

Sample Letter from the CEO

On September 24, 2010, the National Credit Union Administration (NCUA) – the federal government agency that regulates credit unions in the U.S. – took steps to help stabilize the corporate credit union system. NCUA’s actions have not impacted your deposits at XYZ Credit Union.

Business at XYZ Credit Union is continuing as usual. The same level of quality service you receive from our credit union will continue. Our service to you is not affected by these government actions. Your funds here are perfectly safe. Our credit union is federally insured up to \$250,000 by the National Credit Union Share Insurance Fund and backed by the full faith and credit of the U.S. Government, just as the FDIC does for bank deposits. No credit union member has ever lost a dime of federally insured funds.

It is important to remember that while credit unions have experienced some collateral damage during this recession (from member job losses, declining home values), we did not cause the problems we are seeing in the economy. Congressman Barney Frank, the chairman of the House Financial Services Committee, has said more than once that “If credit unions made all of the mortgage loans, then there would have been no subprime crisis, and therefore no economic crisis.” In today’s economy, regular credit unions like ours that serve consumers continue to be a safe haven and offer great value. Our credit union is very well capitalized with a capital cushion of (XX%); stronger than you would find at many banks. This capital means our credit union is well positioned to absorb the costs of this action by the agency with minimal outward impact on our members.

XYZ credit union has been serving members for (XX) years, through good times and bad. We are safe, secure, a great value for consumers ... and we are well positioned to remain strong.

Sincerely,

CEO

(Contact info)