



## NCUA Media Release

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# NCUA Places Birmingham Financial Federal Credit Union into Conservatorship

**Member Deposits Insured up to \$250,000, Member Services Uninterrupted**

**ALEXANDRIA, Va. (Oct. 27, 2011)** – The National Credit Union Administration (NCUA) today assumed control of service and operations at Birmingham Financial Federal Credit Union of Birmingham, Ala. While continuing normal member services in a new location, NCUA will work to resolve issues affecting the institution.

Deposits at Birmingham Financial FCU remain federally protected. Administered by NCUA, the National Credit Union Share Insurance Fund (NCUSIF) continues to insure individual accounts at Birmingham Financial FCU up to \$250,000. The NCUSIF, like the FDIC's Deposit Insurance Fund, has the backing of the full faith and credit of the U.S. Government.

Under conservatorship, the credit union moved to a new location. Members of Birmingham Financial FCU can access their accounts Monday – Friday from 10 a.m. to 2 p.m. at America's First FCU, 1200 4th Ave. North, Birmingham. The credit union's new phone number is: (205) 731-3527.

Service to Birmingham Financial FCU's 429 members will continue uninterrupted. Members can continue to conduct normal financial transactions—deposit and access funds, make loan payments, and use shares. Birmingham Financial FCU is a multiple bond chartered credit union that serves the employees of Birmingham Housing Authority and Birmingham Health Care who work in Birmingham. The credit union reported assets at \$1.3 million as of June 30.

The decision to conserve a credit union enables the institution to continue regular operations with expert management in place, correcting previous service and operational weaknesses. During conservatorship, members may therefore continue to conduct business at the credit union.

The Federal Credit Union Act authorizes the NCUA Board to appoint itself conservator when necessary to conserve the assets of a federally insured credit union, protect members' interests, or protect the NCUSIF. Birmingham Financial FCU is the eleventh federally insured credit union placed into conservatorship during 2011. Members who have questions about the conservatorship may review the Birmingham Financial FCU Frequently Asked Questions document attached to this release.

*NCUA is the independent federal agency created by the U.S. Congress to regulate, charter and supervise 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 91 million account holders in all federal credit unions and the overwhelming majority of state-chartered credit unions.*

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## **Birmingham Financial Federal Credit Union Frequently Asked Questions**

### Is my money safe and secure?

Yes, member accounts at Birmingham Financial Federal Credit Union remain safe and fully insured up to the maximums established in federal law.

The National Credit Union Share Insurance Fund (NCUSIF) insures individual accounts up to \$250,000 and joint accounts up to \$250,000 per member. The NCUSIF also separately protects IRA and KEOGH retirement accounts up to \$250,000.

The Share Insurance Estimator (<http://webapps.ncua.gov/ins/>) allows individuals to estimate their share insurance coverage. Once an individual inputs the required data, the Share Insurance Estimator produces a report with detailed explanations of insurance coverage.

Members with additional questions about their insurance coverage may contact the **National Credit Union Administration's Consumer Assistance Center toll free at 800-755-1030**. The center answers calls Monday through Friday between 8:00 a.m. and 6:00 p.m. Eastern Daylight Time. Individuals may also visit the [MyCreditUnion.gov](http://MyCreditUnion.gov) website [click here](#) at any time for more information about insurance coverage.

### What is the current status of Birmingham Financial Federal Credit Union?

The National Credit Union Administration (NCUA) placed Birmingham Financial Federal Credit Union into conservatorship on Oct. 27, 2011. Under conservatorship, the credit union moved to a new location. Members of Birmingham Financial FCU can access their accounts Monday – Friday from 10 a.m. to 2 p.m. at 1200 4<sup>th</sup> Ave. North, Birmingham, Ala. 35202.

In conservatorship, NCUA's priority is to protect the assets of the members of Birmingham Financial Federal Credit Union while working to maintain safe-and-sound credit union operations.

### What is the National Credit Union Administration?

An agency of the federal government, NCUA, among other things, operates and manages the NCUSIF. The NCUSIF insures accounts at all federal credit unions including Birmingham Financial Federal Credit Union.

### What is a conservatorship?

A conservatorship means that NCUA has assumed control of a credit union in order to ensure a credit union's financial stability and safe-and-sound operation. In a

conservatorship, NCUA works to address issues related to a credit union's operations and financial condition while maintaining member service.

Can I still conduct business at Birmingham Financial Federal Credit Union?

Yes, Birmingham Financial Federal Credit Union will remain open during the conservatorship. Under conservatorship, the credit union moved to a new location. Members of Birmingham Financial FCU can access their accounts Monday – Friday from 10 a.m. to 2 p.m. at 1200 4<sup>th</sup> Ave. North, Birmingham, Ala. 35202.

What are NCUA's plans for operations at Birmingham Financial Federal Credit Union?

Through a conservatorship, NCUA seeks to fix operating issues at a credit union with a goal of protecting member assets and seeking a resolution to identified problems.

How many members and branches are affected by the conservatorship?

Birmingham Financial Federal Credit Union operates in one location, and service to the credit union's more than 400 members continues.

What is the field of membership for Birmingham Financial Federal Credit Union?

The credit union has a multiple bond charter to provide financial services to employees of Birmingham Housing Authority who work in Birmingham, Alabama; employees of Birmingham Health Care, Inc. who work in Birmingham, Alabama; spouses of persons who died while within the field of membership of this credit union; persons retired as pensioners or annuitants from the above employment; and employees of this credit union, members of their immediate families and organizations of such persons.

How big is Birmingham Financial Federal Credit Union?

The credit union has approximately \$1.3 million in assets according to its most recent Call Report.

How long will this conservatorship last?

In working to resolve the issues affecting Birmingham Financial Federal Credit Union, NCUA's top priority is to protect the interests of the credit union's members. NCUA has no set timeframe for completing this resolution process.

What are NCUA's plans for the future of Birmingham Financial Federal Credit Union?

NCUA has made no decisions about the long-term future of the credit union. Continued credit union service for the members, however, is a priority.