
Summary of Content Changes
2015.1 Update – March 2015

General Notes

Note 1: The majority of policy revisions for the first quarter of 2015 involved the removal of sample letters or forms from within specific policies, which are now included in the “Tools” section of the CU PolicyPro Library. Additional changes were made to the BSA Policy to coincide with the recent release of the revised FFIEC BSA Examination Manual. Additional revisions were based on feedback from Credit Unions.

Policy 1300 – Audit

2015-1

Formatting was revised and the sample Engagement Letter was removed from the policy and included in the “Tools” area of the CU PolicyPro Library. (Recommended)

Policy 1520 – Succession Planning

2015-1

Wording was amended to reference the need to contact Human Resources for a copy of the Credit Union’s employment-at-will Policy. (Recommended)

Policy 1620 – Conflicts of Interest

2015-1

The sample Conflict of Interest Disclosure Form and Certification was removed from the policy and included in the “Tools” area of the CU PolicyPro Library. (Recommended)

Policy 1645 – Fraud

2015-1

The sample Employee Agreement was removed from the policy and included in the “Tools” area of the CU PolicyPro Library. (Recommended)

Policy 2110 – Bank Secrecy Act/Anti-Money Laundering Program

2015-1

In December 2014, [the Federal Financial Institutions Examination Council \(FFIEC\) released](#) the revised 2014 BSA/AML Examination manual. To comply with revisions made in the manual, changes were made to Policy 2110. Some of the sections with revisions include the Monitoring of High Risk Members, Money Service Businesses, Suspicious Activity Reporting and Information Sharing. (Recommended)

Policy 2205 – Unlawful Internet Gambling

2015-1

The sample letter to a Foreign Banking Office was removed from the policy and included in the “Tools” area of the CU PolicyPro Library. (Recommended)

Policy 2500 – Truth-in-Savings

2015-1

The definition of a “credit determination date” was revised to coincide with the definition from the NCUA accounting manual. The dividend credit determination date is the date dividends begin to accrue. Additionally, the Advertising Disclosures tables were removed from the policy and included in the “Tools” area of the CU PolicyPro Library. (Recommended)

2700 – Garnishment of Federal Benefit Payments

2015-1

In addition to grammatical revisions, the Model Notice to Account Holder was removed from the policy and included in the “Tools” area of the CU PolicyPro Library. The Model Notice to Account Holder was revised to change the references to “financial institution” to “Credit Union.” (Recommended)

Policy 2705 – IRS Levies

2015-1

Revisions were made to clarify the difference on the treatment of an IRS Levy when a Credit Union has a statutory lien on shares versus a share secured loan, where shares are pledged as collateral for that specific loan. The IRS indicates that a Credit Union’s statutory lien does not have priority over an IRS levy. However, [IRS rules](#) indicate the Credit Union may have a super-priority for share secured loans for commercial borrowers (provided other conditions are met). The policy was revised to indicate that legal counsel should be consulted in circumstances where the Credit Union is being requested to surrender property when shares are specifically being used to collateralize a loan. (Recommended)

7125 – Loan Application

2015-1

Section 10, “Content of the Adverse Action Notice” was revised to clarify that the adverse action notice will contain the name, address and telephone number of the person or office from which statement of reasons can be obtained. This wording replaces a bullet that indicates the adverse action should include the notice of member’s right to appeal the denial by submitting the application to the credit manager for review. The revisions also added the Credit Union’s requirements for disclosing the adverse action reasons orally. (Recommended)

Policy 7160 – Loans to Insiders

2015-1

Revisions were made to exclude employees from the restriction on receiving preferential loan rates in accordance with the [NCUA regulation](#) and [NCUA legal opinion letter, 97-0247](#).

(Recommended)

7170 – Risk-Based Lending

2015-1

The sample Interest Rates/Term Tables and Limit Table was removed from the policy and included in the “Tools” area of the CU PolicyPro Library. (Recommended)

Policy 7301 – Registration of Mortgage Loan Originators (S.A.F.E. Act)

2015-1

Language was added to clarify the requirement in [Regulation Z \(1026.36\(g\)\)](#) of the Loan Originator primarily responsible for the transaction to have their name and unique identifier included on loan documents. Additionally, if there is more than one Loan Originator, clarification was added that that the Loan Originator primarily responsible for the origination would be the Loan Originator to include their information on the loan documents, in addition to the credit union. Credit Unions should specifically document in their procedures how they will determine the loan originator that is “primarily” responsible, when more than one employee is involved with the transaction. (Recommended)

Policy 7332 – Loan Originator Compensation

2015-1

Revisions were made to the definition of loan originator to provide clarity on the exception for employees who perform [purely administrative or clerical tasks](#) on behalf of a loan originator. Additional definitions were added for “administrative and clerical tasks” and “credit terms.”

(Recommended)

Policy 7370 – HOEPA Rule Requirement

2015-1

This policy is being revised to reflect the change of the [publication of the average prime offer rate](#) from the Federal Reserve Board (FRB) to the Federal Financial Institutions Examination Council (FFIEC). (Recommended)

Policy 9420 – Monetary Control Act – Regulation D

2015-1

This policy is being revised to amend to remove bullets vii and viii from section B “Time Deposits” and to provide more clarifying language in the “Savings Account” section regarding the transfer/withdrawal limitations. (Recommended)

10100 – Records Retention

2015-1

The sample Record Disposition Log and Records Preservation Log were removed from the policy and included in the “Tools” area of the CU PolicyPro Library. (Recommended)

Policy 11006 – Receipt of Dispute of Accuracy of Information

2015-1

The guidelines under section 2 for “Frivolous or Irrelevant Dispute” was reworded to provide further clarity on how a credit union determines if a dispute qualifies as frivolous or irrelevant and to complete item B under this section. (Recommended)

DELETED Policy 11011 – Disclosure of Credit Scores

2014-4

This policy is being suggested for elimination. Policy 11001 – Fair Credit Reporting Act contained duplicative information regarding the Notice to Home Loan Applicants disclosure requirement for lenders that make or arrange mortgage. (Recommended)

DELETED Policy 11013 – Prevention of Re-Pollution of Consumer Reports

2014-4

This policy is being suggested for elimination. Policy 11003 was revised to include the requirements outlined in the FCRA regarding the furnishing of information to a CRA if the Credit Union received notification that the information resulted from identity theft. Information regarding the furnishing of information to a CRA that was a result of identity theft is also addressed in Policy 11009 – Identity Theft Red Flag Guidelines. (Recommended)

DELETED Policy 11014 – Reconciling Addresses

2014-4

This policy is being suggested for elimination. Policy 11009 – Identity Theft Red Flag Guidelines addresses the Credit Union’s obligations as a user of credit report information when a notice of an address discrepancy is received from a credit bureau. (Recommended)