



# InfoSight Newsletter

May 21, 2021 | Volume 15 | Issue 20

## Highlights

**Upcoming  
CU PolicyPro  
Training**

Registration is now open!

**WEDNESDAYS  
MAY 26 - JUNE 30**

*Training is FREE  
Registration is required*

[www.leagueinfosight.com/cupp-training](http://www.leagueinfosight.com/cupp-training)

The graphic features a blue background with a white calendar icon, a checkmark, and a screenshot of a computer monitor displaying a website with sections for 'Model Policies' and 'Published Manuals'. The 'Model Policies' section includes text about template language and regulatory compliance. The 'Published Manuals' section includes text about individualized policies and a 'View' button.

### Register Now for CU PolicyPro Training!

We are pleased to offer a series of live training webinars to introduce you to (or reacquaint you with) CU PolicyPro. The training sessions are FREE, but **registration is required**. [Click here to view the session listing and descriptions, and to register for each class](#)[Click here to view the session listing and descriptions, and to register for each class](#). (Please note: there is no session on June 23, and all times are EDT.)

## Compliance and Advocacy News & Highlights

### Agencies Extend Comment Period for Info Gathering on Uses of AI

The Fed, CFPB, FDIC, NCUA, and OCC have [announced](#) they are extending the comment period on their request for information on financial institutions' use of artificial intelligence (AI) until July 1, 2021.

The agencies are seeking information from the public on how financial institutions use AI in their activities, including fraud prevention, personalization of customer services, credit underwriting, and other operations. More specifically, the RFI seeks comments to better understand the use of AI, including machine learning, by financial institutions; appropriate governance, risk management, and controls over AI; and challenges in developing, adopting, and managing AI.

*Source: Regulatory Agencies*

### Fed Extends Reg O PPP Rule Again

The Federal Reserve Board has [announced](#) the third [extension of a rule amending Regulation O](#) to bolster the effectiveness of the Small Business Administration's (SBA) Paycheck Protection Program (PPP). Like the earlier extensions, this one will temporarily modify the Board's rules so that certain bank directors and shareholders can apply to their banks for PPP loans for their small businesses.

The rule extension, which is effective immediately, applies to PPP loans made from March 31 through June 30, 2021. The rule change will continue to apply if the PPP is extended, with the change ultimately sunseting on March 31, 2022. Comments will be accepted for 45 days after publication in the *Federal Register*.

*Source: FRB*

### NCUA Schedules Upcoming Webinars

[Online registration](#) for the May 26 webinar, "**Critical Security Controls and Cyber Hygiene**," is open now. The webinar is scheduled to begin at 2 p.m. Eastern and will run for approximately 60 minutes. Participants will be able to log into the webinar and view it on their computers or mobile devices using the registration link and should allow pop-ups from this website to ensure easier access to the webinar. Participants can submit questions anytime during the presentation or in advance by emailing [WebinarQuestions@ncua.gov](mailto:WebinarQuestions@ncua.gov). The email's subject line should read, "Critical Security Controls." Please email technical questions about accessing the webinar to [audience.support@on24.com](mailto:audience.support@on24.com).

[Online registration](#) for this 60-minute May 27 webinar on **Small-Dollar Loan Program**, co-hosted by the National Credit Union Administration and the CDFI Fund, is open now. Participants will be able to log into the webinar and view it on their computers or mobile devices using the registration link. They should allow pop-ups from this website.

Staff from the NCUA and the CDFI Fund will describe the program and discuss eligibility and permissible uses of these funds. A question-and-answer session will follow the presentation. Credit unions should review the [CDFI Fund's Small-Dollar Loan Program webpage](#), including information about the application process and timeline.

*Source: NCUA*

## NCUA Chairman's Letter Re: LIBOR Transition

In a recent letter to Boards of Directors and Chief Executive Officers, NCUA Chairman Harper wrote:

“On March 5, 2021, the London Inter-bank Offered Rate (LIBOR) administrator [announced](#) it will stop publishing the one-week and two-month LIBOR settings immediately following the December 31, 2021, LIBOR publication.<sup>1</sup> The remaining LIBOR settings will cease immediately following the LIBOR publication on June 30, 2023. While the extension of the publication of certain LIBOR settings through June 30, 2023, is not an opportunity to continue using LIBOR, it will allow some legacy LIBOR contracts to mature naturally.

