

National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428
www.ncua.gov

Media Contact: NCUA Office of
Public & Congressional Affairs
Phone: (703) 518-6330
Email: pacamail@ncua.gov



NCUA Media Release

NCUA Places AEA Federal Credit Union into Conservatorship

***Credit union open, operating and serving members;
Accounts federally insured up to \$250,000***

December 17, 2010 Alexandria, Va. – The National Credit Union Administration (NCUA) today assumed control of operations at AEA Federal Credit Union of Yuma, Arizona. NCUA’s goal is to continue credit union service to the members and ensure safe and sound credit union operations.

Member deposits are safe. Their accounts are insured up to \$250,000 by the National Credit Union Share Insurance Fund (NCUSIF), a federal fund managed by NCUA and backed by the full faith and credit of the U.S. Government.

Service to AEA’s 49,130 members continues uninterrupted. Members can continue to conduct normal financial transactions – deposit and access funds, make loan payments and use share drafts. AEA Federal Credit Union is a full service credit union, with assets of \$309 million, that provides financial service to people residing in Yuma and La Paz Counties, Arizona.

AEA Federal Credit Union was placed into conservatorship due to declining financial condition. The credit union is not adequately capitalized under standards set forth in the Federal Credit Act, and has earnings insufficient to enable it to continue under present management. The credit union’s difficulties stemmed from problems in its loan portfolio.

The decision to conserve a credit union enables the institution to continue normal operations with expert management in place correcting previous service and operational weaknesses.

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 and protect members’ interests or protect the NCUSIF.

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

- NCUA -