



KAY IVEY
GOVERNOR

STATE OF ALABAMA
ALABAMA CREDIT UNION ADMINISTRATION
100 N. UNION STREET, SUITE 650, MONTGOMERY, ALABAMA 36104
TELEPHONE: (334) 353-5770 • FAX (334) 353-5795
www.acua.alabama.gov



H. GREG MCCLELLAN
ADMINISTRATOR

**AMENDED NOTICE OF INTENDED ACTION TO AMEND ACUA
REGULATIONS**

The Administrator of the Alabama Credit Union Administration (ACUA), hereby gives notice of the intended action to correct an error in a previously amended regulation on September 1, 2021.

An executive summary and full text of the corrected amendment to Section 3 of the regulations is included herein.

A copy is also on file with the Alabama Secretary of State's Office.

Interested persons may present applicable data, views or arguments concerning the amended regulations being promulgated, in writing, by correspondence to the following address:

Alabama Credit Union Administration
Attention: H. Greg McClellan, Administrator
100 North Union Street, Suite 650
Montgomery, Alabama 36104

The deadline for comment is **October 11, 2021**. Thereafter, the amended regulations will be submitted to the ACUA Board and upon approval, will become effective January 1, 2022.

Dated this the 10th day of September, 2021.

A handwritten signature in black ink, appearing to read "H. Greg McClellan", written over a horizontal line.

H. Greg McClellan
Administrator, Alabama Credit Union Administration

Section 3. Investments

Note: ~~The~~ Corporate state-chartered credit unions shall comply with the provisions of NCUA's Rules & Regulations Part 704 concerning investments and applicable state law.

Non-corporate state-chartered credit unions shall comply with the provisions of NCUA Regulation Part 703 concerning investments and applicable state law.

~~The Board of Directors of each Alabama state-chartered credit union~~ Each state-chartered credit union's board of directors shall establish written investment policies consistent with the applicable provisions of the Code of Alabama, and other applicable laws and regulations, including and sound business practices. Policies ~~should~~ shall be reviewed and modified as required, but not less frequently than annually. Board minutes ~~should~~ shall document a review of the policy and any amendments thereto.

At a minimum, the written policy shall address the following:

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- (j) Credit unions with assets in excess of \$10,000,000 must comply with generally accepted accounting principles for reporting requirements-; and
 - (k) Investments in Subordinated Debt (as such term is defined in NCUA Regulation § 702.402) issued by a federally insured or privately insured credit union shall be governed by NCUA Regulations § 701.25 and Part 702, as well as ACUA Regulations covered in (a) through (j) of this Section 3. A credit union's policy on investments in Subordinated Debt shall specifically incorporate the requirements set forth in NCUA Regulations § 701.25 and Part 702. This policy shall be developed and approved by the credit union's board of directors prior to initiating any investment in Subordinated Debt issued by a credit union. In addition to the foregoing, privately insured credit unions shall also comply with any requirements promulgated by its respective private insurer in connection with investments in Subordinated Debt.
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Authors:	H. Greg McClellan, Administrator
Statutory Authority:	Code of Alabama, Sections 5-17-46 & -47 (2016)
History:	Effective May 9, 2005
Amended:	Filed September 10, 2021
Effective:	January 1, 2022

