

Southeast Corporate won't recapitalize; moves to alternative merger plan

TALLAHASSEE, Fla. (Aug. 26, 2011) – Southeast Corporate Federal Credit Union announced that its capital commitments received fell short of the \$80 million goal necessary to operate as a stand-alone corporate. As a result, all member capital commitments received will be canceled.

Along with its recapitalization efforts, Southeast Corporate has been working on alternative solutions and is well into the process of identifying a merger partner.

“We appreciate the many members who supported our efforts with capital commitments and also thank every member for giving their time and consideration to Southeast Corporate during this process. We all knew the challenges facing the corporate system, and Southeast Corporate specifically, were significant,” said Brad Miller, President/CEO of Southeast Corporate.

“While there is uncertainty in any alternative, our objectives in a merger remain the same as they were for recapitalization – protecting and preserving member capital, maintaining continuity of service, and creating long-term value for members.”

Southeast Corporate has assessed the ability of several corporates to meet member objectives and from this review, has narrowed the focus to a short list of potential merger candidates that can provide the best alternative option for the member/owners of Southeast Corporate.

“We’re conducting due diligence now and expect to announce our preferred merger partner soon,” Miller said. “The merger plan, which must be approved by NCUA, will be brought to our member/owners for approval, giving them ample time to evaluate and make decisions regarding current service activity and the business plan for the merged organization. Our members can be assured that they will continue to receive uninterrupted service from Southeast Corporate as this alternative process proceeds.”

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