



# Newsletter

No. 09-17



September 20, 2017



**Credit Union Department**  
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The Credit Union Department (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.

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## 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:

Allyson "Missy" Morrow, Chair  
Sherri Brannon Merket, Vice Chair  
Beckie Stockstill Cobb  
Yusuf E. Farran  
Steven "Steve" Gilman  
Jim Minge  
Kay Stewart  
Rick Ybarra

## Next Commission Meeting

Friday, November 3, 2017 beginning at 9:00 a.m. in the offices of CUD.

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## Operating Fee Deadline

All Fees must be received on or before **September 30, 2017** to avoid the payment of any penalties. If you did not receive an invoice, immediately contact Isabel Velasquez at (512) 837-9236 to provide you with an invoice.



## September 30 Call Report

The due date for the September 30, 2017 call report is **Sunday, October 29, 2017, 11:59:59 p.m.** EDT to avoid civil money penalties. Your credit union's profile must be reviewed, updated, and certified **prior** to submitting your 5300 Call Report. Always remember that whenever you make a change to the profile, you **must** "save and certify" to permanently save your changes.



## Proposed Rule Review

The Texas Credit Union Commission (Commission) provides this notice of its intent to review and consider the following chapters of Texas Administrative Code, Title 7, Part 6, in their entirety, for readoption, revision, or repeal:

**Chapter 91, Subchapter D**, concerning Powers of Credit Unions, consisting of §91.401, concerning Credit Union Ownership of Property, §91.402 concerning Insurance for Members, §91.403 concerning Debt Cancellation Products; Federal Parity, §91.404 concerning Purchasing Assets and Assuming Deposits and Liabilities of Another Financial Institution, §91.405 concerning Records Retention and Preservation, §91.406 concerning Credit Union Service Contracts, §91.407 concerning Electronic Notification, §91.408 concerning User Fee for Shared Electronic Terminal.

## ***Proposed Rule Review (Continued)***

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**Chapter 91, Subchapter M**, concerning Electronic Operations, consisting of §91.4001 concerning Authority to Conduct Electronic Operations, §91.4002 concerning Transactional Web Site Notice Requirement; and Security Review.

**Chapter 91, Subchapter N**, concerning Emergency or Permanent Closing of Office or Operation, consisting of §91.5001 concerning Emergency Closing, §91.5002 consisting of Effect of Closing, §91.5005 consisting of Permanent Closing of an Office.

An assessment will be made by the Commission as to whether the reasons for adopting or readopting these rules continue to exist. Each rule will be reviewed to determine whether it is obsolete, whether the rule reflects current legal and policy considerations, and whether the rule reflects current procedures of the Credit Union Department.

Comments or questions regarding these rules may be submitted in writing to, Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699, or electronically to [cudmail@cud.texas.gov](mailto:cudmail@ cud.texas.gov). The deadline for comments is **October 6, 2017**.

The Commission also invites your comments on how to make these rules easier to understand. For example:

- Do the rules organize the material to suit your needs? If not, how could the material be better organized?
- Do the rules clearly state the requirements? If not, how could the rule be more clearly stated?
- Do the rules contain technical language or jargon that isn't clear? If so, what language requires clarification?
- Would a different format (grouping and order of sections, use of headings, paragraphing) make the rule easier to understand? If so, what changes to the format would make the rule easier to understand?
- Would more (but shorter) sections be better in any of the rules? If so, what sections should be changed?

Any proposed changes to these rules as a result of the rule review will be published in the Proposed Rule Section of the *Texas Register*. The proposed rules will be open for public comment prior to final adoption by the Commission.



## ***Cyber Defense***

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Equifax has recently released details concerning the cybersecurity incident which was announced on September 7, 2017. The attack vector used in the incident occurred through a vulnerability in the "Apache Struts" web application framework (CVE-2017-5638). This vulnerability was identified and disclosed by U.S. CERT in early March 2017.

Considering the Equifax breach, credit unions are reminded to follow sound security and web server practices, including but not limited to the following:

## Cyber Defense (Continued)

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- Apply regular updates to applications and host operating systems;
- Ensure a secure configuration of web server, which disables or blocks all unnecessary services and ports;
- Employ user input validation to restrict local and remote file inclusion vulnerabilities;
- Conduct regular system and application vulnerability scans to identify areas of risk; and
- Deploy a web application firewall and conduct regular virus signature checks, code reviews and server network analysis.

As a best practice, credit unions should immediately ensure that their information technology professionals/vendors take appropriate measures to upgrade their systems to patch any known/published Apache Struts vulnerabilities.



## Publication Deadlines

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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 shown 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>
October, 2017	Friday, October 13
November, 2017	Friday, November 10



## Applications Approved

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Applications approved since **August 16, 2017** include:

<u>Credit Union</u>	<u>Changes or Groups Added</u>
<i>Field of Membership Change – Approved:</i>	
Texas Bay Credit Union – (Houston)	<a href="#">See Newsletter No. 07-17</a>
<i>Articles of Incorporation Change – Approved:</i>	
West Texas Educators Credit Union – (Odessa)	<a href="#">See Newsletter No. 07-17</a>
CTECU (Bellaire)	<a href="#">See Newsletter No. 07-17</a>
Credit Union of Texas (Dallas)	<a href="#">See Newsletter No. 08-17</a>

## ***Applications Approved (Continued)***

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*Out of State Branch Office – Approved:*

**TruWest Credit Union** (Austin)

[See Newsletter No. 07-17](#)



## ***Applications Received***

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The following applications were received and will be published in the **September 29, 2017** issue of the *Texas Register*.

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*Field of Membership Expansion:*

**Fort Worth City Credit Union** (Fort Worth) – Persons who live, work, attend school or worship in Tarrant County or any County in which the corporate boundaries or extraterritorial jurisdictions of the City of Fort Worth are located within.

**Employees Credit Union** (Dallas) – Persons who live, work, attend school, or worship in and businesses located in Dallas County, Texas.

**First Class American Credit Union** (Fort Worth) – Employees of KPS Global LLC, located at 4201 Beach Street, Fort Worth, Texas 76137.

**First Service Credit Union** (Houston) – Employees of SNC Lavalin Engineers & Constructors Inc. paid and/or supervised from its headquarters office located at 919 Milam Street, Houston, Texas 77002.

**Credit Union of Texas** (Dallas) – Persons who work, live, worship, or attend school within the geographic boundaries of Denton County, Texas.

**Gulf Credit Union** (Groves) – Persons who live, work, worship or attend school in Newton County, Texas.

**My Community Credit Union** (Midland) – Persons who live, work, worship, or attend school in, and businesses and other legal entities located in Collin County, Texas.

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.*



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

