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Media Advisory

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Vice Chairman Hood Stresses Member Business Lending to CUSO Leaders

November 2, 2006, Alexandria, VA- National Credit Union Administration (NCUA) Vice Chairman Rodney E. Hood served as the opening Keynote speaker for the NACUSO 2006 Business Services Collaborative in Chicago, Illinois. The Vice Chairman welcomed the audience of CUSO and credit union leaders to the event and commended them for their part in strengthening the economy, especially by helping America's credit unions offer Member Business Lending services to their members.

"Since small businesses create two out of every three new jobs in America, it is absolutely vital that credit unions are able to meet the entrepreneurial needs of their members so they may launch and expand successful businesses," said Vice Chairman Hood. "I realize that many credit unions do not have the necessary infrastructure to take full advantage of Member Business Lending. CUSOs provide a wonderful and proven mechanism to provide Member Business Lending and help credit unions mitigate risks through balance sheet diversification. I have visited many CUSOs, especially during Small Business Week, and seen firsthand their cost effective and results oriented approach to accomplish Member Business Lending without additional infrastructure cost."

In highlighting the importance of Member Business Lending, Vice Chairman Hood cited the most recent economic statistics which state that under President Bush's leadership, 1.7 million jobs have been created over the past 12 months, and more than 6.6 million jobs have been created since August 2003, which is greater than all the other major industrialized nations combined. The American economy has added new jobs for 37 straight months, while the unemployment rate is 4.6 percent – below the average of each of the past three decades.

"I am very proud of the role America's credit unions continue to have in making the economy strong," stated Hood. "As your regulator, it is a priority of mine to achieve safety and soundness while maintaining the flexibility which allows credit unions to provide the services which make the American dream a reality for your members."

The National Credit Union Administration is the independent federal agency that regulates, charters and supervises federal credit unions. NCUA, with the backing of the full faith and credit of the U.S. government, also operates and manages the National Credit Union Share Insurance Fund, insuring the deposits of nearly 85 million account holders in all federal credit unions and the majority of state-chartered credit unions.