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Media Advisory

FOR IMMEDIATE RELEASE

Fryzel Urges Paulson To Reconsider TARP

November 13, 2008, Alexandria, Va. -- National Credit Union Administration Chairman Michael E. Fryzel today called upon Treasury Secretary Henry M. Paulson to reconsider the announced reversal of the asset purchase function of the Troubled Assets Relief Program (TARP).

"I respectfully request you reconsider your position and immediately make a portion of the TARP funds available for the purchase of troubled assets from credit unions and others," said Chairman Fryzel in a letter to the Secretary. "As a regulator and insurer of 8,000 financial institutions, I must be proactive rather than reactive. The financial climate demands that I have all the tools I need to protect the savings of the 90 million people who use credit unions."

Fryzel also noted that "the federal government is expected to be undertaking firm and coherent steps to improve the situation," and said that "if mitigating steps are not made available through TARP, some credit unions experiencing difficulties could face a considerably worsened financial environment. I am committed to work constructively with you and your Department to make certain that appropriate federal assistance is available."

The November 13, 2008, letter also underscored NCUA's belief that, while the majority of credit unions are performing well despite the overall market conditions, "there are some which may require" the TARP assistance that was originally set forth in the Emergency Economic Stabilization Act enacted last month.

[Fryzel Letter to Paulson](#)

The National Credit Union Administration regulates, charters and supervises federal credit unions. NCUA, with the backing of the full faith and credit of the U.S. government, also operates and manages the National Credit Union Share Insurance Fund, insuring the deposits of nearly 89 million account holders in all federal credit unions and the majority of state-chartered credit unions.

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