



AFFN NEWS

Changing of the Guard


AFFN Announces New Board of Directors

In accordance with AFFN bylaws, every two years the Chairman and the Vice Chairman leadership positions of the AFFN Board of Directors are rotated between the Defense Credit Union Council (DCUC) and the Association of Military Banks of America (AMBA). The AMBA and DCUC organizations nominate their candidates from their Boards of Directors to serve on the AFFN Board of Directors, and the leadership positions are then voted on and appointed for a two-year term.

At the 2010 Annual Meeting, the AFFN Board of Directors elected Mr. Greg Oveland (President & CEO, Eisenhower Bank, San Antonio, TX) as Chairman, and Mr. John Mitchell (Senior Vice President, Columbus Bank & Trust Company, Columbus, GA) as Vice Chairman (representing AMBA).

Mr. Robert Morgan (Board Director, ABNB FCU, Hampton Roads, VA), DCUC Director, announced his retirement from the AFFN Board of Directors. Mr. Morgan has tirelessly served the national, state, and local credit union movement and his local Virginia Beach, VA community during his life-long credit union career. Mr. Morgan retires from the AFFN Board of Directors after 10 dedicated years of volunteer service.

"Mr. Morgan will be missed. However, his legacy of fairness, cooperation, and dedication to the military Service Members and their families will continue to motivate and inspire the Board, management, and staff for many years to come," said John Broda, AFFN Executive Vice President.

Mr. Frank Padak (President & CEO, Scott Credit Union, Collinsville, IL), was elected to serve as the AFFN/DCUC Director replacing Mr. Morgan. 



Greg Oveland
Chairman



John Mitchell
Vice Chairman



Frank Padak
Director

2009 AFFN Military Community Support Program

The Armed Forces Financial Network (AFFN) launched the AFFN Military Community Support Program in 2003, in partnership with the Defense Credit Union Council (DCUC) credit unions and the Association of Military Banks of America (AMBA) banks, with the sole mission of providing support directly to our US Service Members and their families, through the AFFN Matching Grant Program.

Over the past six years, **185** matching grants have been issued to our bank and credit union Participants. In 2009, the AFFN Matching Grant Program achieved a milestone with the issuance of **50** grants representing **\$75,000.00** issued directly to 'military-focused' organizations

supporting our military, defense, and civilian communities worldwide. It is through the generosity of AFFN Participants that Service Members and their families are receiving direct benefits during such a critical time in our Nation's military history.

“ *This is the third year that West Palm Beach VAMC Fisher House has received the AFFN Thank You Cards for the families and we are grateful! AFFN's kind deeds have touched many military families experiencing a multitude of hardships. Bringing hope and comfort to so many is an incredible gift.* ”

— Theresa Ringel, Fisher House Manager
West Palm Beach VAMC

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SAC Federal Credit Union Presents Check to 55th Wing Enlisted Program

Pictured l-to-r: Robin Larsen, Sr. V.P. Operations, SAC FCU; Command Chief Master Sergeant Lisa Sirosis; Gail DeBoer, President of SAC FCU; and Margarethe Duncan, Offutt Branch Manager, SAC FCU.



Eisenhower Bank Delivers Donation to Operation Comfort Pictured l-to-r: Greg Oveland, Eisenhower Bank President; Janis Roznowski, Operation Comfort Founder and Director; and Denise Hartness, Ft. Sam Houston Banking Center Banking Services Manager.



Hanscom FCU Officials Present Matching Grant Funds to Members of Hanscom Spouses' Club

2009 AFFN Military Community Support Program *Continued*

For the seventh consecutive year, the AFFN Board of Directors has approved funding for the AFFN Matching Grant Program. For the application and additional information about the **2010 AFFN Military Community Support Program**, please visit our Web site at www.affn.org/communitysupport.html.

