**Summary of Content Changes  
2025.2 Update – May 2025**

**General Notes**

This update contains revisions to the Succession Planning Policy and the model Succession Plan as a result of the [NCUA’s Final Rule](https://ncua.gov/files/agenda-items/succession-planning-final-rule-20241217.pdf) that becomes effective on January 1, 2026. Credit unions should be aware that NCUA Board opened its Final Rule on Succession Planning [up for comments](https://www.regulations.gov/document/NCUA-2025-0047-0001) in accordance with a White House Executive Order. Comments must be received on or before June 23, 2025.

In addition to those changes, credit unions will also find updates to the Enterprise Risk Management policy and the Third-Party Vendor Due Diligence and Oversight policy as a result of the [NCUA Supervisory Priorities](https://ncua.gov/regulation-supervision/letters-credit-unions-other-guidance/ncuas-2025-supervisory-priorities).

Changes were also made to the Real Estate Appraisals Appendices that covers that changes to the [final rule](https://www.govinfo.gov/content/pkg/FR-2024-08-07/pdf/2024-16197.pdf?utm_campaign=subscription+mailing+list&utm_medium=email&utm_source=federalregister.gov) for quality control standards for automated valuation models that becomes effective in October 2025.

Last, changes were also made to comply with the Federal Trade Commission changes impacting the [Children’s Oline Privacy Protection Act](https://www.govinfo.gov/content/pkg/FR-2025-04-22/pdf/2025-05904.pdf), which becomes effective on June 23, 2025.

**Policy 1240 – Enterprise Risk Management**

**2025-1**

Updates were made to strengthen the Enterprise Risk Management policy. The [NCUA Supervisory Priorities](https://ncua.gov/regulation-supervision/letters-credit-unions-other-guidance/ncuas-2025-supervisory-priorities) for 2025 placed emphasis on credit risk, balance sheet management, and risk to earnings and net worth. All identification of risk categories were updated to provide more specific subtypes for credit union consideration. More detailed components within the risk assessments section was and a definition section was also added to further assist credit unions.

**(Recommended)**

**Policy 1520 – Succession Planning**

**2025-1**

The Succession Planning policy was updated to comply with the [NCUA’s Final Rule](https://ncua.gov/files/agenda-items/succession-planning-final-rule-20241217.pdf), effective on January 1, 2026. While the rule was opened back up for comments by the NCUA, we are unsure if there will be additional changes.

**(Required)**

**1520.10 – Succession Plan**

**2025-1**

The model Succession Plan was updated to comply with the [NCUA’s Final Rule](https://ncua.gov/files/agenda-items/succession-planning-final-rule-20241217.pdf), effective on January 1, 2026. While the rule was opened back up for comments by the NCUA, we are unsure if there will be additional changes. Credit unions are required to have a succession plan in place, this model plan was created for credit unions to utilize as a guide/model. While this model is not required, a succession plan is required.

**(Required)**

**1520.20 – Associate Board Member**

**2025-1**

This example Associate Board Member outline was created to help credit unions develop a program to encourage succession to better prepare for vacancies as required under the NCUA’s succession planning rule.

**(Recommended)**

**Policy 2145 – Office of Foreign Assets Control**

**2025-1**

This policy was revised to remove the telephone number referenced for the OFAC Compliance Hotline and replaced it with the link to the OFAC’s Compliance Hotline website. The telephone number previously listed is now advertised to be used for technical questions.

**(Recommended)**

**Policy 2185 – Third-Party Vendor Due Diligence and Oversight**

**2025-1**

Additional due diligence documentation requirements were added for each risk rating review, including documentation of how often reviews will be conducted and documentation on the depth of reviewed performed based on the level of risk assigned.

**(Recommended)**

**Policy 2205 – Unlawful Internet Gambling**

**2025-1**

In order to provide consistency across all “Designated Payment Systems” as defined within the policy, more detailed due diligence and analysis requirements were provided for transactions processed through ACH and Wire transfers.

**(Recommended)**

**Policy 2223 – Children’s Online Privacy Protection Act (COPPA)**

**2025-1**

This policy is being revised to comply with the [final rule](https://www.govinfo.gov/content/pkg/FR-2025-04-22/pdf/2025-05904.pdf) changes that will become effective on June 23, 2025.

**(Required)**

**Policy 7140 – Loan Add On Products**

**2025-1**

Adding clarity to the policy regarding the purchase of insurance for real estate-secured products.

**(Recommended)**

**Policy 7303 – Real Estate Appraisals: Appendices**

**2025-1**

These appendices were revised to comply with the changes to the [final rule](https://www.govinfo.gov/content/pkg/FR-2024-08-07/pdf/2024-16197.pdf?utm_campaign=subscription+mailing+list&utm_medium=email&utm_source=federalregister.gov) regarding quality control standards for automated valuation models that becomes effective on October 1, 2025.

**(Recommended)**