

NCUA LETTER TO FEDERAL CREDIT UNIONS

NATIONAL CREDIT UNION ADMINISTRATION 1775 Duke Street, Alexandria, VA 22314

DATE: January 2005 **LETTER NO.:** 05-FCU-01
TO: All Federal Credit Unions
SUBJ: Operating Fee Schedule for FY 2005

Dear Manager and Board of Directors:

In March 2005, you will receive an invoice from NCUA for your 2005 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 that you report as of December 31, 2004. Your combined payment will be due no later than Friday, April 15, 2005.

For natural person federal credit unions, there are changes with the operating fee scale. The 2005 assessment rate has decreased by 1.23 percent from the 2004 rate. The change is primarily due to a decrease in the agency's operating budget for calendar year 2005. In addition, amounts for total assets within rate bracket categories (asset dividing points) have been increased by 6.25 percent. These amounts are adjusted each year by the same percentage as the projected federal credit union asset growth in order to maintain the same relationship of the scale to the asset base. For corporate credit unions, the same operating fee scale as the prior year will remain in effect. The scales are printed on the back of this letter.

Please note that the \$9.0 million operating fee refund, which related to FY 2004, is separate from the operating fee assessment for FY 2005. This refund was distributed to federal credit unions in December 2004.

If you have any questions regarding this letter, including receipt of your 2004 operating fee refund, please contact the Office of the Chief Financial Officer at (703) 518-6570.

Sincerely,

/s/

JoAnn M. Johnson
Chairman

Enclosure

OPERATING FEE SCHEDULE FOR FY 2005

FOR NATURAL PERSON FEDERAL CREDIT UNIONS

Total Assets	Assessment Rate
Rate bracket categories:	
over	but not more than
\$0	\$500,000 \$0.00
\$500,000	\$750,000 \$100.00
\$750,000	\$733,734,039 0.00021025 x total assets
\$733,734,039	\$2,220,268,181 \$154,267.58 + 0.00006128 x total assets over \$733,734,039
\$2,220,268,181	and over \$245,362.39 + 0.00002046 x total assets over \$2,220,268,181

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