



NCUA Media Release

NCUA Charters Lakota Federal Credit Union

40,000 on South Dakota Reservation Gain Access to Financial Services

ALEXANDRIA, Va. (Aug. 29, 2012) – The Office of Consumer Protection at the National Credit Union Administration (NCUA) approved the second new federal credit union (FCU) charter in 2012 today. Lakota FCU, a community credit union with a low-income designation, will serve the approximately 40,000 people who live, work, worship, volunteer, attend school, and transact business on the Pine Ridge Reservation in South Dakota.

“Every American deserves access to affordable financial services,” said NCUA Board Chairman Debbie Matz. “Unfortunately, many Native Americans on reservations only have access to predatory lenders. Lakota Federal Credit Union has the potential to play an important role on a 2.2 million-acre reservation that has no other access to federally insured financial services. I commend those individuals who worked so hard to establish this Native American credit union.”

Lakota FCU expects to open in November 2012. During its first year of operations, the credit union plans to offer regular shares, share certificates, unsecured loans, share secured loans, auto loans, money orders, cashier checks, direct deposits, wire transfers, and check cashing. To reach a geographically dispersed field of membership, the credit union also plans to offer ATM cards, online banking, and audio response. The credit union has arranged for a third-party vendor to place multiple ATM machines in strategic locations throughout the reservation. Financial literacy and membership education initiatives are top priorities for the credit union.

NCUA has designated Lakota FCU as a low-income credit union. This means a majority of the new credit union’s potential members earn 80 percent or less than the national, non-metropolitan area median family income. This special designation allows the credit union the ability to accept non-member deposits, obtain grants and loans from the Community Development Revolving Loan Fund, offer secondary capital accounts, and qualify for exemptions from statutory limits on member business lending. NCUA’s Office of Small Credit Union Initiatives will also provide assistance to the new credit union.

Lakota Funds, a 26-year-old non-profit Community Development Financial Institution located in Kyle, S.D., is sponsoring the new credit union. The mission of Lakota Funds is to lead an economic resurgence of the Oglala Lakota Oyate tribe on the Pine Ridge Reservation through cultural strategies reigniting the traditional Lakota spirit of productivity, commerce, and trade.

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Through the offering of business loans, Lakota Funds plays a vital role in improving life for Oglala Lakota people by placing capital with new and growing businesses on the Pine Ridge Reservation. Using the financial institution experience of Lakota Funds, Lakota FCU will be able to strategically serve its members with their consumer financial needs.

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

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