



Newsletter

No. 12-13



December 18, 2013



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CUD is the state agency that regulates and supervises credit unions chartered by the State of Texas. The Department is professionally accredited by the National Association of State Credit Union Supervisors (NASCUS) certifying that CUD maintains the highest standards and practices in state credit union supervision.

*Our **Mission** is to safeguard the public interest, protect the interests of credit union members and promote public confidence in credit unions.*

Credit Union Commission

The Commission is the policy making body for CUD. The Commission is a board of private citizens appointed by and responsible to the Governor of Texas.

Members:

- Manuel Cavazos IV, Chair
- Gary D. Tuma, Vice Chair
- Gary L. Janacek
- Sherri B. Merket
- Allyson "Missy" Morrow
- Rob Kyker
- Kay Stewart
- Vik Vad
- A. John Yoggerst

Next Commission Meeting

Friday, February 21, 2014 beginning at 8:00 a.m. in the offices of CUD.

Residential Mortgage Loan Originator Renewal Period

A reminder to credit unions that this is the time to update and renew loan originator registrations. The renewal period, which began November 1st, will expire on December 31, 2013. All credit unions and their Mortgage Loan Originators (MLOs) must renew their registration during the annual renewal period each year (there is an exception for MLOs registering for the first time less than six months prior to the end of the annual renewal period). If a credit union and its MLOs do not renew their registration, they would be prohibited from originating residential mortgage loans until their status has been reactivated.



User Maintenance in Credit Union Online

A reminder to credit unions to **add**, **edit** and **delete** users from the NCUA's Credit Union Online. Credit unions are encouraged to periodically review their designated users and make any necessary adjustments. If you have any questions about this functionality, please contact OCIO Technical Support (800) 827-3255 or Isabel Velasquez at (512) 837-9236.



December 31 Call Report

The due date for the December 31, 2013 call report is **January 24, 2014**. A new section has been added to the Regulatory Tab in the Call Report Online Profile addressing Bank Secrecy Act Independent Test Information. If credit unions have not yet completed this section, please do so this call report cycle by entering the BSA testing date.



Social Media Risk Review

Credit unions are increasingly using interactive social media platforms as new opportunities to reach out to members. As credit unions' social media presence increases, each should take care to identify and manage the potential risks associated with dynamic and interactive platforms. The Federal Financial Institutions Examination Council (FFIEC) recently issued guidance for financial institutions' risk management in social media. The FFIEC identified potential risks as harm to consumers, compliance and legal risk, operational risk, and reputation risk. The FFIEC noted that, when financial institutions use social media to advertise or conduct business, all laws and regulations such as Truth in Savings, Fair Lending Laws, Fair Debt Collection Practices, and Truth in Lending, still apply.

The FFIEC also explained that social media does not, in itself, require any new disclosure or compliance requirements. Where third parties provide social media services, credit unions must be vigilant in ensuring compliance and avoiding reputational risks. Credit unions are not required to respond to every communication received through social media, but are strongly encouraged to appropriately manage member complaints or inquiries in a way that reduces reputational risk. Training for employees should facilitate understanding of the compliance and reputational risks and communicate policies designed to reduce such risks. The guidance does not call for a one-size-fits-all model for risk assessment; the scope of review and resulting policies and procedures for each credit union will differ depending on size, complexity, and social media footprint.



Upcoming Holiday Schedule for CUD

The Department's office will be closed on **December 24, 25, 26, and January 1** in observance of Christmas and the New Year.



Publication Deadlines

In order to meet the submission deadlines for the applicable issues of the Texas Register, it is necessary for the Department to establish the schedule included below. Completed applications received after the deadline for the month cannot be published until the following month.

<u>Publication Date</u>	<u>Application Deadline</u>
January, 2014	Friday, January 17
February, 2014	Friday, February 14



Applications Approved

Applications approved since November 20, 2013 include:

<u>Credit Union</u>	<u>Changes or Groups Added</u>
<i>Field of Membership Change – Approved:</i>	
MemberSource Credit Union (Houston) (#1)	See Newsletter No. 08-13
County & Municipal Employees Credit Union (Edinburg)	See Newsletter No. 09-13
Anheuser-Busch Employees’ Credit Union (St. Louis, MO)	See Newsletter No. 10-13
<i>Merger or Consolidation - Approved:</i>	
Security One FCU (Arlington) and Texas Trust CU (Mansfield)	See Newsletter No. 07-13
Southside CU (San Antonio) and Firstmark CU (San Antonio)	See Newsletter No. 08-13



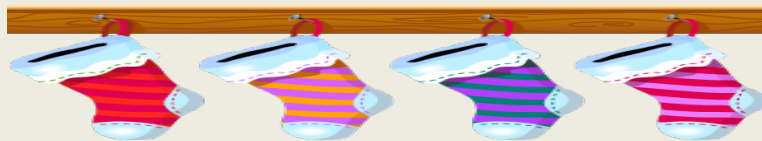
Applications Received

The following applications were received and will be published in the December 27, 2013 issue of the *Texas Register*.

Field of Membership Expansion:

FivePoint Credit Union (Nederland) – To permit persons who live, work, worship or attend school in, businesses and other legal entities located in Montgomery County, Texas, to be eligible for membership in the credit union.

Comments or a request for a meeting by any interested party relating to an application must be submitted in writing within 30 days from the date of this publication. Credit unions that wish to comment on any application must also complete a Notice of Protest form. The form may be obtained by contacting the Department at (512) 837-9236 or downloading the form at <http://www.cud.texas.gov/page/bylaw-charter-applications>. Any written comments must provide all information that the interested party wishes the Department to consider in evaluating the application. All information received will be weighed during consideration of the merits of an application. Comments or a request for a meeting should be addressed to the Texas Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699.



This newsletter is produced monthly as a part of the Department's continued communication outreach with the credit unions it regulates. Delivery is generally provided by electronic notification of its availability on the Department's website.

Suggestions and comments concerning the newsletter or its content are welcomed.

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To learn more about CUD click <http://www.cud.texas.gov> or contact us at 914 E. Anderson Lane, Austin, TX 78752



**The Credit Union Commission and the Staff of the Department would like to extend our best wishes for a New Year of health, happiness, and prosperity!**