

## BOARD ACTION MEMORANDUM

**TO:** NCUA Board

**DATE:** October 22, 2009

**FROM:** Robert M. Fenner  
Office of General Counsel

**SUBJ:** Final Rule, NCUSIF Premium and One  
Percent Deposit, 12 C.F.R. §741.4

**ACTION REQUESTED:** Board approval to issue final rule amending 12 C.F.R. §741.4 clarifying calculations for premiums and deposit recapitalizations for credit unions insured by the National Credit Union Share Insurance Fund (NCUSIF) for only a portion of a year.

**DATE ACTION REQUESTED:** November 19, 2009.

**OTHER OFFICES CONSULTED:** Office of Examination and Insurance, Office of the Chief Financial Officer, All Regional Directors, Office of Small Credit Union Initiatives.

**VIEWS OF OTHER OFFICES CONSULTED:** Concur.

**SUBMITTED TO INSPECTOR GENERAL FOR REVIEW:** Yes.

**BUDGET IMPACT, IF ANY:** None.

**RESPONSIBLE STAFF PERSONS:** Elizabeth Wirick, Staff Attorney, Office of General Counsel.

**SUMMARY:** Section 741.4 addresses the capitalization and maintenance of the National Credit Union Share Insurance Fund (NCUSIF). The current rule, however, does not adequately address how premiums and deposit recapitalizations are calculated when a credit union either enters or departs NCUSIF in a year with an assessment. The revisions include specific calculations for assessments and distributions for institutions entering or leaving NCUSIF. Examples of how the calculations apply to various situations are addressed in a new appendix A to Part 741.

**RECOMMENDED ACTION:** Recommend Board approval to issue the final rule revising §741.4.

**ATTACHMENTS:** Final rule.