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NCUA Media Advisory

NCUA Guaranteed Note Transaction Completed

With Finish of Fifth Deal in 2011, Proceeds Now Total Just Under \$24 Billion

April 1, 2011, Alexandria, Va. -- The National Credit Union Administration (NCUA) today announced that the NCUA Guaranteed Notes Trust 2011-R4 offering closed on Thursday, March 31, 2011. The transaction yielded approximately \$1.525 billion in proceeds from sales of the Trust's Senior Notes, and the coupon on the Senior Notes priced at 38 basis points over LIBOR, indicating strong investor interest. Collateral for the transaction consisted of previously issued residential mortgage-backed securities.

"The NCUA securitization program continues to perform well," commented NCUA Chairman Debbie Matz. "With ten deals now under our belt, credit unions should remain confident that NCUA is working to resolve the issues related to the corporate credit unions in as efficient and cost-effective manner as possible."

The latest transaction brings the total number of NCUA Guaranteed Notes (NGN) offerings to ten, with five deals completed in 2010 and five deals finished to date in 2011. NCUA has now securitized approximately 85 percent of the legacy assets originally targeted for securitization in order to fund deposits assumed by the bridge corporate credit unions.

Securitization proceeds now total approximately \$23.97 billion from all NGN transactions closed to date. NCUA anticipates completing the remaining NGN offerings during the next two months.

NCUA NGNs will receive regular payments of principal and interest from cash flows of related underlying securities. NCUA guarantees timely principal and interest payment on the NGNs, and that guaranty is backed by the full faith and credit of the United States.

Barclays Capital, New York, New York, serves as the sole structuring agent and bookrunner on these transactions. Purchase of NGNs is also available through a syndicate of co-managers and selling group members.

NCUA is the independent federal agency that regulates, charters and supervises federal credit unions. With the backing of the full faith and credit of the U.S. government, NCUA operates and manages the National Credit Union Share Insurance Fund, insuring the deposits of more than 90 million account holders in

all federal credit unions and the overwhelming majority of state-chartered credit unions.

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