

UNITED STATES DEPARTMENT OF THE TREASURY
1500 PENNSYLVANIA AVENUE, NW
WASHINGTON, D.C. 20220

Dear Ladies and Gentlemen:

The credit union set forth on the signature page hereto (the “*Credit Union*”) intends to issue in a private placement the subordinated debentures set forth on Schedule A hereto (the “*Senior Subordinated Securities*”) and the United States Department of the Treasury (the “*Investor*”) intends to purchase from the Credit Union the Senior Subordinated Securities.

The purpose of this letter agreement is to confirm the terms and conditions of the purchase by the Investor of the Senior Subordinated Securities. Except to the extent supplemented or superseded by the terms set forth herein or in the Schedules hereto, the provisions contained in the Securities Purchase Agreement – Standard Terms attached hereto as Exhibit A (the “*Securities Purchase Agreement*”) are incorporated by reference herein. Terms that are defined in the Securities Purchase Agreement are used in this letter agreement as so defined. In the event of any inconsistency between this letter agreement and the Securities Purchase Agreement, the terms of this letter agreement shall govern.

Each of the Credit Union and the Investor hereby confirms its agreement with the other party with respect to the issuance by the Credit Union of the Senior Subordinated Securities and the purchase by the Investor of the Senior Subordinated Securities pursuant to this letter agreement and the Securities Purchase Agreement on the terms specified on Schedule A hereto.

This letter agreement (including the Schedules hereto), the Securities Purchase Agreement (including the Annexes thereto) and the Disclosure Schedules (as defined in the Securities Purchase Agreement) constitute the entire agreement, and supersede all other prior agreements, understandings, representations and warranties, both written and oral, between the parties, with respect to the subject matter hereof. This letter agreement constitutes the “*Letter Agreement*” referred to in the Securities Purchase Agreement.

This letter agreement may be executed in any number of separate counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts will together constitute the same agreement. Executed signature pages to this letter agreement may be delivered by facsimile and such facsimiles will be deemed as sufficient as if actual signature pages had been delivered.

* * *

In witness whereof, this letter agreement has been duly executed and delivered by the duly authorized representatives of the parties hereto as of the date written below.

UNITED STATES DEPARTMENT OF THE
TREASURY

By:

Name: _____

Title: _____

CREDIT UNION:

By:

Name: _____

Title: _____

Date: _____, 2010

SCHEDULE A

ADDITIONAL TERMS AND CONDITIONS

Credit Union Information:

Name of the Credit Union:

Organizational Form:

Jurisdiction of Organization:

Appropriate Supervisory Authority:

Notice Information:

Terms of the Purchase:

Original Aggregate Principal
Amount of Senior
Subordinated Securities in the
form of Annex A purchased:¹

Denomination amount: \$1,000.00

Maturity: [8][13] years

Ranking: Subordinate to claims of creditors, shareholders and the National Credit Union Share Insurance Fund.

Interest Rate: 2% per annum until the eighth anniversary of the date hereof, and thereafter at a rate of 9% per annum.

Interest Payment Dates: Quarterly, in arrears, February 15, May 15, August 15 and November 15 of each year.

Restriction on Acceleration: Principal and accrued interest may only become immediately due and payable (*i.e.* accelerated) upon the occurrence of an Event of Default.

¹ The Principal Amount shall be equal to not more than three and a half percent (3.5%) of the Credit Union's total assets and not more than fifty percent (50%) of the capital and surplus of the Credit Union.

Closing:

Location of Closing:

Time of Closing:

Date of Closing:

Wire Information for Closing:

ABA Number:

Bank:

Account Name:

Account Number:

Beneficiary:

Contact for Confirmation of Wire Information:

SCHEDULE B

CAPITALIZATION

Capitalization Date:

Capital Interests

Type of Interest (Member Shares, etc.):

Par Value:

Outstanding (aggregate dollar amount of Member Shares as of Capitalization Date):

Subordinated Debt:

Type:

Amount Outstanding:

Amount Qualifying as Secondary Capital:

[Private Capital]

Type of Interest representing Private Capital:

Par value:

Date of issuance of Private Capital:]

Additional Dividends (special dividends in excess of stated dividend rates payable on share accounts, etc.) Paid in 2009:

Total Dividends Paid in 2009:

Holders of 5% or more of
Member Shares

Primary Address

Holders of Other Capital Instruments

Primary Address

Describe any commitments to authorize, issue or sell Capital Interests (other than in connection with the ordinary course issuance of shares to new members):

If none, please so indicate by checking the box: ☐.

SCHEDULE C

MATERIAL ADVERSE EFFECT

List any exceptions to the representation and warranty in Section 3.1(g) of the Securities Purchase Agreement – Standard Terms.

If none, please so indicate by checking the box: ☐.

SCHEDULE D

LITIGATION

List any exceptions to the representation and warranty in Section 3.1(l) of the Securities Purchase Agreement – Standard Terms.

If none, please so indicate by checking the box: ☐.

SCHEDULE E

COMPLIANCE WITH LAWS

List any exceptions to the representation and warranty in the second sentence of Section 3.1(m) of the Securities Purchase Agreement – Standard Terms.

If none, please so indicate by checking the box: ☐.

List any exceptions to the representation and warranty in the last sentence of Section 3.1(m) of the Securities Purchase Agreement – Standard Terms.

If none, please so indicate by checking the box: ☐.

SCHEDULE F

REGULATORY AGREEMENTS

List any exceptions to the representation and warranty in Section 3.1(s) of the Securities Purchase Agreement – Standard Terms.

If none, please so indicate by checking the box: ☐.