

Sample: NWRP/RBP and Assumptions Workbook

Net Worth Restoration Plan/Revised Business Plan
for
[CREDIT UNION NAME]
Charter [#####]

We (the credit union's officials) submit for approval by the NCUA the following Net Worth Restoration Plan (plan) and its attachments.

This document does the following:

- Establishes our net worth ratio as of [EFFECTIVE DATE]
- Sets forth the steps we plan to take to improve our net worth ratio
- Establishes the benchmarks we plan to attain beginning [START OF PLAN] and ending [END OF PLAN]
- Sets forth the mandatory supervisory actions we and the NCUA must take, as required by law or regulation
- Itemizes the types and level of activities we will engage in

As defined by Part 702, as of [EFFECTIVE DATE].

CURRENT STATUS

NET WORTH IN TOTAL DOLLARS:	
TOTAL ASSETS CALCULATION METHOD:	
TOTAL ASSETS BASED ON CALCULATION METHOD:	
NET WORTH%:	
NET WORTH CATEGORY:	

We plan to take the following steps to improve our net worth.

Plan of Action	Responsible Person Completion Date

While taking these steps, we will meet or exceed certain financial goals. Our benchmarks follow:

Net Worth and Assets. [DISCUSS RELEVANT FACTORS] Shown below are our quarterly benchmarks.

Period Ending	Asset Growth for Quarter	Net Worth Growth for Quarter	Assets – Not to Exceed	Net Worth – Minimum Amount	Net Worth Ratio

(Extend projections through the life of the plan plus 4 quarters)

Return on Assets, Gross Income, and Expense Ratios. [DISCUSS RELEVANT FACTORS] Shown below are our quarterly benchmarks.

Period Ending	Year to Date Net Income/Assets	Year to Date Gross Income/Assets	Year to Date Operating Exp./Assets

(Extend projections through the life of the plan plus 4 quarters)

Amount of earnings to be transferred to the Regular Reserve. [DISCUSS RELEVANT FACTORS] Shown below are our quarterly benchmarks.

Period Ending	Assets – Not to Exceed	Minimum Net Income for Quarter	Required Reserve Transfer	Minimum Total Net Worth	Net Worth Ratio

(Extend projections through the life of the plan, plus four quarters)

We plan to make the following changes in the kind of service provided to our members.

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We agree to take the following corrective actions, as discussed in our most recent examination:

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We plan to comply with the following mandatory supervisory actions:

- Increase net worth by at least 1/10th percent (0.1%) of total assets each quarter
- Transfer not less than 1/10th percent (0.1%) of total assets from undivided earnings to the regular reserve per §702.201(a) of NCUA's rules and regulations each quarter
- Limit asset growth until the NWRP is approved
- Except to fund existing business loan commitments, discontinue extending new credit for member business loans (unless the credit union already has a business loan exception in place)

*We understand the NCUA **may** take discretionary supervisory actions should we fail in our efforts to improve our Net Worth by at least 0.1% of total assets each quarter.*

We are incorporating a pro forma balance sheet and income statement covering the period until net capital reaches 6% plus a minimum of the next four quarters.

(Optional) We are also incorporating a copy of our business plan.

This plan is effective until it is replaced or canceled.

- This plan extends until **[END DATE]**; unless it is replaced by a revised Net Worth Restoration Plan.
- We understand the NCUA **[and the STATE SUPERVISORY AUTHORITY]** will review our performance and compliance with the plan during onsite examinations of the credit union.

Submitted for the **[CREDIT UNION NAME]**:

Board Chairperson

Date

Treasurer

Date

Secretary

Date
