**Summary of Content Changes
2024.2 Update – April/May 2024**

**General Notes**

The [NCUA Supervisory Priorities for 202](https://ncua.gov/regulation-supervision/letters-credit-unions-other-guidance/ncuas-2024-supervisory-priorities)4 include credit risk, liquidity risk, overdraft programs, fair lending, auto lending (including a review of indirect auto loans), flood insurance, information security, interest rate risk, along with the continued focus on Bank Secrecy Act (BSA) and support for small credit unions and minority depository institutions. Specifically mentioned for certain priorities include the review of policies and procedures. Policies have been reviewed considering this focus, including 5200 and 5205, liquidity policies.

This quarter had the publication of the CFPB’s [final rule](https://files.consumerfinance.gov/f/documents/cfpb_credit-card-penalty-fees_final-rule_2024-01.pdf) on credit card penalty fees, which will impact credit unions considered “larger card issuers” under the rule. While there is currently litigation that may impact this rule, the proposed language has been added to support compliance.

Additional changes were also made to reflect two final rules impacting the Telephone Consumer Protection Act. These changes were updated within Model Policy 9600 and the corresponding Procedure 9600.10.

This update also contains substantial revisions to the policies addressing the requirements related to the Fair Credit Reporting Act (FCRA). The CFPB has focused on the impact of credit reporting and the requirements for accuracy and integrity, not only for financial institutions, but for credit reporting agencies. Additional changes related to the 11000 Chapter will be forthcoming.

A new resource, Succession Plan (1520.10) was released in late April 2024. All other content was updated in May 2024.

**Model Content Updates**

**1520.10 Succession Plan *\*\*NEW RESOURCE\*\****

**2024-2**

With the continued emphasis on strategic planning and the anticipation of [pending rulemaking](https://www.federalregister.gov/documents/2022/02/03/2022-02038/succession-planning) coming from the NCUA, this model template was created to assist credit unions in developing a comprehensive succession plan, naming specific key positions and considering the succession of those positions. The plan also includes best practices such as establishing a committee, training, board of directors’ succession, and emergency situations. **Recommended**

**2210.11: Individual Retirement Arrangements**

**2024-2**

This resource was updated to include the [IRS change](https://www.irs.gov/newsroom/irs-reminds-those-aged-73-and-older-to-make-required-withdrawals-from-iras-and-retirement-plans-by-dec-31-notes-changes-in-the-law-for-2023) in age from 72 to 73 to make required withdrawals from IRAs and to adjust the contribution amounts for simplified employee pension (SEP) IRAs. **Required**

**2210.15: Deceased Member Issues and Estate Accounts**

**2024-2**

This policy was updated to better align with UCC 4-405 to clarify that credit unions are able to pay checks 10 days after the death of a member, as opposed to 10 days after “learning” of the death of a member. **Recommended**

**2225: Digital Banking**

**2024-2**

Credit Unions are being asked for specific policies that address P2P transactions. While there isn’t a regulatory requirement for a separate P2P policy, we have updated this model policy to include more information and guidance on P2P transactions and corresponding risk mitigation. **Recommended**

**2400.10: Collection of Checks Procedure**

**2024-2**

Section 16 – Consumer Awareness was updated to remove the requirement to provide the required substitute check disclosure at account opening. **Recommended**

**2615.10 – Electronic Fund Transfers**

**2024-2**

This resource was updated to include additional information regarding the coverage of Regulation E for person-to-person (P2P) transactions. 2615.10 was also updated to outline internal controls more generally for sensitive areas of the credit union who process transactions. **Recommended**

**5200 – Liquidity Management**

**2024-2**

As a supervisory priority for the NCUA in 2024, this policy was reviewed to see if there were additional changes that could be made to strengthen the content. The [NCUA examiner’s guide](https://publishedguides.ncua.gov/examiner/Content/ExaminersGuide/Liquidity/RiskManagement/PolicyProcedureLimits.htm) and guidance was reviewed and corresponding updates were made. **Recommended**

**5205 – Small Asset Liquidity Management**

**2024-2**

As a supervisory priority for the NCUA in 2024, this policy was reviewed to see if there were additional changes that could be made to strengthen the content. The [NCUA examiner’s guide](https://publishedguides.ncua.gov/examiner/Content/ExaminersGuide/Liquidity/RiskManagement/PolicyProcedureLimits.htm) and guidance was reviewed and corresponding updates were made. **Recommended**