**The NCUA encourages all federally insured credit unions to transition away from using the U.S. dollar LIBOR settings as soon as possible, but no later than December 31, 2021.** Failure to prepare for LIBOR disruptions could undermine a federally insured credit union's financial stability, and safety and soundness. As noted in the Federal Financial Institutions Examination Council's (FFIEC) July 1, 2020, [Joint Statement on Managing the LIBOR Transition](#), the LIBOR transition is a significant event that credit unions should manage carefully. The FFIEC statement recommends that new financial contracts use a reference rate other than LIBOR or have robust fallback language that includes a clearly defined alternative reference rate after LIBOR's discontinuation.

The [recent supervisory letter](#) provides the supervision framework examiners will use to evaluate a credit union's risk management processes and planning regarding the transition from LIBOR. The guidance applies to all federally insured credit unions, and I encourage all credit unions with LIBOR exposure to consult this information.

Please contact your NCUA Regional Office or state supervisory authority if you have questions about this important topic.”

*Source: NCUA*

## Articles of Interest

- [CFPB Adds Five New TRID FAQs re: Housing Assistance Loans](#)
- [Pandemic Issues Cause Drop in Consumer Satisfaction for Credit Unions, Banks](#)
- [Spotting Cryptocurrency Investment Scams](#)

## CUNA's Advocacy Resources:

- [Happenings in Washington](#)

## WOCCU Advocacy Resources:

- [Telegraph](#) – the most recent newsletter on current advocacy issues
- [Advocate Blog](#) – International advocacy trends and issues

## Compliance Calendar

- May 31st, 2021: Memorial Day - Federal Holiday
- June 30th, 2021: **NACHA – Limitation on Warranty Claims**
- June 30th, 2021: **NACHA – Reversals**
- July 5th, 2021: Independence Day - Federal Holiday (observed)
- September 6th, 2021: Labor Day - Federal Holiday

## Purely Michigan



Jaali and Doppsee – Potter Park Zoo black rhinos

## MCUL Events & Training for 2021!

- [Fair Lending Regulations and Examinations](#) (July 13)
- [Virtual Supervisor Bootcamp](#) (July 13 & 14)
- [Social Media: Advertising, Security and Privacy Webinar](#) (September 21)
- [Virtual Mortgage Loan Originator Workshop](#) (September 22 & 23)
- [Marketing Loans in a Post Virus Economy](#) (October 26)
- [Now Serving! The Journey to Become an Amazing Leader](#) (November 30)

*Watch for More Information Coming Soon for These MCUL Events:*

- **Annual Convention & Exposition**, Traverse City (Aug. 22-25)
- **Executive Summit**, Bay Harbor (Sept. 15-17)
- **Fall Leadership Development Conference**, Traverse City (Sept. 17-19)
- **Contact Center Conference**, Virtually (Oct. 27-28)

## MI Compliance and Advocacy News

### Compliance Network

Our team is working to bring you the next Compliance Network Meeting in **June 2021**. Our exciting meeting topic will be... (drum roll, please!) ... **Cannabis Banking**. We have enlisted *Green Check Verified* to speak at the meeting. They are leading experts that can offer guidance on how to successfully bank cannabis. Don't worry - this will not be a sales pitch. GCV are great educators that

can provide significant insight into this growing (😊) industry and how we can better serve it. *Stay tuned for more details!* For more information regarding the Compliance Network contact [Tanis Campbell](#) today!

## Q&A from the Compliance Helpline: Death of Joint Owner and Signed Agreements.

**Question:** When we have a deceased member, we are currently requiring the remaining members to sign a new membership agreement to “remove” the deceased from the account. Is a copy of the death certificate sufficient documentation to allow us to remove the joint owner without requiring the other owners to sign to remove?

**Answer:** Ultimately, you’ll want your agreements to reflect the ownership on the account. From a procedural standpoint, this can be accomplished a few different ways:

- signing an updated agreement would be the cleanest;
- retaining the death certificate in your account imaging would also work or,
- if the agreement is still in paper form, stapling a copy of the certificate to the agreement.

For more intricate situations, the [deceased member topic on InfoSight](#) may be helpful.

*Have a compliance question?* Be sure to email the Helpline at: [ComplianceHelpline@mcu.org](mailto:ComplianceHelpline@mcu.org) and [here’s a reminder of the compliance resources](#) available to you!

## Newsletter Sign Up

If this newsletter was forwarded to you and you’d like your own emailed copy, please contact [Kathryn.Hall@mcu.org](mailto:Kathryn.Hall@mcu.org)