



NCUA Media Release

NCUA Activates Disaster Relief Policy and Hotline after Hurricane Sandy Strikes

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

ALEXANDRIA, Va. (Oct. 30, 2012) – To protect consumers and ensure the continuity of credit union services after Hurricane Sandy, the National Credit Union Administration (NCUA) has activated the agency’s disaster relief policy, including opening the agency’s toll-free consumer assistance hotline to answer financial questions related to the emergency.

“Hurricane Sandy is a forceful storm that requires a forceful response,” NCUA Board Chairman Debbie Matz said. “NCUA is already reaching out to storm-affected credit unions to determine their needs and opening the agency’s toll-free hotline to answer consumer questions related to their financial services options after Hurricane Sandy. As always, consumers can rest easy knowing that their deposits at federally insured credit unions are safe.”

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) insures share accounts up to \$250,000.

Credit union members needing emergency assistance related to Hurricane Sandy should call NCUA’s toll-free consumer assistance hotline at (800) 755-1030 and press the appropriate option. Operators will answer calls Monday through Friday between 8 a.m. and 5 p.m. Eastern.

Under the agency’s disaster relief policy in relation to communities affected by Hurricane Sandy, 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 Sandy 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:

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- 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 Sandy, NCUA examiners are surveying credit unions operating in affected areas. Some credit unions and their branches in locations affected by the storm 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 Sandy to offer advice and to provide material and technical assistance, as needed.

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.

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 more than 93 million account holders in all federal credit unions and the overwhelming majority of state-chartered credit unions.

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