



Bankers: A Call to Arms!

By: Paul J. Thompson- President and CEO of Country Club Bank, and MBA Chairman

As a frustrated history major wannabe, I am often amused---if not amazed---by the lessons we can learn from history. Who needs works of fiction when actual events of history are, at least to me, more fascinating and can provide real counsel for present day issues?---even banking issues!

One such snippet can be found in the history of the beautiful island nation, Bermuda. (Mary and I honeymooned there in 1985 and, of course, I was interested in its history.) Bermuda was originally discovered by a Spanish explorer, Juan de Bermúdez in 1503. Fellow Spanish explorer Diego Ramirez occupied the island briefly, returning to Spain a short time later. In 1609, English sailors began to settle in Bermuda and soon thereafter, a British company was given the authority to attempt to colonize the island. Things were going “smashingly well” until 1613, when the Spanish returned to claim the island for themselves. This time ships from the Spanish navy sailed into St. Catherine’s Bay of the now British-inhabited island. Recognizing the impending threat, Governor Richard Moore issued a call to arms and soon two cannon balls were fired from the intimidating King’s Castle Fort perched high above the bay. The second cannonball passed right over the ships. With that, the Spanish ships quickly retreated, never to threaten Bermuda again.

Governor Moore’s decision to act in a preemptive manner proved incredibly brilliant, particularly given that he only had three cannonballs at his disposal in the first place!

The lesson that the history of Bermuda teaches us here is that sometimes a preemptive strike is needed to put down the thoughts and/or threats of greater hostilities.

It is in that same vein that we are asking YOU to participate in the MBA Fall Washington visit, September 15th - 18th. It’s a bankers’ “call to arms” (sounded by four MBA past chairmen: Chuck Brazeale, David Gohn, John Harlin and Jim Smith) and our goal is to assemble 100 bankers there. Like Governor Moore accomplished in delivering a shot across the bow of the Spanish ships, we bankers need to deliver a message to those in Washington that we are serious about defending and protecting our own “sovereign lands” from those who would otherwise unfairly threaten or attack them.

Here are just a few of the issues (threats) that are now before Congress:

- H.R. 5546 (the misnamed Credit Card Fair Fee Act) that would put the government in charge of determining interchange fees associated with debit and credit cards;
- A new credit union expansion bill allowing credit unions new and/or broader powers;
- Efforts to drastically reduce or eliminate your bank’s overdraft protection programs; and
- The Treasury Department’s “Blueprint for Regulatory Reform” which attacks the very essence of our dual-banking system.

These are but a few of the issues that Congress and our regulators are considering. In fact, the future of our banking industry is threatened by any number of bills that could affect your bottom line for years to come. Two members of Missouri’s delegation on the House Financial Services Committee, combined with the promise of Committee

Chairman Barney Frank to address our group, guarantees us the opportunity to ask first-hand questions and to provide influence and perspective to our Congressmen.

Furthermore, we plan to meet with regulators so as to hear directly from them how their mindset and examination processes have changed due to the recent economic and credit cycle. We hope to provide to them our perspective on those processes, as well.

If you prefer a sports axiom to my history lesson, then think of this Washington visit as the bankers' version of "the best defense is a good offense." Keep in mind, however, that not even Joe Montana and Jerry Rice could keep the offense on the field if it were left just to them alone! They needed the rest of the offensive team and WE NEED YOU to be part of our Missouri Bankers delegation in Washington, D.C. this fall.

These are extraordinary times in which we are navigating and they call for extraordinary efforts on all of our parts. Accordingly, please complete the sign-up form and plan to join us in Washington, D.C. on September 15th – 18th.