



## NCUA Media Release

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# ***Fourth Corporate DVD Track Details Legacy Asset Resolution***

**September 28, 2010, Alexandria, Va.** – The National Credit Union Administration (NCUA) today issued its fourth and final corporate presentation explaining the plan developed to resolve the legacy assets held by some of the nation’s largest corporate credit unions.

“Our comprehensive resolution plan involves isolating the legacy assets to prevent the need to sell them at severely distressed prices; securitizing them and giving them a U.S. government guarantee; and then selling them to investors on the open market,” Chairman Debbie Matz explains. “The proceeds that are raised by these sales will fund the legacy assets, a key component of the resolution process. This will help ensure that we resolve the situation at the lowest possible cost, consistent with sound public policy.

“Developed in close consultation with the U.S. Department of the Treasury and the Federal Reserve and building on the Temporary Corporate Credit Union Stabilization Fund, the corporate resolution plan is a combined measure that will allow credit unions to pay for losses from the legacy assets over time, rather than in one lump sum,” Chairman Matz concludes.

Track 4 is available today on NCUA’s website: [click here](#).

A comprehensive tool, Tracks 1 through 4 were produced to provide credit unions a thorough understanding of the background and prevailing situation concerning the nation’s corporate credit union system. The online videos detail the steps taken to help stabilize the corporate credit union system.

- Track 1 covers the history and services of corporate credit unions;
- Track 2 describes types of corporate credit union investments; how these investments were affected by financial market declines; and how problems with the investments affected corporates and threatened the entire credit union system.

- Track 3 focuses on NCUA efforts to stabilize the credit union system, ensure access to adequate liquidity and uninterrupted lending and payment processing, and achieve the least costly outcome for federally insured credit unions.
- Track 4 provides the plan developed to resolve the legacy assets held by the largest corporate credit unions.

The NCUA Board issued a final rule on the corporate credit union system September 24. The rule initiates a rigorous new regulatory framework for corporate credit unions, ensuring that a stronger set of safeguards will prevent a crisis of this magnitude from occurring again.

*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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