**7140 – Loan Add-On Products *\*\*Policy Name Updated\*\****

**2024-2**

This policy was updated to generally include loan add-on products including guaranteed asset protection, and debt cancellation. While there haven’t been any regulatory changes, increased scrutiny and oversight have been happening on credit union’s processes and documentation related specifically to GAP refunds. The policy name was changed from Loan Insurance to Loan Add On Products to better represent the content of the policy. **Recommended**

**7210 – Credit Cards**

**2024-2**

This policy was significantly updated to remove procedural content (procedural content is now found in 7210.10). In addition, the policy was updated to include the most recent [final rule](https://www.consumerfinance.gov/rules-policy/final-rules/credit-card-penalty-fees-final-rule/) from the CFPB limiting the late fees that card issuers are permitted to charge. Note: The changes to this policy were so significant that there is no redlined version provided. It's recommended to adopt the updated policy in its entirety and customize it for your credit union. **Recommended**

**7210.10 – Credit Card Program *\*\*NEW CONTENT SECTION\*\****

**2024-2**

This procedure document was created based on detailed procedural information previously found in Policy 7210. Content in this procedure was also updated to comply with the final rule from the CFPB regarding late fees and safe harbor limits, otherwise no other regulatory drive changes were made. **Recommended**

**7215 – Overdraft Protection**

**2024-2**

This policy was reviewed to strengthen the content. Two additional best practices were added related to authorized positive, settle negative fees and representment fees. The Credit Union should make sure to amend these sections to document their processes in these two specific areas under regulatory scrutiny. **Recommended**

**7330 – Residential Real Estate Loans**

**2024-2**

This policy was updated to reference the reconsideration of value process, to update the threshold for exemption to the Escrow requirements for credit unions under a certain asset size (tied to consumer price index), and general updates were also made for readability. **Recommended**

**7625 – Residential Real Estate Loss Mitigation Strategies**

**2024-2**

This policy was updated to include information on loan modification denials and the requirements to comply with adverse action procedures. **Recommended**

**9150 – Unfair, Deceptive, or Abusive Acts or Practices**

**2024-2**

The UDAAP policy has been updated to include anti-discrimination language for those credit unions wishing to adopt that language. These amendments are not required by regulation, and the CFPB’s revisions to their examination manual in this regard were redacted. However, credit unions have requested model content to take a proactive approach and ensure anti-discrimination language is captured in a board approved policy. **Optional**

**9600 – TCPA, JFPA and CAN-SPAM**

**2024-2**

Additional changes to the Telephone Consumer Protection Act (TCPA) required updates to the policy and corresponding procedure. These changes are a result of the [Final Rule – Strengthen the Ability of Consumers to Stop Robocalls](https://www.federalregister.gov/documents/2024/03/05/2024-04587/strengthening-the-ability-of-consumers-to-stop-robocalls) and the new rules adopted by the [Federal Communications Commission that become effective on January 27, 2025.](https://www.federalregister.gov/documents/2024/01/26/2023-28832/targeting-and-eliminating-unlawful-text-messages-implementation-of-the-telephone-consumer-protection) **Recommended**

**9600.10 – TCPA Procedures**

**2024-2**

As noted above regarding the policy changes for 9600, corresponding changes were made and outlined within the procedures. **Recommended**

**10007 – Records Retention Table 7: Lending Records**

**2024-2**

This record retention table was updated to revise the requirements to retain escrow account documents to one year after the mortgage loan is discharged or servicing is transferred. **Recommended**

**11003- Accuracy and Integrity of Information Reported**

**2024-2**

This policy was updated to include the content from Policy 11002 to avoid duplication and strengthen the existing content. **Recommended**

**11005 – Adverse Action Requirements**

**2024-2**

This policy was revised to be more comprehensive in addressing the requirements for adverse action notices and recent [CFPB scrutiny](https://www.consumerfinance.gov/compliance/circulars/circular-2023-03-adverse-action-notification-requirements-and-the-proper-use-of-the-cfpbs-sample-forms-provided-in-regulation-b/) regarding the use of the reasons within the adverse action notices when using more complex underwriting systems. **Recommended**

**Policy Retired (removed from CU PolicyPro)**

**11002 – Furnishing Information to Credit Reporting Agencies *\*\*Policy Retired\*\****

**2024-2**

This policy was retired with the content being combined with Policy 11003 – Accuracy and Integrity of Information Reported. **Recommended**

**New Resource Added within Sample Forms and Documents**

**Awareness Document *(Use with Policy 2245 Elder and/or Vulnerable Adult Protections)***

This form was created to assist credit unions with the requirements for providing members with an Awareness Document as outlined within Model Policy 2245 to ensure members are being adequately informed regarding transactions that may appear out of the ordinary for the member and potentially indicative of fraud and/or financial elder abuse. **Recommended**