



Audio Conference Set On New Capital Initiative

Low-Income Credit Unions Will Hear Specifics on Application Process, Participation

February 19, 2010, Alexandria, Va. – National Credit Union Administration (NCUA) Chairman Debbie Matz and National Federation of Community Development Credit Unions (Federation) President/CEO Cliff Rosenthal today announced a joint Audio Conference on March 4 designed to provide low-income credit unions with specifics about the U.S. Treasury’s new Community Development Capital Initiative (CDCI) to encourage increased lending in low-income communities.

The new program enables Treasury to invest low-cost capital in certain financial institutions, including low-income credit unions (LICUs) that are certified as community development financial institutions (CDFIs). LICUs must apply for funding by April 2. Uncertified institutions must apply for CDFI certification by April 16, 2010. CDCI enables these credit unions to apply for up to 3.5 percent of total assets and not more than fifty percent (50%) of the capital and surplus of the LICU at an initial dividend rate of 2 percent. The program goal is to expand financial institution lending to small businesses, particularly in low-income areas.

"This audio conference will be an excellent 'how-to' introduction for credit unions interested in this promising new Capital Initiative," noted Chairman Matz. "Since the details were first unveiled early this month, there has been tremendous interest. I strongly encourage credit unions to take this opportunity to learn more about how this capital infusion could help them better serve their members and reach out to more consumers."

"The Community Development Capital Initiative has great potential to strengthen low-income, CDFI-certified credit unions and help them expand their lending and services in America's hardest-hit communities," Rosenthal commented. "The Federation encourages all low-income credit unions to seriously consider applying for this one-time program. I

hope that all eligible credit unions participate in what I am certain will be an informative, interesting session on March 4."

The **March 4** audio conference will begin at **2 p.m. [EST]**. It is open to all low-income designated credit unions interested in applying for secondary capital from the Treasury's Community Development Capital Initiative.

No registration is required. The call-in number for the **free, 60-minute audio conference** is (877) 293-6129. To access the conference, provide Conference ID Number: 58577856. Additional details about the initiative are available on CDFI Fund's website <http://www.ncua.gov/Resources/CreditUnionDevelopment/index.aspx>.

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 over 90 million account holders in all federal credit unions and the overwhelming majority of state-chartered credit unions.

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