

**Testimony Before the House Committee on Financial Services Subcommittee
on Investigations and Oversight**

of

Cutler Dawson
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Chairman Kelly, ranking member Gutierrez, and members of the Subcommittee, I am VADM (retired) Cutler Dawson, President and CEO of Navy Federal Credit Union. I am here today on behalf of Navy Federal, my credit union, to provide you with an overview of the financial products and services we provide to Sailors and Marines, and their families, worldwide.

In late 2004, I completed a 34-year career in the Navy and was chosen to take the helm at Navy Federal. During that time on active duty, I saw what the credit union did, and continues to do, for Sailors and Marines—it is truly their credit union.

Navy Federal began operations over 70 years ago when a group of Navy Department employees pooled their surplus dollars to make emergency loans to fellow employees. At the end of the first year, the credit union included 49 members, 18 borrowers, and total assets of 450 dollars. We now serve Sailors, Marines and Navy Department employees and their families around the world through 112 branch offices, including 20 overseas. Our motto is “We Serve Where You Serve.” We have not strayed from our mission of serving those members who share a common bond of military or civilian service with the Department of the Navy.

While we provide a full range of financial products and services to all of our members, we continue to focus specifically on our core of active duty members. We recognize that military life is always unique, and even more so today, especially for the families of our Sailors and Marines. To meet those unique requirements, we:

- ▶ Operate in overseas locations where our members are serving our nation.
- ▶ Conduct personal financial management training and predeployment counseling through Navy and Marine Corps programs and our own branch offices; last year we conducted over 1500 such sessions, reaching almost 100,000 members.
- ▶ Assist members in financial difficulty through budgetary counseling and debt management services at no cost to the member.
- ▶ Assist survivors of deceased members; serving as liaison between family members, attorneys and the military service.
- ▶ Guarantee utility company security deposits for members in areas of major Navy and Marine Corps installations.

► Provide members remote access to their accounts via the Internet worldwide—even ships at sea. And,

► Offer financial alternatives that provide lower loan rates and higher savings dividends than are typically found outside Navy and Marine Corps installations.

Over the years, this steady focus on active duty members and their families and the affinity our members have for the Navy and Marine Corps, have resulted in a very loyal membership. Recent member focus groups have reaffirmed that the vast majority of our members believe that what we do to support our active duty members, particularly in today's world, is the most important service we provide.

In summary, Madam Chairman, Navy Federal Credit Union recognizes that providing the financial products and services needed by our Sailors and Marines and their families, wherever they might be, is our mission. And, I believe that we are meeting that mission.

I thank you for the opportunity to appear before you today and I would be happy to answer any questions you may have.