



NCUA Media Release

NCUA Activates Disaster Relief Policy after Hurricane Isaac

Share Deposits Remain Protected up to \$250,000; NCUA Works to Ensure Credit Union Members Receive Services

ALEXANDRIA, Va. (Aug. 29, 2012) – To protect consumers and ensure the continuity of credit union services after Hurricane Isaac, the National Credit Union Administration (NCUA) has activated the agency’s disaster relief policy.

First and foremost, consumers are reminded that share deposits at federally insured credit unions remain protected. Administered by NCUA and backed by the full faith and credit of the U.S. Government, the National Credit Union Share Insurance Fund (NCUSIF) continues to insure share accounts up to \$250,000.

Under the agency’s disaster relief policy in relation to communities affected by Hurricane Isaac, NCUA will, where necessary:

- Encourage credit unions to make prudent loans with special terms and reduced documentation to affected members.
- Reschedule routine examinations of affected credit unions, if necessary.
- Guarantee lines of credit for credit unions through the NCUSIF.
- Make loans to meet the liquidity needs of member credit unions through the Central Liquidity Facility.

NCUA additionally recognizes that Hurricane Isaac may have affected the orderly conduct of lending relationships with both individual members and member businesses. As a result, NCUA encourages credit unions to exercise prudent efforts to alter terms on existing loans for affected members. Actions may include:

- Extending the terms of loan repayments;
- Restructuring a borrower’s debt obligations; and
- Easing credit terms for new loans to certain borrowers, consistent with prudent practices.

As part of the response to Hurricane Isaac, NCUA examiners will survey credit unions operating in affected areas. While many credit unions remain open and operating business as usual, some affected credit unions and their branches may have curtailed hours or services.

During natural disasters, NCUA works with state regulators and state league organizations to ensure all federally insured credit unions know of NCUA’s available assistance. The agency’s examiners will therefore remain in close contact with credit unions affected by Hurricane Isaac to offer advice and to provide material and technical assistance, as needed.

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Federal credit unions may also provide assistance to other credit unions, their members, and non-members in the affected areas, under certain conditions:

- Emergency financial services for non-members, including check cashing, access to ATM networks, or other services to meet short-term emergency needs of individuals in the areas affected, can be provided under the authority to engage in charitable activities. Federal credit unions providing services on this charitable basis may not impose charges for services that exceed their direct costs.
- A federal credit union may provide services to other credit unions that it is authorized to perform for its own members or as part of its operations. This activity is part of a federal credit union’s incidental powers, so it may impose charges for these services.

Institutions in need of assistance in dealing with members affected by this disaster should contact their primary supervisory official. Members needing assistance should call NCUA’s Hurricane Isaac toll-free hotline at (888) 584-6847. Operators will answer calls Monday through Friday between 8 a.m. and 6 p.m. Eastern.

NCUA is the independent federal agency created by the U.S. Congress to regulate, charter, and supervise 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 nearly 93 million account holders in all federal credit unions and the overwhelming majority of state-chartered credit unions.

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