

Review Checklist

Net Worth Restoration Plan and Revised Business Plan

Refer to §702.206(c) for NWRP requirements
and §702.306(b) for RBP requirements

Charter Number			
Credit Union Name			
Examiner			
Net Worth Category			
End Date of Plan			
If you answer no to any question, deny the plan or work with the credit union to resolve the issue(s) within the required timeframe.			
Does the NWRP/RBP contain the following information:	YES	NO	N/A
1. Quarterly timetable showing net worth reaching "adequately capitalized" and remaining so for four consecutive quarters (Note - Complex CUs should also include the RBNW requirements)			
2. Projected amount of earnings transferred to regular reserves for each quarter of the NWRP/RBP. (Note - To make an earnings transfer, the CU must show positive net income for the quarter. If they project a loss for the quarter, the earnings transfer would be \$0. The plan then serves as an earnings transfer waiver for that quarter.)			
3. Explanation of how CU will comply with mandatory and discretionary supervisory actions			
4. Explanation of the types and levels of activities in which the CU will engage.			
5. Pro forma financial statements for a minimum of two years, or the length of the plan.			
6. Explanation of steps CU will take to correct unsafe or unsound practices/conditions if CU reclassified to a lower NW level.			
7. <u>RBP only</u> - Provide any address changes made since the original business plan approved.			
8. Include a signature page with at least two board officials' signature.			
Does the plan meet the following criteria:			
1. Addresses all items listed above.			
2. Based on realistic assumptions and is likely to succeed in building the CU's net worth.			
3. Would not unreasonably increase the CU's exposure to risk.			
Comments:			