“ *Thank you to the entire AFFN Organization for your generosity and support. As a military family we appreciate being recognized by AFFN for our son’s service and his many sacrifices. We appreciate the AFFN Thank You Card and more importantly, knowing that your organization cares enough about our Service Members and their families to want to make a difference!!* ”

— Signed A Proud Military Family, Landstuhl (Germany) Fisher House



Armed Forces Bank Presents Thank You Cards to Ft. Lewis Fisher House Pictured I-to-r: Nikki Wasierski, Fort Lewis Fisher House; and Corina McDonnell, Manager, Armed Forces Bank.



Furthermore, annually, at a corporate level, AFFN selects a military-oriented organization to partner with on behalf of all AFFN Participants, in direct support of our Service Members and their families. For the past six years, AFFN has worked with the Fisher House Foundation, providing support to families staying at Fisher Houses from Germany to Hawaii during the holiday season.

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Fort Lee Federal Credit Union Presents Donations to Richmond Fisher House Pictured I-to-r: Sarah Marks, Vice President, Marketing & Business Development; Avila Porter, Richmond Fisher House; and Patsy Stuard, CEO, Fort Lee Federal Credit Union.



AFFN Participants Gather to Deliver Donations to San Diego Fisher House Pictured I-to-r: Jim Bedinger, USA FED; Belle Esposito, San Diego Fisher House Manager; Aynn McGuire, Armed Forces Bank of Southern California; and Robert “CAMO” Gleisberg, Pacific Marine CU.

2009 AFFN Military Community Support Program *Continued*

Together with our on-base AMBA Banks and DCUC Credit Unions, AFFN provided \$50,000.00 in AFFN Thank You pre-paid \$50.00 cards to military families staying at Fisher Houses during their Service Member's recovery this past holiday season. The AFFN Thank You Cards were used for personal care items, food, gasoline, entertainment, and supplies. The AFFN Thank You Cards were used at DeCA, AAFES, and over 1.3 million merchant locations accepting AFFN Point-of-Sale worldwide.

“ *Thank you for making the Fort Hood Fisher House a better place for the soldiers and their families in need!* ”

— Isaac R. Howard, Fisher House Manager, Fort Hood, Texas



Service Credit Union Presents Donation to Landstuhl Fisher House
 Pictured l-to-r: Gordon Simmons, President & CEO; Bridget Koenig, Assistant Manager of the Landstuhl Fisher House; and Richard E. Tolle, Senior Vice-President of Overseas Operations for Service Credit Union.



AFFN Leadership Presents Thank You Cards to Ft. Sam Houston Fisher House
 Pictured l-to-r: Jeff Farver, CEO and President of San Antonio Credit Union; Inge Godfrey, Manager of the Ft. Sam Fisher Houses; Russ Fritz, Assistant Manager, Ft. Sam Fisher House; and Mr. Greg Oveland, AFFN Chairman, President & CEO, Eisenhower Bank-Military Division of Broadway Bank.

On behalf of Dave Weber, AFFN President & CEO, and the AFFN Board of Directors, a very special “THANK YOU” is extended to each and every person who has volunteered their time, talent, and energy this past year to make the AFFN Military Community Support Program a success! Serving those who serve our great Nation is truly an honor for those who have participated in this program and a blessing for those receiving our collective support. **AFFN**

“ *Your generosity and genuine interest will help improve the quality of life for our guests and the living environment at the Fisher Houses. Thank you once again.* ”

— M.L. Nathan, Rear Admiral
 Medical Corps U.S. Navy Commander

AFFN Switch Migration Project

A Historical Perspective

Since the launch of AFFN in 1985, the Network has traditionally contracted with a third-party industry technology service provider to process the Network's EFT transactions in a safe, secure, and state-of-the-art data processing environment.

Over the 25 years that the Network has been in operation, AFFN has taken a leading role within the payments industry by leveraging our processing partner relationships to further provide products and services to our military banks and defense credit unions in their mission to serve our Service Members and their families worldwide.



For example, under the ADP/EDS/Fiserv switch partnership, AFFN launched the Ships@Sea Program (real-time ATMs processing on US Naval Ships) and debit and credit card processing for the Army Commissary System and then the Defense Commissary Agency (DeCA). Under the FTPS switch partnership, AFFN continued to expand POS acceptance outside the gates of every military installation at major merchants and retailers around the US.

