

NCUA LETTER TO FEDERAL CREDIT UNIONS

NATIONAL CREDIT UNION ADMINISTRATION

1775 Duke Street, Alexandria, VA 22314

DATE: January 1999 LETTER NO.: 99-FCU-1

Dear Manager and Board of Directors:

In March 1999, you will receive an invoice from NCUA for your 1999 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, 1998. Your combined payment will be due on April 15, 1999.

The 1999 operating fee rate will remain the same as the 1998 rate. The only change to the fee scale is the adjustment of the rate bracket dividing points by 5.5 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 1999, 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.

For the National Credit Union Administration Board,

/S/

Norman E. D'Amours

Chairman

Attachment

1999 OPERATING FEE SCALE

Total Assets Assessment Rate

over but not more than

\$ 0 \$500,000 \$0.00

\$500,000 \$750,000 \$100.00

\$750,000 \$474,448,699 0.0002665 X total assets

\$474,448,699 \$1,435,674,641 \$126,440.58 + 0.00007768 X

total assets over \$474,448,699

\$1,435,674,641 and over \$201,108.61 + 0.00002592 X

total assets over \$1,435,674,641

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.