



May, 2018

Dear CU PolicyPro Client,

If it's not one thing, it's another! Things are changing so rapidly in the compliance world, it's hard to keep on top of everything. That's why we are here to help you!

Yes, some of the changes will actually provide regulatory relief for credit unions, but credit unions will still need to make sure they are adjusting their policies and procedures accordingly. Most notably, the industry will have some major changes coming as a result of the recent passing and signing in to law, the Economic Growth, Regulatory Relief and Consumer Protection Act. Specifically, we are expecting regulatory changes for the coverage and possibly the data points reportable under Regulation C (HMDA), changes to qualified mortgages, waiting period for combined disclosures, escrow exemptions, and student loan revisions implemented by Regulation Z (TILA) and Regulation X (RESPA). There will also be changes made to Regulation V (FCRA) and NCUA's MBL/Commercial Lending rules in Part 723. Stay tuned for more details as the regulations are updated to comply with the changes in law.

Some regulations were already updated that credit unions need to be aware of including the NCUA's changes to their [advertising requirements](#) which became effective on May 25, 2018. We'll dive a little deeper in this newsletter to help credit unions with compliance.

Also, FinCEN's final rule regarding [member due diligence](#) became effective on May 11, 2018. Thankfully, FinCEN has been very responsive to the industry's concerns regarding implementation of this rule and have issued two sets of frequently asked questions and an [administrative ruling](#) that provides for limited exceptive relief for certain financial products and services that automatically rollover or renew and were established prior to May 11<sup>th</sup>.

**In this edition:**

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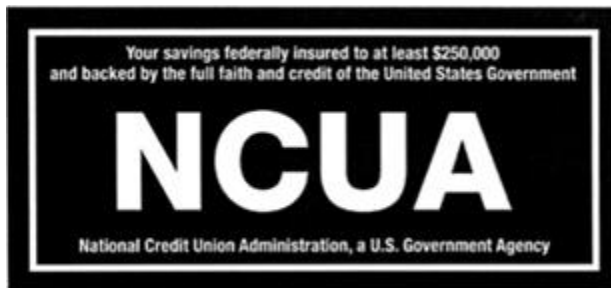
**Monthly OPS Notes Release: NCUA Advertising Requirements**

As part of NCUA's initiative to provide regulatory relief to federally insured credit unions, they've made some changes to the options and use of the official advertising statement.

As most credit unions are aware, [Part 740](#) of the NCUA rules governs the advertising requirements and use of the official NCUA sign and/or slogan. Effective on May 25, 2018, credit unions will now have an additional option to indicate their federally insured status and comply with the rules. Credit unions advertising their accounts can now utilize these options:

1. "This credit union is federally insured by the National Credit Union Administration";
2. "Federally insured by NCUA;" and now
3. "Insured by NCUA."

The credit union also has the option of using a reproduction of the official sign.



In addition to that new alternative, there was also an amendment to the exemption on the use of the official statement for radio and television advertisements, which is now not necessary for those advertisements less than 30 seconds as opposed to the previous 15 seconds.

Remember having to put the NCUA logo or official statement on the first page of your annual report? That requirement was also removed in the amended rules. No longer is there a requirement to include the statement or logo on your annual reports and statements of conditions required to be published by law.

## Content FAQs

**Question: When our credit union advertises a loan product, are we required to use the NCUA logo?**

**Answer:** No, the official advertising statement does not need to be included on "advertisements that do not relate to member accounts, including but not limited to advertisements related to loans by the credit union..." However, the credit union wouldn't be violating any rules if they left the NCUA logo or slogan on the advertisement.

**Question: Wasn't there discussion about allowing the use of shortened versions of the advertising statement for text messaging and social media, such as "#NCUAIinsured?"**

**Answer:** Yes, in the proposed rule the NCUA did request recommendations that would balance the goal of informing the public of federal share insurance coverage with the constraints associated with social media advertising. However, most commenters apparently indicated their approval of the "Insured by NCUA" option, indicating that met most of their needs for social media advertising. Therefore, the NCUA indicated that they will not provide any additional amendments at this time and opened up the option of having the NCUA's Office of General Counsel provide guidance regarding part 740 in the context of advertising on social media to credit unions upon request.

## Technical FAQ

**We have several CU PolicyPro users but only two of us are receiving the monthly newsletter. Why is that and how can we get all of our users on the distribution list?**

When a new CU PolicyPro implementation is set up, the primary admin is added to the newsletter distribution list, but because each credit union manages their own user list, we don't always know when additional users are added. To add additional users to the monthly newsletter distribution list, please send an email to [polycysupport@cusolutionsgroup.com](mailto:polycysupport@cusolutionsgroup.com) and request for those users to be added. We will need their name, email and

title. If you're not sure who is on the distribution list for your credit union, contact us and we can provide that list to you for review and update, if needed.

If you have any additional questions or need further assistance, you can contact us at [polycysupport@cusolutionsgroup.com](mailto:polycysupport@cusolutionsgroup.com).

### Questions?

If this information was forwarded to you, and you'd like to be on the distribution list to receive information and updates related to CU PolicyPro, or if you have any questions regarding the CU PolicyPro content, or questions on how to use the system, please contact [polycysupport@cusolutionsgroup.com](mailto:polycysupport@cusolutionsgroup.com)

Thanks and have a great week!