

National Credit Union Administration
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NCUA Media Advisory

NCUA Issues Letter of Understanding and Agreement

April 30, 2010, Alexandria, Va., -- The National Credit Union Administration (NCUA) and the Commonwealth of Massachusetts Division of Banks have jointly issued a Letter of Understanding and Agreement to the officials of Tremont Credit Union, Braintree, Massachusetts, in order to restore the credit union to safe and sound operation.

The credit union board voted to accept the Letter of Understanding and Agreement formally recognizing the credit union's condition and committing to make a sustained, conscientious effort to correct noted adverse conditions, including:

- Insider abuse and self-dealing;
- Poor loan quality;
- Inadequate internal controls; and
- Weak management.

Violations of this agreement could result in NCUA initiating formal administration actions under the Federal Credit Union Act, such as, civil money penalties, cease and desist orders, removal and prohibition orders, or orders to liquidate, conserve or merge the credit union.

NCUA enforcement orders are online at: [click here](#) and may be inspected at NCUA's Office of General Counsel from 9 a.m. to 4 p.m. Monday through Friday. Copies may be ordered by mail from NCUA, 1775 Duke St., Alexandria, Va. 22314-3428.

The National Credit Union Administration charters and supervises federal credit unions. NCUA, with the backing of the full faith and credit of the U.S. government, operates and manages the National Credit Union Share Insurance Fund, insuring the accounts of over 90 million account holders in all federal credit unions and the majority of state-chartered credit unions. NCUA is funded by credit unions, not federal tax dollars.

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