



PERMACULTURE CREDIT UNION

Established: May 18, 2000

January 2005

5TH
YEAR
ANNIVERSARY
MAY 2005

FAIR AND ACCURATE CREDIT TRANSACTIONS ACT: HOW WILL THIS IMPACT YOU?

The *Fair and Accurate Credit Transactions Act (FACT Act)* provides consumers, companies, consumer reporting agencies, and regulators with important new tools that expand access to credit and other financial services for all citizens, enhances the accuracy of consumers' financial information, and helps fight identify theft. Most of the legislation went into effect at the end of 2004.

The FACT Act of 2003 is designed to accomplish the following initiatives:

- ❑ Financial institutions must notify members before, or within 30 days after the fact, that they are reporting negative information about them to credit bureaus regarding an account, extension of credit or transaction.
- ❑ Lenders must make decisions on loans based on full and fair credit histories, and not on discriminatory stereotypes. In 1996, uniform national standards were established to set clear rules on what credit agencies were entitled to include in individual credit reports. This legislation makes those national standards permanent.
- ❑ The Act will improve the quality of credit information and protect consumers against identity theft. Specifically, the Act:
 - ❑ Gives every consumer the right to his or her credit report, free of charge, every year.
 - ❑ Helps prevent identity theft before it occurs, by requiring merchants to leave all but the last five digits of a credit card number off store receipts.
 - ❑ Creates a national system of fraud detection to make identity thieves more likely to be caught.
 - ❑ Establishes a nationwide system of fraud alerts to consumers to place on their credit files.
 - ❑ Requires regulators to devise a list of red flag indicators of identity theft, drawn from the patterns and practices of identity thieves.
 - ❑ Requires lenders and credit agencies to take action before a victim even knows a crime has occurred.

Invisible Structures and the Evolution of Regenerative Financial Models

By: Vint Lawrence

Permaculture is a design system based upon the principles and patterns of natural systems. Unlike other alternative agriculture systems, permaculture design is applicable to realms of human activity beyond agriculture. Permaculture is uniquely challenged to design for a "permanent culture", creating new systems of cultural behavior based upon natural patterns. In the PC design course, Bill Mollison would talk at length about "invisible structures" – those elements of our cultural landscape that either support or degrade our attempts to design human settlements and culture that can exist in harmony with natural systems. Understanding "Invisible structures" is largely achieved through the process of "deconstructing" existing institutional organizations and cultural practices. In other words, the cause of your "problems" is likely to be a function of your prior "solutions." Bill said: "If you have a dysfunctional institution, don't try to change it, that's like wrestling with the "tar baby". Rather, determine what that institution was supposed to deliver and design a better system to actually deliver that purpose or service."

Sustainable systems and communities are by their nature conservative, in the sense that they wisely utilize the least amount for the greatest return. The resources most readily available are those that reside within the community. Any community that exports its resources to other regions, especially if those resources are not truly "surplus", will eventually find that it is no longer sustainable. Although we understand these principles as applying to natural systems, the results of local productivity are being "exported" to banking conglomerates and the profit from these enterprises is being distributed to bank "investors" rather than being reinvested in the local community and in local, sustainable businesses and agriculture.

This is very similar to the extractive depletion of natural resources in other spheres. By contrast, CU's reinvest all of their proceeds in the community and the services to the members being served.

Continued on page 3.

We are having our 5th Birthday in May!

A Party is being planned!!!
Come help us celebrate a
new season of growth.
Watch this space for details
on time and place and how
you can participate!

SAFETY TIPS: IS YOUR IDENTITY SECURE?

People are often unaware that their personal information has been compromised until they are denied credit, review their credit history or start receiving collection calls for purchases made in their name. It can be quite a shock.

Here are some tips to prevent being victimized:

- Purchase a paper shredder and shred all pre-approvals and any other information or receipts being discarded that list personal financial information.
- Store financial information securely at home.
- Do not carry all your credit cards with you.
- Be wary of the disposition of any receipts that do not feature truncated account numbers.
- Understand encryption and the Internet before buying online, and sign up for a plastic card authentication program, such as Verified by Visa.
- Review your credit report annually.

If victimized, contact your local police, the FTC, and the three major consumer-reporting agencies (Equifax, Experian and TransUnion) as soon as possible.

