daily money receipts on the credit union’s premises, or
(2) The total amount of the credit union’s money in transit in any one shipment.
(3) Increased coverage is not required pursuant to paragraph (c) of this section, however, when the credit union temporarily increased its cash fund because of unusual events which cannot reasonably be expected to recur.
(d) Any aggregate limit of liability provided for in a fidelity bond policy must be at least twice the single loss limit of liability. This requirement does not apply to optional insurance coverage.
(e) Any proposal to reduce your required bond coverage must be approved in writing by the NCUA Board at least twenty days in advance of the proposed effective date of the reduction.
§ 713.6 What is the permissible deductible?
(a)(1) The maximum amount of allowable deductible is computed based on a federal credit union’s asset size and capital level, as follows:

<table>
<thead>
<tr>
<th>Assets</th>
<th>Maximum deductible</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 to $100,000</td>
<td>No deductible allowed.</td>
</tr>
<tr>
<td>$100,001 to $250,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>$250,001 to $1,000,000</td>
<td>$2,000</td>
</tr>
<tr>
<td>Over $1,000,000</td>
<td>$2,000 plus 1/1000 of total assets up to a maximum of $200,000; for credit unions over $1 million in assets that qualify for NCUA’s Regulatory Flexibility Program in Part 742, the maximum deductible is $1,000,000.</td>
</tr>
</tbody>
</table>

(2) The deductibles may apply to one or more insurance clauses in a policy. Any deductibles in excess of the above amounts must receive the prior written permission of the NCUA Board.
(b) A deductible may not exceed 10 percent of a credit union’s Regular Reserve unless a separate Contingency Reserve is set up for the excess. In computing the maximum deductible, valuation accounts such as the allowance for loan losses cannot be considered.
(c) A credit union’s eligibility to qualify for a deductible in excess of $200,000 is determined based on it having assets in excess of $1 million as reflected in its most recent year-end 5300 call report and, as of that same year-end, qualifying for NCUA’s Regulatory Flexibility Program under part 742 of this title as determined by its most recent examination report. A credit union that previously qualified for a deductible in excess of $200,000, but that subsequently fails to qualify based on its most recent year-end 5300 call report because either its assets have decreased or it no longer meets the net worth requirements of part 742 of this title or fails to meet the CAMEL rating requirements of part 742 of this title as determined by its most recent examination report, must obtain the coverage otherwise required by paragraph (b) of this section within 30 days of filing its year-end call report and must notify the appropriate NCUA regional office in writing of its changed status and confirm that it has obtained the required coverage.
§ 713.7 May the NCUA Board require a credit union to secure additional insurance coverage?
The NCUA Board may require additional coverage when the Board determines that a credit union’s current coverage is inadequate. The credit union must purchase this additional coverage within 30 days.

PART 714—LEASING
Sec.
714.1 What does this part cover?
714.2 What are the permissible leasing arrangements?
714.3 Must you own the leased property in an indirect leasing arrangement?
714.4 What are the lease requirements?