



DCU BULLETIN

Division of Credit Unions

Washington State Department of Financial Institutions

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No. B-02-02

New Reporting Requirement Concerning New Type of Unsecured Member Business Loans

The Division's new Member Business Loan (MBL) rule allows a new category of unsecured MBL. See WAC 208-460-060(1)(b). The new MBL rule allows unsecured MBLs that individually do not exceed \$100,000 and that in total do not exceed 10% of net worth. A credit union cannot make such loans if its net worth ratio is below 7%. These loans are referred to below as Subsection (1)(b) MBLs.

This Bulletin applies only to those credit unions that have made Subsection (1)(b) MBLs.

Reporting Requirement

Each credit union that has made Subsection (1)(b) MBLs must complete and submit the attached MBL Report with its 5300 Call Report to the Division. WAC 208-460-060(1)(b)(iv). The MBL Report will help to assure the Division that credit unions are in compliance with Subsection (1)(b).

Credit unions do not need to submit the MBL Report if they do not have any Subsection (1)(b) MBLs.

If you have questions about the requirements for reporting supplemental information on Subsection (1)(b) MBLs, please call Doug Lacy-Roberts at (360) 902-0507.

MBL Report

Unsecured Member Business Loans under WAC 208-460-060(1)(b)

[Due to the Division of Credit Unions at the same time 5300 Call Reports are due]

A. _____
Credit Union Date

B. Submitted by: _____
Name Phone number

C. _____
Signature

D. In connection with our Call Report for the period ending: _____

E. Number of Subsection (1)(b) MBLs outstanding: _____

F. The aggregate amount of Subsection (1)(b) MBLs (balances plus commitments): \$ _____

G. The average amount of Subsection (1)(b) MBLs [F/E]: \$ _____

H. The credit union's net worth under NCUA's PCA rules: \$ _____

I. The aggregate amount of Subsection (1)(b) MBLs as a percentage of net worth [F/H]:
_____ %

J. The percentage of Subsection (1)(b) MBLs more than 60 days delinquent: _____ %

K. Total charge-offs on Subsection (1)(b) MBLs for the calendar year-to-date: \$ _____