MEMBER SERVICES

We are currently financing up to \$70,000.00 in loans per household. All rates are subject to change without notice

❖ **CREDIT CARDS**

❖ **NEW & USED VEHICLE LOANS**

Ask us about our special rates for fuel-efficient vehicles.

❖ **SECOND MORTGAGE LOANS**

Loans available for up to 90% of appraised value less the balance of your existing mortgage.

❖ **BICYCLE LOAN DISCOUNT**

❖ **SIGNATURE LOANS**

❖ **SHARE & CERTIFICATED LOANS**

❖ **SECURED LOANS**

SUSTAINABILITY DISCOUNTS

We provide sustainability discounts for projects that are earth-friendly. This includes installation of solar panels, water catchment systems, xeriscaping your yard, insulating your home, installing energy efficient windows, purchasing an energy efficient vehicle and other projects. The usual discount is .75% off our current loan rates. Call our office staff for details.

DIRECT DEPOSIT

- ✓ Have funds directly deposited into the PCU from your paycheck or other financial institution.
- ✓ Pay your bills by having funds directly transferred from your PCU account.
- ✓ Pay your PCU credit card with ease online.

SLOGAN CONTEST

We are asking all who are interested to submit a slogan for the PERMACULTURE CREDIT UNION. If your slogan is chosen you will receive your choice of a "polo style" shirt or a cap made of hemp with the PCU logo embossed.

Send your entry to the office address on page 4 of this newsletter.

Deadline for all entries is: February 9, 2005.

Current Potential Slogans:

"Growing a Grassroots Economy."

"We put Ability in Sustainability!"

Continued from page 1.

That is why this work is so important as a model that shows we can redefine how financial institutions can operate to support the health and well-being of ecologically friendly communities and technologies and keep our resources working for those activities that are sound, fair, and ethical.

In the Designers Manual, Bill stated:

“The tragic reality is that very few sustainable systems are designed or applied by those who hold power... We should cease to look to power structures, hierarchical systems, or governments to help us, and (instead) devise ways to help ourselves... We should not be passive workers for established destructive systems, but rather we can be investors in life.”

In late 1996 and early 1997, as a result of a “permaculture think tank” gathering in Santa Rosa, California, a group of practitioners in Santa Fe, NM began the long process of translating this statement of principles into what has become the Permaculture Credit Union. We began by recognizing the potential financial “resource” represented by the number of people who had taken the PC design course over the past fifteen years. What if we were able to pool a portion of those “surplus” resources and lend funds to people and projects that supported the three ethics of permaculture? Part of our design problem was selecting the appropriate models and metaphors. The PCU design group looked to many sources for models and inspiration. In the financial realm, we were informed by the Maleny CU in Australia, the Grameen bank in India, and other models of micro lending. We also looked at the models that Bill had developed over the years. As Bill said well in the Designer’s Manual:

“Money is to the social fabric as water is to landscape. It is the agent of transport, the shaper and mover of trade. Like water, it is not the total amount of money entering a community that counts; it is the number of uses or duties to which we can divert money, and the number of cycles of use, that measures the availability of that money. Leakage from the community must therefore be prevented (as from a pond or landscape) and recycling made the rule.”

So, if money flowed like water, if we could utilize it for many different stacked purposes as it moved across the “cultural” landscape of the permaculture community, if we could keep it recycling and regenerating to support the “earth-care” activities

within the permaculture community, then we would show that, again as Bill said: “Money, however, is not intrinsically evil; it is the accumulation of money and its use to exploit others that is evil. The evil (privilege, power, stupidity, willfulness) lies within people, not within the money itself. Nor is the making of money necessarily evil, providing the uses of money are creative and assist the natural world to proliferate. Thus, we can have a clear conscience on money put to earth rehabilitation. Wealth really resides in a deep knowledge of the natural environment such that you can be supported by your own efforts (like most other species) without the need for institutional systems of external support. If you can obtain from the natural world whatever you need simply by understanding it, then you have achieved true wealth. The ability to achieve this must reside in the underlying health and diversity of that natural resource.”

“Money,” “ownership,” and “rights of use” devoid of “correlated responsibilities” are what give people in industrialized, non-indigenous cultures the sense that they have the right to destroy the integrity of the natural world, the right to consume the abundance of natural systems without replenishing them. We must continually focus upon what the “correlated responsibilities” are both as stewards of the Earth and as members of the PCU. These are the invisible structures that must become more visible and for which each of us must become more accountable.

