



BULLETIN

NO. A-90-1

October 5, 1990

POLICY STATEMENT BY THE COMMISSIONER OF FINANCIAL INSTITUTIONS

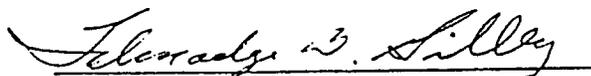
All state-chartered financial institutions will, no later than January 2, 1991, have read into and documented in their Board Minutes the following or substantially similar statement:

"As the Board of Directors of _____, we understand and acknowledge that it is our responsibility to insure that proper policies, procedures and responsibilities for comprehensive contingency plans are in place."

If no contingency plans are currently in effect, the Board of Directors must:

- (1) Assign responsibilities to a Management Group / Individual to oversee development, implementation, and maintenance of the institution's contingency plans; and
- (2) Set target dates for completion of the plans.

Financial Institutions Examiners will review the Minutes of the Board of Directors for compliance with this directive after January 2, 1991. Thank you for your cooperation in this important part of your institutional planning.


Talmadge B. Gilley, CFE
Commissioner



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TALMADGE GILLEY, CFE
COMMISSIONER

September 24, 1990

EXAMINATION PROCEDURES FOR DETAILING LOAN CONCENTRATIONS

The Examiner will detail on Page 7 of the Report of Examination all Concentrations of Credit over 25% of the Total Capital of the credit union.

The detail will contain at least the following:

1. The name/names of the member borrowers involved, along with any corporation or business loans of a member;
2. The date of the loan(s);
3. The purpose(s) of the loan(s);
4. The Collateral protection for the loan(s), along with detailed documentation. For example, on a real estate loan, the loan documentation should include, at least, the deed of trust date and dollar amount; any prior liens and the amounts thereof; insurance in effect and amount thereof;
5. The interest rate;
6. The terms of the loan(s);
7. Whether credit information was checked or not;
8. Current financial information;
9. Whether the loan is to a credit union insider; if so, specify all insiders by name and title. Check for preferential treatment to insiders;
10. Any other pertinent information.

The Examiner should state whether the loan is classified elsewhere in the Report.