updated pages 8-7 and 8-8.
- Remove old pages 8-29 through 8-30b. Insert updated pages 8-29 through 8-30b.
- Remove old pages 8-70i and 8-70j. Insert updated pages 8-70i through 8-70r.

Tab — BSA, Funds Transfers, Privacy and Share Insurance

- Remove old pages 9A-i and 9A-ii. Insert updated pages 9A-i and 9A-ii.
- Remove old pages 9A-21 and 9A-22. Insert updated pages 9A-21 and 9A-22.
- Remove old pages 9A-45 through 9A-154. Insert updated pages 9A-45 through 9A-94.
- Remove old pages 9C-i and 9C-ii. Insert updated pages 9C-i and 9C-ii.
- Remove old pages 9C-9 and 9C-10. Insert updated pages 9C-9 and 9C-10.
- Remove old pages 9C-21 and 9C-22. Insert updated pages 9C-21 and 9C-22.
- Remove old pages 9C-49 and 9C-50. Insert updated pages 9C-49 through 9C-50l.
- Remove old pages 9C-187 and 9C-188. Insert updated pages 9C-187 through 9C-194.
- Remove old pages 9D-i and 9D-ii. Insert updated pages 9D-i and 9D-ii.
- Remove old pages 9D-5 through 9D-10. Insert updated pages 9D-5 through 9D-10.
- Remove old pages 9D-37 and 9D-38. Insert updated pages 9D-37 through 9D-42.
- Remove old pages 10-i and 10-ii. Insert updated pages 10-i and 10-ii.
- Remove old pages 10-57 and 10-58. Insert updated pages 10-57 and 10-58.
- Remove old pages 10A-i through 10A-6. Insert updated pages 10A-i through 10A-6.
- Remove old pages 10A-15 and 10A-16. Insert updated pages 10A-15 through 10A-18.
- Remove old pages 11-i and 11-ii. Insert updated pages 11-i and 11-ii.

- Remove old pages 11-9 and 11-10. Insert updated pages 11-9 through 11-10b.
- Remove old pages 11-27 and 11-28. Insert updated pages 11-27 through 11-36.