We are not yet “The First Natural Bank”. The PCU has attempted from the outset to establish an ethical, replicable, grassroots, and ecological lending institution. The PCU is by no means a complete model; rather, we are a “work in progress”. As we grow and develop, we constantly refer to the original three ethics for guidance in our decision making process. We continue to ask how what we are doing relates to our original purposes and principles. We continue to seek new ideas and energy from our members and the permaculture community as a whole.

I deeply believe in what we have set about – transforming the way financial institutions interact with the ecology of the planet. We are a democratic, earth-friendly institution that has created a viable model for individuals to take control of the ethics of their finances. We welcome your contributions to this ongoing effort and appreciate all of your support.

(Vint Lawrence, one of the original organizers of the PCU and a past Chair of the Board of Directors, continues to volunteer for the PCU.)

FINANCIALS:

LOANS
TOTAL SHARES
ASSETS
MEMBERSHIP

December '02
\$ 477,402
\$2,054,603
\$2,097,222
429

December '03
\$ 918,202
\$2,593,291
\$2,666,118
575

December '04
\$1,923,919
\$2,675,412
\$2,766,264
714



Permaculture Credit Union

Office Location: 4250 Cerrillos Rd., 2nd Floor,
Santa Fe, NM 87507

Mailing Address: PO Box 29300,
Santa Fe, NM 87592-9300

Toll Free: 1-866-954-3479

Phone: (505) 954-3479

Fax: (505) 424-1624

Web Site: www.pcuonline.org

Email: perma@pcuonline.org

Office Hours

Monday – Friday
10:00am – 2:00pm

Loan Request

Monday - Friday
9:00am – 5:00pm

Or by appointment for member convenience.

Management & Staff

Donald J. Sarich

President/CEO

Michelle Lowrie

Accounting Manager

Lucinda A. Sydow

Willina M. Martinez

Member Services Representatives

Board of Directors

Susan Coulter – Chair

Taylor Selby – Vice-Chair

Donal S. Kinney – Treasurer

Sebia Hawkins – Secretary

Edward L. McMillen – Director

Winona Nava – Director

Allan Sindelar – Director

James Stark – Director

Wesley Roe – Director

Supervisory Committee

Carolyn Agard – Chair

Nora Haskins – Member

Amy Brown – Member

Joseph Ellis – Member

Your savings insured to \$100,000

NCUA

National Credit Union
Administration
a U.S. Government Agency



Privacy Policy:

We do not disclose any nonpublic information about our members and former members to anyone, except as permitted by law.

Permaculture Credit Union Mission Statement

We pool the financial resources of the people who believe in the Ethics of Permaculture and strive to redirect those resources to Earth friendly and socially responsible loans and investments.

The **Permaculture Credit Union** promotes thrift among its members and provides credit at reasonable rates. It creates the opportunity for members to control the use of their money and contribute to the revitalization of their community and the planet.

UPCOMING BOARD ELECTIONS

The quality of the Credit Union's leadership is the most important factor in its success. We need to fill several positions on our nine member volunteer Board of Directors, to replace directors whose terms expire in May. Members interested in running for the Board should send their bio/resume by February 28, 2005 to the PCU office via mail, email or fax, to the attention of the nominating committee.

Requirements for serving on the Board are that the candidate be a PCU member in good standing and be bondable. Monthly Board meetings are held in Santa Fe. Out of state members may participate in meetings by telephone. Board members must be available for all board meetings and must serve on at least one board committee. A minimum time commitment of ten hours per month is expected.

The duties of the Board of Directors are to develop short and long-term planning objectives that reflect the PCU philosophy while also meeting the needs of the members. The Board also monitors the financial condition of the Credit Union and insures compliance with bylaws and state and federal regulations. It also insures adequate ongoing education for volunteers and staff, assists with outreach and communications, and actively supports fundraising activities.

Holiday Closings

Martin Luther King Jr. Day

Jan. 17 (Monday)

Good Friday

March 25 (Friday) – Close at 1:00 PM

Memorial Day

May 30 (Monday)

CREDIT CARDS NOW AVAILABLE

A PERMACULTURE CREDIT UNION VISA CARD

is easy to apply for!

SIMPLY CALL 1-888-415-6154

OR visit www.myCUcard.com

Just a Reminder from the Supervisory Committee:

PLEASE notify the Credit Union of any changes to your address or phone number. We want you to receive your statements and information about our services.