

RATE SCHEDULE 1

Capital group	Supervisory subgroup		
	A	B	C
1	23	26	29
2	26	29	30
3	29	30	31

RATE SCHEDULE 2

Capital group	Supervisory subgroup		
	A	B	C
1	4	7	21
2	7	14	28
3	14	28	31

(b) *BIF recapitalization schedule.* The following schedule indicates the stages by which the Corporation seeks to achieve the BIF designated reserve ratio of 1.25 percent. The schedule begins with the semiannual period ending December 31, 1991 and ends on the earlier of the semiannual period ending June 30, 2002 or the date on which the BIF designated reserve ratio is achieved:

Semi-annual period	Target reserve ratio (percent)
1991.2	-0.36
1992.1	-0.28
1992.2	-0.01
1993.1	0.03
1993.2	0.06
1994.1	0.08
1994.2	0.09
1995.1	0.15
1995.2	0.21
1996.1	0.28
1996.2	0.34
1997.1	0.42
1997.2	0.50

Semi-annual period	Target reserve ratio (percent)
1998.1	0.59
1998.2	0.67
1999.1	0.76
1999.2	0.85
2000.1	0.94
2000.2	1.03
2001.2	1.12
2001.2	1.21
2002.1	1.25

(c) *Rate adjustment; announcement—*

(1) *Semiannual adjustment.* The Board may increase or decrease Rate Schedule 2 set forth in paragraph (a) of this section semiannually by an adjustment factor of up to and including 5 basis points or fraction thereof as the Board deems necessary to maintain the reserve ratio at the BIF designated reserve ratio. In no case may such adjustment result in a negative assessment rate. The adjustment factor for any semiannual period shall be determined by:

- (i) The amount of assessment revenue necessary to maintain the reserve ratio at the designated reserve ratio; and
- (ii) The assessment schedule that would generate the amount of revenue in paragraph (c)(1)(i) of this section considering the risk profile of BIF members.

(2) In determining the amount of assessment income in paragraph (c)(1)(i) of this section, the Board shall take into consideration the following:

- (i) Expected operating expenses;
- (ii) Case resolution expenditures and income;
- (iii) The effect of assessments on BIF members' earnings and capital; and
- (iv) Any other factors the Board may deem appropriate.

(3) *Announcement.* The Board shall:

(i) Adopt the semiannual assessment schedule and any adjustment thereto by means of a resolution reflecting consideration of the factors specified in paragraph (c)(2)(i) through (iv) of this section; and

(ii) Announce the semiannual assessment schedule and any adjustment thereto not later than 45 days before the invoice date specified in § 327.4(c) for the first quarter of the semiannual period for which the adjusted assessment schedule shall be effective.

(d) *Special provisions.* The following provisions apply only for the first semiannual period after January 1, 1995 in which the BIF designated reserve ratio is achieved:

(1) Notwithstanding the provisions of § 327.3(c)(2) or § 327.3(d)(2), the Corporation may modify the time of the direct debit of the assessment payment which next occurs after the Board determines that the designated reserve ratio has been achieved; and

(2) Notwithstanding the provisions of § 327.7(a)(3), if the designated reserve ratio is achieved at the end of a month which is not the end of a quarter and, as a result, an institution has overpaid its assessment, the Corporation shall provide interest on any such overpayment beginning on the date the designated reserve ratio was achieved.

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By order of the Board of Directors.

Dated at Washington, D.C., this 31st day of January 1995.

Federal Deposit Insurance Corporation.

Robert E. Feldman,

Acting Executive Secretary.

[FR Doc. 95-3670 Filed 2-15-95; 8:45 am]

BILLING CODE 6714-01-P