

## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Credit Union Division

RULE CITATION: 04 NCAC 06C .0407

**DEADLINE FOR RECEIPT: Friday, July 7, 2017**

***PLEASE NOTE: This request when viewed on computer extends several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this rule prior to the Commission's next meeting. The Commission has not yet reviewed this rule and therefore there has not been a determination as to whether the rule will be approved. You may call this office to inquire concerning the staff recommendation.

In reviewing these rules, the staff determined that the following technical changes need to be made. Approval of any rule is contingent upon making technical changes as set forth in G.S. 150B-21.10.

*On the Submission for Permanent Rule form, please correct the March 9, 2017 date to reflect the publication in the 31:19 Register on April 3, 2017*

*On line 1, please update the introductory statement to reflect that this Rule is an amendment published in the 31:19 Register on page 1862. Here is an example for your review:*

<http://www.ncoah.com/rules/examples/Permanent%20Amendment%20for%20Publication%20in%20the%20NCAC.pdf>

*On line 2, this line should be blank in accordance with [26 NCAC 02C .0108\(4\)](#).*

*For line 3 and the remainder of the rule, please refer to the temporary rule that was [approved by the Rules Review Commission at the December 2016 meeting](#). The changes to the title of the rule and the content being struck through must be reflected in this pending permanent amendment.*

*Line 5, please incorporate the cited CFR in accordance with [G.S. 150B-21.6](#). A website may be used by the agency for a cost-free option of providing access to the CFR if subsequent amendments are automatically incorporated.*

*Line 19, the period after "2017" should become a semicolon*

*Line 20, this Rule is being amended, not adopted. Please replace "Adopted" with "Amended"*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Abigail M. Hammond  
Commission Counsel

Date submitted to agency: Thursday, June 22, 2017

04 NCAC 06C .0407 Is proposed for adoption as follows:

**04 NCAC 06C .0407 COMMERCIAL LENDING AND MEMBER BUSINESS LOANS**

(a) Commercial lending and member business loans. State chartered federally insured credit unions shall adhere to the federal regulations prescribed by the National Credit Union Administration relating to commercial lending and member business loan program pursuant to 12 C.F.R. Part 723, and this Rule.

(b) Written loan policies. The Board of Directors shall give notification to the Administrator of Credit Unions prior to initiating a commercial lending and member business loan program and adopt specific commercial lending and member business loan policies and review them at least annually. The Board of Directors shall review its commercial lending and member business loan policies prior to any material change in the credit union's commercial lending and member business loan program or related organizational structure, and in response to any material change in portfolio performance or change in economic conditions. Credit unions with an asset size of two hundred fifty million dollars (\$250,000,000) or below shall have commercial lending and member business loan policies submitted to the Administrator of Credit Unions 30 days prior to initiating a commercial lending and member business loan program.

*History Note: Authority G.S. 54-109.12; 54-109.21(25); 54-109.78; 12 C.F.R. Part 723.12; 12 C.F.R. Part 741.3; 12 C.F.R. Part 741.203;  
Eff. January 1, 1988;  
Amended Eff. August 1, 1998; March 2, 1992;  
Temporary Amendment Eff. January 1, 2017.  
Adopted Eff. August 1, 2017*