

# THE EXAMINER

Issue 5



## FROM THE ADMINISTRATOR

I am honored and humbled to serve as the Administrator of Credit Unions. NCCUD will continue to provide quality supervision to our state-chartered credit unions. I look forward to promoting the importance of the dual-chartering system and the benefits of being a North Carolina state-chartered credit union. All my best, Kristina Ray

### IMPORTANT DATES

- September 29, 2023 – Fall Commission Meeting
- October 30, 2023 – September 30, 2023, Call Report submission deadline
- November 10, 2023 – NCCUD Office closed for Veterans Day
- November 23-24, 2023 – NCCUD Office closed for Thanksgiving
- December 25-27, 2023 – NCCUD Office closed for Christmas

### NEW EXAMINER

You may notice an unfamiliar face on your next examination. Trey Taylor joined NCCUD as an examiner in July 2023. Mr. Taylor has prior Bank Secrecy Act/Anti-Money Laundering (BSA/AML) compliance and financial institution experience.

### CYBER INCIDENT NOTIFICATION

On September 1, 2023, 12 CFR § 748.1, Cyber Incident Notification Requirements for Federally Insured Credit Unions, became effective. All federally insured credit unions are required to notify the NCUA as soon as possible, and no later than 72 hours, after experiencing a reportable cyber incident or receiving notification from a third-party regarding a reportable cyber incident. Refer to [this link](#) for NCUA's Cyber Incident Notification Requirements.

### UPDATES TO THE BSA/AML EXAMINATION MANUAL

On August 2, 2023, the Federal Financial Institutions Examination Council released updates to the following sections of the BSA/AML Examination Manual. The updated sections do not establish new requirements. Details are available at <https://bsaaml.ffiec.gov/>.

### GUIDANCE ON LIQUIDITY RISKS AND CONTINGENCY PLANNING

Federal financial institution regulatory agencies recently updated existing guidance on liquidity risk and contingency planning. The guidance encourages depository institutions to incorporate the discount window as part of their contingency funding plans. Federal and State-chartered credit unions can access the Central Liquidity Facility as a contingent federal liquidity source. Credit unions with assets greater than \$250 million must, among other things, establish and document access to at least one contingent federal liquidity source.

At its March 31, 2023, meeting, the Credit Union Commission approved for the Division to review 04 NCAC 06C .1301 Liquidity Reserves. Any proposed revision to the Rule will be sent to credit union managers for comments. Remember, credit unions are required to compute the liquidity reserve monthly, no later than the tenth day of each month. In the event the liquidity reserve falls below five percent, the Administrator must be notified.

### COMMERCIAL REAL ESTATE LOAN ACCOMMODATIONS AND WORKOUTS

In June 2023, federal financial institution regulatory agencies issued a Policy Statement on Prudent Commercial Real Estate Loan Accommodations and Workouts and can be found [here](#).