**Summary of Content Changes  
2017.5 Update – December 2017**

**General Notes**

For the December update, many of the policy revisions are related to annual indexed changes that are part of regulation, including the changes made to Health Savings Accounts, Credit Cards, the Home Ownership Equity Protection Act (HOEPA), and the Ability-to-Repay rules.

Credit unions should also note that the NCUA’s revisions to the Home Mortgage Disclosure Act (HMDA) rules become effective on January 1, 2018. Revisions have already been made to Policy 9200 to comply.

**Policy Updates Summary**

**Policy 1645 – Fraud  
2017-5**In order to start streamlining some of our model policies and eliminating redundant content, we combined all of the Fraud and Internal Control policies (1645, 3200, 3201) into one policy, Policy 1645- Fraud. Credit unions are encouraged to adopt and customize Policy 1645. Policies 3200 (Internal Control) and 3201 (Internal Fraud) will be removed from the Model Policies Manual.  There is one new Key Field in this policy. (Recommended)

**Policy 2185 – Third Party Due Diligence & Oversight**

**2017-5**

Based on feedback received from credit unions, this policy was revised to add more clarity around the requirements for risk assessments. (Recommended)

**Policy 2214 – Health Savings Accounts**

**2017-5**

Each year the [IRS changes](https://www.irs.gov/pub/irs-drop/rp-17-37.pdf) the contribution limits that can be made to health savings accounts for both individuals and family. Those changes for 2017 are reflected in the policy revisions.

(Required)

**Policy 2223 – Children’s Online Privacy Protection**

**2017-5**

Based on the [guidance issued by the FTC](https://www.ftc.gov/news-events/press-releases/2017/10/ftc-provides-additional-guidance-coppa-voice-recordings) related to the use of voice recordings as a replacement for written words in performing search and other function, Policy 2223 has been updated. (Recommended)

Based on the [guidance issued by the FTC](https://www.ftc.gov/news-events/press-releases/2017/10/ftc-provides-additional-guidance-coppa-voice-recordings) related to the use of voice recordings as a replacement for written words in performing search and other function, Policy 2223 has been updated. (Recommended)

**Policy 2600 – Electronic funds Transfer**

**2017-5**

This policy was revised to correct a clerical error. (Recommended)

**DELETED POLICY - Policy 3200 - Internal Control  
2017-5**In order to start streamlining some of our model policies and eliminating redundant content, we combined all of the Fraud and Internal Control policies (1645, 3200, 3201) into one policy, Policy 1645- Fraud. Credit unions are encouraged to adopt and customize Policy 1645. Policies 3200 (Internal Control) and 3201 (Internal Fraud) will be removed from the Model Policies Manual.

**DELETED POLICY - Policy 3201 - Internal Fraud   
2017-5**In order to start streamlining some of our model policies and eliminating redundant content, we combined all of the Fraud and Internal Control policies (1645, 3200, 3201) into one policy, Policy 1645- Fraud. Credit unions are encouraged to adopt and customize Policy 1645. Policies 3200 (Internal Control) and 3201 (Internal Fraud) will be removed from the Model Policies Manual.

**Policy 7145 – Loan Limits**

**2017-5**

This policy was revised to comply with the changes made to the NCUA’s Member Business Lending Rules. Existing language prescriptive language for limits on MBLs were removed and reference the Member Business Loans/Commercial Lending policy. (Required if Credit Union conducts Member Business Lending)

**Policy 7350 – Ability to Repay**

**2017-5**

Policy 7350 was revised to comply with the annual changes made to the [points and fee thresholds](https://www.gpo.gov/fdsys/pkg/FR-2017-08-30/pdf/2017-18003.pdf) to determine if a mortgage is considered a qualified mortgage under the rules, based on the Consumer Price Index. (Required)

**Policy 7351 – Small Creditor Ability to Repay**

**2017-5**

Similar to Policy 7350, this policy was also revised to comply with the annual changes made to the [points and fee threshold](https://www.gpo.gov/fdsys/pkg/FR-2017-08-30/pdf/2017-18003.pdf)s based on the Consumer Price Index. (Required)

**Policy 7361 – Small Servicer Mortgage Servicing Rules**

**2017-5**

In our June 2017 updates to comply with the new mortgage servicing rules, Section 5 related to the “Mortgage Servicing Transfer Notice” was removed.  However, this section **would be** applicable to Small Servicers **only** if they acquire ownership of a mortgage loan and subsequent servicing rights of an affiliate.  Therefore, we have added this section back in to the model policy.  Note: This policy was updated in the Model Policies between updates, on October 25, 2017. (Required if conducted)

**Policy 7370 – HOEPA Rule Requirement**

**2017-5**

The [thresholds for determining if a loan is covered under HOEPA](https://www.gpo.gov/fdsys/pkg/FR-2017-08-30/pdf/2017-18003.pdf) were also adjusted for January 1, 2018 and these amounts were updated in the policy accordingly. (Required)

**Policy 9200 – Home Mortgage Disclosure Act – Regulation C**

**2017-5**

Policy 9200 was significantly revised in our last update to comply with the [HMDA changes](https://www.federalregister.gov/documents/2015/10/28/2015-26607/home-mortgage-disclosure-regulation-c) that are scheduled to become effective on January 1, 2018. The revisions in this update are based on feedback to incorporate additional definitions for MSA and MDs and to make one correction in section 10 (A).

The asset size threshold for coverage has not yet been published for 2018. Credit unions are encouraged to watch for that publication from the CFPB and update their policy accordingly. We will issue a revised policy in our next quarterly update. (Recommended)

**Policy 9220 – Home Ownership and Equity Protection Act**

**2017-5**

Similar to the changes made to Policy 7370, this policy was also revised to adjust the [thresholds for determining if a loan is covered under HOEPA](https://www.gpo.gov/fdsys/pkg/FR-2017-08-30/pdf/2017-18003.pdf), effective January 1, 2018. (Required)

**Policy 9420 – Monetary Control Act – Regulation D**

**2017-5**

Thresholds are changed annually to reflect the [annual indexing of the reserve requirement](https://www.federalreserve.gov/newsevents/pressreleases/files/bcreg20171103a1.pdf) exemption amount. The policy has been revised to reflect those changes within the policy and are effective for 2018. (Required)

**Policy 10006 – Insurance & Bond Records**

**2017-5**

This policy was revised to add clarification on the permanent retention of credit union insurance policies as outlined with Part 749 of the NCUA rules. (Recommended)

**Policy 10009 – Personnel & Employment Records**

**2017-5**

This policy was revised to comply with the 3 year record retention requirement within the [Fair Labor Standards Act](https://www.dol.gov/whd/regs/compliance/wh1261.pdf) for earning records and time records. (Recommended)

**Policy 11016 – Affiliate Marketing Rules**

**2017-5**

This policy was updated to correct a clerical error. (Recommended)