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NCUA Media Release

Final 2010 NCUA Guaranteed Note Transaction Generates Robust Demand

Student Loan Securitization Yields \$1.1608 Billion

December 13, 2010, Alexandria, Va. – A National Credit Union Administration Guaranteed Note (NGN) student loan-based offering priced on Friday December 10, and is planned to close Friday December 17. With the transaction yielding \$1.16 billion, the coupon will pay 35 basis points over LIBOR, an indication of strong investor interest.

This offering concludes NGN offerings for 2010. NCUA has now completed 60 percent of the securitization designed to fund deposits assumed by the bridge corporate credit unions.

Total proceeds from the 2010 securitizations will stand at over \$17.75 billion. NCUA plans to resume NGN offerings in the first quarter of 2011.

“NCUA’s ongoing efforts to resolve the corporate situation have yielded very positive results. The financial success of the securitization is not only enabling NCUA to manage the disposition of troubled corporate credit unions, it is also allowing the credit union industry to pay for the losses without diminishing service to consumers,” noted NCUA Chairman Debbie Matz. “I am encouraged by the results in 2010, and by the promise that the future holds for the credit union industry as it emerges from the market dislocations.”

The NCUA NGNs will receive monthly payments of principal and interest from cash flows of related underlying securities, which are passed on to investors. Timely payment of principal and interest due to on the notes is guaranteed by NCUA, 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 this transaction. Purchase of NCUA NGNs can also be accomplished 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 over 90 million account holders in all federal credit unions and the overwhelming majority of state-chartered credit unions.

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