



NCUA Media Release

NCUA Charters Internet Archive FCU

First New Charter in 2012 to Offer Services to 135,000 in New Jersey

ALEXANDRIA, Va. (Aug. 24, 2012) – The Office of Consumer Protection at the National Credit Union Administration (NCUA) approved the first new federal credit union (FCU) charter in 2012 today. Internet Archive FCU is a low-income designated, community credit union located in New Brunswick, N.J.

“Credit union membership has rapidly grown in recent quarters. With the opening of Internet Archive Federal Credit Union later this year, 135,000 more Americans will have access to a credit union, including many low-income families,” said NCUA Board Chairman Debbie Matz. “As it grows, NCUA’s Office of Small Credit Union Initiatives will offer assistance to help the credit union prosper. I congratulate everyone who worked to make this great idea a reality.”

Internet Archive FCU, the second credit union chartered in New Jersey during the past four years, will offer services to:

- People living, working, worshipping, attending school, or participating in associations headquartered in the city of New Brunswick, N.J., and the borough of Highland Park, N.J.
- Individuals participating in programs to alleviate poverty or distress that are located in the approved area.
- Incorporated and unincorporated organizations located in or maintaining a facility in the approved area, and organizations of such persons.

The new credit union is scheduled to open in October 2012. The credit union will offer regular share accounts, share secured loans, signature loans, and fund transfers to banks in Mexico through Directo a México, a payment system established jointly between the Federal Reserve Bank and Banco de México. Internet Archive FCU expects to offer auto loans, share certificates, share drafts, debit cards, ATM cards, online banking, bill payment, and shared branching during its first year.

NCUA designated Internet Archive FCU as a low-income credit union. This means a majority of the new credit union’s potential members earn 80 percent or less than the median family income in the metropolitan area. This special designation allows the credit union the ability to accept non-member deposits, obtain grants and loans from the Community Development Revolving Loan Fund, offer secondary capital accounts, and qualify for exemptions from statutory limits on member business lending.

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Internet Archive, a nonprofit funded in part by the Kahle/Austin Foundation, is sponsoring the new credit union. Created to build an Internet library, Internet Archive’s purpose is the offering of permanent access for researchers, historians, scholars, people with disabilities, and the general public to historical collections that exist in digital format.

Funding for the credit union includes secondary capital, a short-term uninsured source of capital for low-income designated credit unions. This funding, along with in-kind support from mentors, their computer vendor, and their officials, is supporting the services needed in the target community.

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

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