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Media Advisory

FOR IMMEDIATE RELEASE

Board Member Hyland Announces Supplemental Capital Initiative

Alexandria, Va., December 8, 2008 –National Credit Union Board Member Gigi Hyland announced today that she will accelerate consideration of supplemental capital approaches in her role as liaison to the National Association of State Credit Union Supervisors (NASCUS).

“The economy is taking its toll on every facet of the financial services industry, including credit unions,” Board Member Hyland stated. “In my discussions with many state credit union supervisors and NASCUS, they have made some compelling arguments that it is time to seriously consider whether credit unions must be given access to some form of supplemental sources of capital to continue providing members the services they need. Permitting credit unions to accept supplemental capital requires Congressional action, so the sooner we get started on this effort, the better. I am committed to working with the state supervisors to expeditiously resolve if and how supplemental capital can be correctly structured and serve as an appropriate safety and soundness tool for the NCUA and state supervisory authorities in regulating U.S. credit unions.”

As part of next year’s celebration of the 75th Anniversary of the Federal Credit Union Act, Board Member Hyland will host a Symposium on June 9-10, 2009, in Washington, D.C. The Symposium will gather leaders in the credit union system and other interested parties to discuss some of the most pressing issues facing credit unions today and in the future.

“Supplemental capital is one of the issues we anticipate discussing during the Symposium,” noted Board Member Hyland. “However, given the current limitations on how credit unions generate capital, it is time to determine whether any statutory changes may be necessary.”

The National Credit Union Administration is the independent federal agency that

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 (NCUSIF), insuring the deposits of 88.5 million account holders in all federal credit unions and the majority of state-chartered credit unions.

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