In 2004, AFFN reached another milestone, being the only EFT Network in the industry, dual processed by two leading industry providers and creating a co-switched, on-line, real-time network processing environment. While this created additional work from a Network perspective, AFFN was able to offer a dual path to its Participants - an alternative path using the latest and greatest technological advancements on behalf of AFFN Participants worldwide.

Again, in December 2007, AFFN reached another milestone by launching the third AFFN Switch at FIS (formerly eFunds). The AFFN Board of Directors voted to enter into a long-term strategic alliance with FIS earlier in 2007, creating the third AFFN Switch, with the plan of consolidation in 2010 onto a single strategic EFT switch.

Moving Forward

With industry consolidation, increased competition, advancements in technology, and international marketplace expansion, the AFFN Board of Directors has the confidence that the AFFN/FIS Partnership will address the requirements of the Network's strategic vision and plans for decades to come.

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AFFN's Pledge to Participant Outreach Remains Strong

AFFN is committed to sharing the latest news and events of interest to its Participants in the most efficient manner.

Beginning with this issue, *AFFN NEWS* will only be made available as a .PDF on our Web site [www.AFFN.org] allowing us to deliver the newsletter to our Participants in a timely manner and with minimal impact on the environment.

We encourage you to forward it to your staff and colleagues electronically.

In addition, we will be enhancing our Web Site — www.affn.org — later this year.

In support of these changes, AFFN will be conducting an on-line Participant survey later this year designed to identify your needs and interests as they pertain to your affiliation with AFFN. We look forward to your contribution on behalf of delivering world-class service to our Participants in a timely manner.

Thank you in advance for your support!

For more information, please contact John Broda, Executive Vice President, directly at john.broda@affn.org



AFFN Switch Migration Project *Continued*

AFFN values its long-term business relationships with both the Fiserv and FTPS organizations, and moving forward, AFFN will work with both organizations in much the same way. However, instead of providing switch processing products and services to AFFN, both organizations have changed roles within the Network. Fiserv and FTPS will no longer be AFFN's switch providers, instead migrating to key processing partnerships, as gateway service providers to AFFN Participants for which each organization processes.

AFFN has worked with both organizations to ensure continued processing with the least amount of impact or change to our Participants. While the FTPS migration has been successfully completed, the Fiserv migration will be completed during 3rd Q10. If Fiserv processes for your organization, you will receive correspondence in the upcoming months detailing the overall joint approach to changing AFFN from a Fiserv switched Network to a Fiserv gateway Network.

Both AFFN and Fiserv are committed to communicating our joint efforts and minimizing the impact to our Participants, Processors, and Partners.

As AFFN's strategic switch processing partner, FIS has invested time, talent, and resources to build a robust international EFT Switch specifically designed for AFFN which 'went live' in July, 2008.

From start to finish, from development resources to implementation, from project management to customer service, from documentation to Participant communications, from data center conversions to Participant, Processor, and Partners' migrations, the FIS and AFFN Teams have invested well over 17,000 hours.

During this project, the FIS and AFFN Teams have resolved well over 60 known production problems with our processing partners, standardized code, eliminated obsolete interfaces, replaced outdated telecommunication solutions, implemented a new gateway processor relationship, and converted several new banks, credit unions, and retailers onto the switch after the 2009 peak-season freeze.

And on the afternoon of December 24th, 2009, AFFN Participants set record breaking milestones for transactions processed per second, per minute, and per hour on the AFFN/FIS Switch.

Each of the milestones achieved is a shared success with FIS and our Participants, Processors, and Partners.

To our Participants, Processors, and Partners — Thank you! We sincerely appreciate your organization's support during this project. With the migration efforts behind us, we will turn our focus to the introduction of new transaction sets,

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About FIS

FIS delivers banking and payments technologies to more than 14,000 financial institutions and businesses in over 100 countries worldwide. FIS provides financial institution core processing, and card issuer and transaction processing services, including the AFFN Network. FIS maintains processing and technology relationships with 40 of the top



50 global banks, including nine of the top 10. FIS is a member of Standard and Poor's (S&P) 500® Index and consistently holds a leading ranking in the annual FinTech 100 rankings. Headquartered in Jacksonville, Fla., FIS employs more than 30,000 on a global basis. FIS is listed on the New York Stock Exchange under the "FIS" ticker symbol.

