

NCUA LETTER TO FEDERAL CREDIT UNIONS

NATIONAL CREDIT UNION ADMINISTRATION

1775 Duke Street, Alexandria, VA 22314

DATE: February 3, 1997

LETTER NO.: 97-FCU-1

Dear Manager and Board of Directors:

In March 1997, you will receive an invoice from NCUA for your 1997 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, 1996. Your combined payment will be due on April 15, 1997.

For the fourth 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; in 1996, it was reduced by 6.6 percent; and in 1997, the rate has been reduced by 2.9 percent.

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

Once again, 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 if you wish to participate in the ACH program, please call or write your NCUA regional office.

For the National Credit Union Administration Board,

/S/

Norman E. D'Amours

Chairman

OPERATING FEE SCHEDULE FOR FY 1997

Total Assets		Assessment Rate
<u>over</u>	<u>but not more than</u>	
\$ 0	\$500,000	\$0.00
\$500,000	\$750,000	\$100.00
\$750,000	\$435,347,925	0.0002439 X total assets

\$435,347,925	\$1,317,356,287	\$106,181.36 + 0.0000711 X total assets over \$435,347,925
\$1,317,356,287 and over		\$168,892.15 + 0.00002373 X total assets over \$1,317,356,287

CORPORATE FEDERAL CREDIT UNION FEE SCALE

\$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.

sent via ms-mail to all NCUA staff 2/5/97.