



For Details, Contact  
NCUA Public &  
Congressional Affairs  
E-mail: [pacamail@ncua.gov](mailto: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

### Vice Chairman Hood Discusses the Corporate Stabilization Program with Credit Union Members in Louisiana and Texas

February 13, 2009, Alexandria, Va. – National Credit Union Administration (NCUA) Vice Chairman Rodney E. Hood addressed the Louisiana Credit Union League's Large Asset Roundtable in Baton Rouge, LA on Wednesday, February 11th; followed by the Texas Credit Union League's Small Credit Union Meeting in Houston, TX on Thursday, February 12th. Mr. Hood took these opportunities to discuss and explain the recent action taken by the NCUA Board in an effort to stabilize the corporate credit unions.

"During these times of economic uncertainty, I feel that communication regarding the recent actions of the NCUA Board in an effort to stabilize the corporate credit unions is critical. I hope that other credit union's throughout the country follow your lead and take a proactive approach to provide our Agency with ideas and feedback regarding the corporate stabilization plan," said Hood.

Corporate credit unions provide investment and liquidity services to natural person credit unions, thus support of the corporate credit union system is essential as they face unprecedented strains on liquidity and capital due to extraordinary market disruptions. The recent actions taken by the NCUA Board provide natural person credit unions important safeguards by drawing upon the significant aggregate levels of capital currently in the credit union system.

The Vice Chairman went on to outline the actions approved by the NCUA Board which are designed to maintain liquidity, strengthen capital, and restructure the corporate system:

- Guarantee uninsured shares at all corporate credit unions through February 2009, and establish a voluntary guarantee program for uninsured shares of all

corporate credit unions through December 31, 2010.

- Issue a \$1 billion capital note to U.S. Central Corporate Federal Credit Union (U.S. Central).
- Issue an Advanced Notice of Public Rulemaking (ANPR) on restructuring the corporate credit union system.
- Declare a premium assessment to restore the National Credit Union Share Insurance Fund (NCUSIF) equity ratio to 1.30 percent, which will be collected in 2009.

For a complete and detailed explanation of the actions concerning NCUA's Corporate Stabilization Program, please visit: [click here](#).

In closing, Hood reiterated the importance of working together in the cooperative spirit that is the foundation of the credit union system. "It is imperative that all natural person credit unions continue to maintain their deposits in and continue their support of the corporate credit union system. We need everyone to work toward a safe and common goal of creating a safe and secure financial industry for the entire nation. The challenges ahead are many, but so too are the opportunities for you to demonstrate the credit union philosophy of People Helping People."

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 over 89 million account holders in all federal credit unions and the majority of state-chartered credit unions.

-NCUA-