

## AGREEMENT BETWEEN

### THE NATIONAL CREDIT UNION ADMINISTRATION BOARD AND [NAME OF PARTICIPATING CORPORATE CU]

#### REGARDING THE CREDIT UNION SYSTEM INVESTMENT PROGRAM

**THIS AGREEMENT** is made and entered into on \_\_\_\_\_, by [Name of Corporate] Credit Union (hereinafter "CORPORATE"), a retail corporate credit union organized under the laws of [the United States of America/state of \_\_\_\_\_] doing business at [address of Corporate] and the National Credit Union Administration Board (hereinafter "BOARD"), the managing body of the National Credit Union Administration (hereinafter "NCUA") and the National Credit Union Share Insurance Fund (hereinafter "NCUSIF") pursuant to the Federal Credit Union Act, 12 U.S.C. 1751, et. Seq. (the "Act").

**Whereas**, Title III of the Act authorizes the BOARD to prescribe the manner in which the general business of the CLF shall be conducted and to enter into agreements with public and private organizations such as CORPORATE, and

**Whereas**, the BOARD is implementing the Credit Union System Investment Program ("CU SIP") through the CLF, and

**Whereas**, the CU SIP is designed to benefit CORPORATE by providing CORPORATE a source of liquidity to replace existing, more onerous sources of liquidity;

**NOW, THEREAFTER**, in consideration of the BOARD's determination to permit CORPORATE to participate in the CU SIP, BOARD and CORPORATE agree as follows:

1. *Summary of CU SIP.* The CLF will make CU SIP advances to eligible natural person credit unions ("NPCUs") in an aggregate initial amount up to \$500 million. CLF may expand the CU SIP offering amount. CU SIP advances will have a term of one year, and will be fully secured by collateral of the NPCU. NPCUs will invest the CU SIP advances in NCUSIF- guaranteed senior debt of participating corporate credit unions (including CORPORATE) with terms of one year ("CU SIP notes"). Interest on the CU SIP note will be paid semiannually and will be calculated at the CLF advance rate plus 25 basis points. The CU SIP is designed to benefit participating corporate credit unions

by allowing a corporate credit union to replace borrowings from outside the credit union system that have onerous conditions and collateral requirements with less onerous borrowings from NPCUs. More detailed information about CU SIP is contained in the attached CU SIP Term Sheet (“Attachment”).

2. *CU SIP subscription process.* CORPORATE agrees to assist U.S. Central Federal Credit Union (the “Agent Group Representative,” or “AGR”) and the CLF in processing NPCU requests to participate in the initial CU SIP subscription and any subsequent CU SIP subscriptions as described in the Attachment. CORPORATE agrees to comply with all processing deadlines established in the Attachment.

3. *Issuance of CU SIP notes.* CORPORATE agrees that CLF will determine, in the CLF’s discretion, which NPCUs will purchase CORPORATE’s CU SIP notes, and the dollar amount of the CU SIP notes issued to each NPCU. CORPORATE agrees that it will issue its CU SIP notes through the AGR in the AGR’s capacity as the CORPORATE’s issuing and paying agent. CORPORATE further agrees that the AGR may use the Agent loan proceeds related to a CU SIP advance to fund the CU SIP note purchase in lieu of providing the NPCU with the cash proceeds of the CLF advance.

4. *Compliance with TCCULGP requirements.* CORPORATE must ensure that all CU SIP notes issued by CORPORATE meet the requirements of the Temporary Corporate Credit Union Liquidity Guarantee Program (TCCULGP) and so are guaranteed by the NCUSIF. For example, if issuance of the CU SIP notes or Credit Union Home Ownership Relief Program (CU HARP) notes could cause CORPORATE to exceed its aggregate limit on TCCULGP-guaranteed obligations, CORPORATE must request and receive approval from the Director of the Office of Corporate Credit Unions to increase its aggregate TCCULGP limit before CORPORATE issues the notes. For purposes of the CU SIP and CU HARP, however, the BOARD agrees to waive the generic prohibition on the use of the proceeds from TCCULGP-guaranteed obligations to prepay existing debt.

5. *Use of proceeds from CU SIP notes.*

a. CORPORATE agrees that it will use the proceeds from its issuance of CU SIP notes (“CU SIP proceeds”) to immediately reduce, on a dollar-for-dollar basis, CORPORATE’s obligations to a Federal Reserve Bank, a Federal Home Loan Bank (FHLB), or other secured lenders external to the credit union system (“external lenders”). CORPORATE agrees that it will use the proceeds from its CU SIP issuances to first reduce its obligations to a Federal Reserve Bank to a zero amount before it reduces its obligations to a FHLB or any other external lenders. CORPORATE agrees that when its obligations to a Federal Reserve

Bank are reduced to zero, it will then reduce its obligations to a FHLB to zero before it reduces its obligations to any other external lenders. In extraordinary circumstances, CORPORATE may request CLF modify the requirements of this paragraph and, if CLF consents in writing, CORPORATE may use CU SIP proceeds as directed by the CLF.

b. CLF may request information from CORPORATE about CORPORATE's borrowings from external lenders. CORPORATE agrees to comply immediately with any such information request.

6. *Reporting.* CORPORATE agrees to provide AGR with the following information under procedures established by the AGR.

a. Within 30 days of the issuance of any CU SIP note, CORPORATE agrees to notify AGR in writing of the CORPORATE liabilities that were reduced or eliminated with the proceeds of the note. CORPORATE will provide the AGR with sufficient information to match particular liabilities with particular CU SIP notes on a dollar-for-dollar basis.

b. Ninety days prior to the maturity of any CU SIP notes, CORPORATE will inform AGR in writing of the source of liquidity CORPORATE will use to repay the CU SIP principal.

7. *Costs.* CORPORATE agrees to perform all of its obligations under this agreement, including its responsibilities to process CU SIP participation requests and to report to the AGR, at no cost to the NCUA, the CLF, the AGR, any state regulatory agencies, or to the NPCUs that participate in the CU SIP.

8. *Changes to CU SIP.* CORPORATE understands that the CLF may modify the terms and conditions of the CU SIP, or terminate it, at any time and at the discretion of the CLF.

9. *Modification or assignment.* This agreement cannot be modified, nor can the rights or benefits described above be assigned to any third-party, without the prior written consent of both BOARD and CORPORATE.

10. *Termination.* This agreement will continue in effect unless terminated by written notice delivered by one party to the other party. Termination will not affect the obligations of the parties described above for any CU SIP note issued prior to the date of termination of this agreement.

**NATIONAL CREDIT UNION ADMINISTRATION BOARD**

BY: \_\_\_\_\_ Date: \_\_\_\_\_

TITLE: President, Central Liquidity Facility  
Pursuant to delegated authority

**[NAME OF CORPORATE]**

BY: \_\_\_\_\_ Date: \_\_\_\_\_

TITLE: \_\_\_\_\_