

NCUA LETTER TO FEDERAL CREDIT UNIONS

**NATIONAL CREDIT UNION ADMINISTRATION
1775 Duke Street, Alexandria, VA**

DATE: January 2003 LETTER NO.: 03-FCU-01
TO: All Federal Credit Unions
SUBJ: Operating Fee Schedule for FY 2003
ENCL: Operating Fee Schedule for FY 2003

Dear Manager and Board of Directors:

In March 2003, you will receive an invoice from NCUA for your 2003 operating fee and, if required, for the amount needed to adjust your National Credit Union Share Insurance Fund (NCUSIF) capitalization deposit to one percent of insured shares. The operating fee and the capitalization deposit adjustment will be based upon the assets and the insured shares you report as of December 31, 2002. Your combined payment will be due on Monday, April 14, 2003.

The 2003 operating fee rate will decrease by 2.13 percent from the 2002 rate. The change is primarily due to a decrease in the agency's operating expenses.

In addition, an adjustment of the rate bracket dividing points will be changed by 12 percent. These dividing points are adjusted each year by the same percentage as the projected federal credit union asset growth to maintain the same relationship of the scale to the asset base.

For 2003, the same operating fee scale will remain in effect for corporate federal credit unions. The scales are printed on the back of this letter.

If you have any questions regarding this letter, please contact the Office of the Chief Financial Officer at (703) 518-6570.

Sincerely,

/S/

Dennis Dollar
Chairman

OPERATING FEE SCHEDULE FOR FY 2003

FOR NATURAL PERSON FEDERAL CREDIT UNIONS

Total Assets		Assessment Rate
over	but not more than	
\$ 0	\$500,000	\$0.00
\$500,000	\$750,000	\$100.00
\$750,000	\$627,793,830	0.00022843 x total assets
\$627,793,830	\$1,899,694,700	\$143,406.94 + 0.00006657 x total assets over \$627,793,830
\$1,899,694,700	and over	\$228,077.38 + 0.00002222 x total assets over \$1,899,694,700

FOR CORPORATE CREDIT UNIONS

\$ 2,854.89 plus 0.0002234 of assets over \$5,000,000*
 \$ 6,110.11 plus 0.0002111 of assets over \$20,000,000
 \$12,367.25 plus 0.0001987 of assets over \$50,000,000
 \$22,362.33 plus 0.0000123 of assets over \$100,000,000

* The federal credit union operating fee scale is used for corporate federal credit unions with assets under \$5,000,000.