

**04 NCAC 06C .0407      COMMERCIAL LENDING AND MEMBER BUSINESS LOANS**

(a) Commercial lending and member business loans. State chartered federally insured credit unions shall adhere to the federal regulations prescribed by the National Credit Union Administration relating to commercial lending and member business loan program pursuant to 12 C.F.R. Part 723, and this Rule, and any subsequent amendments, are incorporated by reference and may be found at no cost on the Code of Federal Regulations website [www.ecfr.gov](http://www.ecfr.gov).

(b) Written loan policies. The Board of Directors shall give notification to the Administrator of Credit Unions prior to initiating a commercial lending and member business loan program and adopt specific commercial lending and member business loan policies and review them at least annually. The Board of Directors shall review its commercial lending and member business loan policies prior to any material change in the credit union's commercial lending and member business loan program or related organizational structure, and in response to any material change in portfolio performance or change in economic conditions. Credit unions with an asset size of two hundred fifty million dollars (\$250,000,000) or below shall have commercial lending and member business loan policies submitted to the Administrator of Credit Unions 30 days prior to initiating a commercial lending and member business loan program.

*History Note:      Authority G.S. 54-109.12; 54-109.21(25); 54-109.78; 12 C.F.R. Part 741.3; 12 C.F.R. Part 723; 12 C.F.R. Part 741.203;  
Eff. January 1, 1988;  
Amended Eff. August 1, 1998; March 2, 1992;  
Temporary Amendment Eff. January 1, 2017;  
Amended Eff. August 1, 2017;  
Readopted Eff. February 1, 2018.*