

NCUA LETTER TO CREDIT UNIONS

NCUA LETTER NO. 181

DATE: November 1995

Dear Manager and Board of Directors:

In February 1996, you will receive an invoice from NCUA for your 1996 operating fee and, if required, for the amount needed to adjust your National Credit Union Share Insurance Fund (NCUSIF) capitalization deposit to 1 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, 1995. Your combined payment will be due on April 15, 1996.

For the third year in a row, the operating fee assessment rates have been reduced. In 1994, the rate was reduced by 5.9 percent, in 1995, it was reduced by 7.3 percent, and in 1996, the rate has been reduced by 6.6 percent. In addition, the first 2 brackets of the fee scale have been restructured to (1) exempt all federal credit unions with assets of \$500,000 and less, and (2) assess a minimum fee of \$ 100 all federal credit unions with assets more than \$500,000 but equal to or less than \$750,000.

The other change to the fee scale is the adjustment of the rate bracket dividing points by 6 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.

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

We are continuing our Automated Clearing House (ACH) program so that you can pay your operating fee and the NCUSIF deposit adjustment electronically. Participation in this program allows you to call toll free, using a confidential PIN number, to specify the amount and the date of your payment.

If you have any questions regarding the rates, the invoice you will receive, or want to participate in the ACH program, please call or write your NCUA regional office.

For the National Credit Union
Administration Board,

Norman E. D'Amours
Chairman

Total Assets		Assessment Rate
over	but not more than	
\$0	\$500,000	\$0.00
\$500,000	\$750,000	\$100.00
\$750,000	\$406,867,220,	0.0002512 X total assets
\$406,867,220	\$1,231,174,100	\$102,250.05 + 0.0000732 X total
\$1,231,174,100	and over	assets over \$406,867,220 \$162,589.31 + 0.00002444 X total assets over \$1,231,174,100

\$2,854.89 plus 0.2234 per \$ 1,000 of assets over \$5,000,000*
 \$6,110.11 plus 0.2111 per \$1,000 of assets over \$20,000,000
 \$12,367.25 plus 0.1987 per \$1,000 of assets over \$50,000,000
 \$22,362.33 plus 0.0123 per \$1,000 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.