

NOTICE OF FINAL ACTION AMENDING ACUA REGULATIONS

The Administrator of the Alabama Credit Union Administration (ACUA), having obtained unanimous approval of the ACUA Board to promulgate amended regulations, having given notice of the intended action, and having received no objections to amending the regulations by the comment date of April 15, 2017, hereby gives notice that the following regulations to provide regulatory relief to state chartered credit unions are final:

Section 2. Loans. Allowance for Loan and Lease Losses (for institutions greater than \$10 million in assets, must use GAAP; for institutions with \$10 million or less in assets, reserve required for expected loss); (Current regulation requires all credit unions regardless of size to comply with GAAP);

Section 4. Limits on Loans and Investments in Credit Union Service Organizations (deletes the requirement for an annual audit if the CUSO is consolidated into the audited financials of the credit union or a state chartered credit union's investment in the CUSO is less than 2% of the credit union's shares, deposits and undivided earnings; and confirms the authority of a CUSO to conduct foreclosure and repossession services);

Section 7. Filing of Group Return Form 990 with the Internal Revenue Service (deletes requirement); and

Section 11. Credit Union Ownership of Fixed Assets (deletes the limit on ownership of fixed assets).

A copy of the regulations, as amended is available on ACUA's website at www.acua.alabama.gov and is also on file with the Alabama Secretary of State's Office.

Dated this the 17th day of April, 2017.



Sarah H. Moore

Administrator, Alabama Credit Union Administration