



For Details, Contact
NCUA Public &
Congressional Affairs
E-mail: pacamail@ncua.gov
Phone: 703.518.6330

National Credit Union
Administration
1775 Duke Street
Alexandria, VA 22314-3428
Fax: 703.518.6409

Media Release

FOR IMMEDIATE RELEASE

NCUA Webcast Details CU HARP, CU SIP

December 16, 2008, Alexandria, Va. – NCUA Chairman Michael E. Fryzel introduced a 1 ½ hour audio webcast that attracted over 1,400 participants today, detailing the Credit Union Homeowners Affordability Relief Program (CU HARP) and Credit Union System Investment Program (CU SIP) introduced last week. The webcast was jointly sponsored by CUNA and NAFCU, and was held at NCUA offices in Alexandria.

“These important programs represent NCUA efforts to utilize the tools given to us by Congress to work proactively with the industry and enable you and your members to weather the financial storms affecting our Nation’s markets,” stated Chairman Fryzel. “This is the latest in a series of constructive approaches by the credit union trade associations as we continue our efforts to devise workable, pragmatic solutions to the problems confronting us.”

J. Owen Cole, NCUA Director of the Office of Capital Market and Planning and President of the Central Liquidity Facility (CLF) and Steve Sherrod, Director of the Division of Capital Market and Vice President of the CLF, the principal staff architects of CU HARP and CU SIP programs described program details and answered callers’ questions.

CU HARP is a two-year, \$2 billion program intended to assist homeowners who are facing delinquency, default, or foreclosure on their mortgages, especially in the face of diminished home prices. Under CU HARP, participating creditworthy credit unions would borrow from the CLF, and receive as much as an additional 100-basis point spread over the cost of borrowing if they modify at-risk mortgages, primarily by lowering interest rates and corresponding monthly payments. Under CU SIP, participating creditworthy credit unions would borrow from the CLF and invest the proceeds in participating corporate credit unions. Credit unions participating in this program receive a spread of 25 basis points.

The CU HARP and CU SIP audio webcast will be posted within several days and

available for 90 days online at: [click here](#) and on the CLFwebsite: [click here](#).



The National Credit Union Administration charters and supervises federal credit unions. NCUA, with the backing of the full faith and credit of the U.S. government, operates and manages the National Credit Union Share Insurance Fund, insuring the accounts of 88.5 million account holders in all federal credit unions and the majority of state-chartered credit unions. NCUA is funded by credit unions, not federal tax dollars.

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