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## Media Release

FOR IMMEDIATE RELEASE

### NCUA Responds to Wings FCU Proposal

Alexandria, Va., April 17, 2007 – NCUA has reviewed the offer by Wings Federal Credit Union (Wings) to pay members of Continental Federal Credit Union (Continental) \$200 apiece if Continental merges with Wings, and has informed Wings that the payment is impermissible under the provisions of the Federal Credit Union Act. NCUA has advised Wings that its proposal, made in connection with a campaign to encourage members of Continental to support a merger of Continental into Wings, would constitute the equivalent of a pre-merger dividend to Continental's members to accomplish a partial equalization of shares. Furthermore, NCUA has informed Wings that the FCU Act does not allow per capita dividend payments, and that no other legal authority exists for a Federal credit union to make this kind of payment. Additionally, the unilateral promise of a dividend by the continuing credit union in a proposed merger, without the approval of the merging credit union, is not permitted.

Accordingly, NCUA has requested that Wings FCU discontinue the activity in question.

The National Credit Union Administration charters and supervises federal credit unions. NCUA, with the backing of the full faith and credit of the U.S. government, operates and manages the National Credit Union Share Insurance Fund, insuring the accounts of over 85 million account holders in all federal credit unions and the majority of state-chartered credit unions. NCUA is funded by credit unions, not federal tax dollars.