AFFN Switch Migration Project *Continued*

alternative payment options, and network-to-network alliances, to name a few projects.

One of AFFN's 2010 objectives currently underway is to further improve cardholder authorization with our Participants, Processors, and Partners. With new tools available from FIS, AFFN will be working with our card issuing banks, credit unions, and processors to further improve cardholder authorization in order to improve service to 92 million cardholders worldwide. Either Ann Morsch, Director, Network Services, or Rhonda Wilson, Manager, Network Services, will be contacting your organization or your designated processing partner to

identify issues and report trends on denials/declines in an effort to turn those denials into approvals in order to improve cardholder authorization rates and ultimately, consumer satisfaction.

Lastly, AFFN Participants now have the ability to connect to the AFFN/FIS switch directly or through a participating processing partner or EFT gateway relationship. For additional information, please contact the AFFN office at 727-227-2880 or contact either Ann Morsch at ann.morsch@AFFN.org, or Rhonda Wilson at rhonda.wilson@AFFN.org. **AFFN**

To learn more about FIS, please visit www.fisglobal.com

Why Going Paperless Counts AFFN's Ongoing Commitment

AFFN was on the leading edge of going paperless 3+ years ago and continues to be proactive in minimizing its environmental footprint. Why do paper choices matter? By using less paper, increasing recycled content, and making other improvements, you can save wood, water and energy, and cut pollution and solid waste.



Did You Know?

Recycling one ton of paper saves 17 trees, two barrels of oil, 4,100 kilowatts of energy, 3.2 cubic yards of landfill space, and 60 pounds of air pollution.

Each of us can make a difference; here's how:

@ The Office

Here are 10 things you can do to make your workspace more energy-efficient:

- Turn out the lights when you leave a room for more than 15 minutes.
- Use natural light when possible.
- Maximize your computer efficiency — If your computer doesn't need to be left on overnight for backups or downloads, turn it off. Turn the power strip off too.

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AFFN's Ongoing Commitment *Continued*

- Fact – The average office worker goes through 10,000 sheets of copy paper a year! Print on both sides. Use the backside of old documents for faxes, scrap paper, or drafts. Avoid color printing whenever possible.
- Go paperless when possible. Try reading more on-line.
- Take the time to request removal from mailing lists before you recycle unwanted catalogs, magazines or junk mail.
- Encourage others to go more paper-free by posting employee communications on-line. Things like employee manuals are easier to update that way, too.
- Bring your own coffee mug and use it rather than Styrofoam cups.
- Consider using a set of reusable office eating utensils over disposable plastic ware.
- Suggest that your office purchase environmentally friendly and nontoxic cleaning products.

@ Home

By switching to electronic bills, statements, and payments, every year the average household can:

- Save 6.6 pounds of paper
- Save 0.079 trees
- Avoid the use of 4.5 gallons of gasoline to mail bills, statements, and payments
- Avoid the release of 63 gallons of wastewater into the environment
- Avoid producing 171 pounds of greenhouse gas emissions, which is equivalent to the emissions avoided by not consuming 8.8 gallons of gasoline. **AFFN**



Please consider the environment before printing.

AFFN NEWS is a publication of the **ARMED FORCES FINANCIAL NETWORK.**

Financial institutions who wish to serve the military community have found the Armed Forces Financial Network (AFFN) to be a valuable corollary to their other financial services.

AFFN was formed in 1985 at the request of the U.S. Army in support of the Sure-pay direct deposit system, to provide U.S. Military personnel (active, reserve, dependents, and retired) with access to their funds through ATM and POS terminals at or near U.S. Military bases worldwide.

AFFN'S MISSION

To provide quality products and services for participating financial institutions serving the U.S. Military Community worldwide.

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