

## Loan Meeting Notes

April 20, 2023


Next planned meeting date: May 18, 2023

Attendees: Brooke, GinGar, Evelyn, Anali, Tara, Jamie R, Bo, Cori L, Rhonda, Andrea, Miguel, Jordy, Salena, Misael, Gary, Laura, Makayla, Autumn, Cass, Logan, Jade, Lacey, Melissa B, Aaron, Rusty, Candida, Dee, and Shannon.

- **CUNA Mutual:** They are going to changing their name to TruStage tentatively Late May. Marketing materials will be changing and members will have questions, please be ready for those.
- **Debt Protection for HELOC and VISA's:** Make sure to include the letter and second DP contract in loan docs. **Only HAVE to sign new one**, both is okay. The letter needs to be included for all loans through the end of April. [See March notes](#) to see the letter and new DP contract that all members who were affected by the change should have receive by now.
  - **Debt Protection:** Make you are offering *and* explaining DP, not just having them sign and acknowledge that we offer it. If they want it on a new loan, but don't have it on any existing loans, let them know they can add it. If we are adding DP *after* the loan is booked, we need to have a contract *signed* as well as making sure to complete the subsequent election section and fill it out in its entirety.
- **Account number and Suffix:** We need to have the account number and suffix on all docs that have the account number.
- **HELOC Modification:** In the line "Formerly Known As" on DOT modification, this only needs to be completed if the *original* DOT was done with one of the merger CU's, i.e, Magic Valley Fed, Potelco, etc. If it has been done since we have merged as Connections Credit Union, leave the "Formally Known" line blank.
- **Corporate checks:** The stub we have the member sign has the disclosure stating that guaranteed funds, cannot be stopped etc. Their signature on that is their acknowledgment as well as saying that they received the check. If we are cutting a check from the loan and mailing it, we need to write **"Loan Proceeds"** on the top stub of check. If we are giving the member the check, then they need to **sign** the top stub.
- **Collection Payoffs:** When we are mailing out checks to payoff collections that are on the credit report, we need to make sure we are getting all the correct payoff information. Amounts, mail in payment address, account number etc. Members need to contact the creditors for that information.

- **Fraud:** Let's keep a close watch on what members are doing when doing loan apps. If they come in multiple times for a credit increase, ask questions. Let's make sure we educate members on monitoring their credit as we all know how quickly and easily it can change.
- **ShopSpot Page for VISA's:** Our credit cards are reward cards. GinGar just created a "blurb" on the VISA card ([see Exhibit #2](#)) page on the intranet to help the lenders know how to help the members access their rewards. The link on the app is temporarily unavailable via online banking. There is a ticket out for this to be fixed.
- **QuitClaims:** Alliance title stated we don't have to do a quitclaim to change marital status. However, to be safe rather than sorry, just ***continue to do Quitclaims on marital status.***
- **Scanning of Loan Docs:** Everyone is doing much better getting their docs in. The loan isn't finished until docs are scanned in. Make sure we are having another lender look over your loan docs to help prevent error. If contacted to correct errors, ***please make these a priority.*** We need to get it corrected before the auditors catch it.
- **Truth and Lending Disclosures:** Make sure on Truth and lending disclosure that we are completing this correctly on the Itemization of the Amount Financed. If the member is keeping the funds, fill out "Amount given to you directly." If we are putting funds into their checking or savings to cut a check for a payoff, do not put anything in that box. The account number and members name need to be in the disbursal area, IF THEY ARE GOING TO BE KEEPING THAT MONEY. If they have money in the account for a down payment, then loan proceeds are going to the account to create a check, then whoever the check is going to is who should be listed in the "to" section. It tells auditors, members and us what we are doing with the money. The disbursals ***HAVE*** to be filled out. It cannot be left blank.
- **Generating Loan Docs:** If any questions or errors with loan docs and how they populate, let GinGar know.
- **Dee:** Nothing to discuss from The Resolutions Team
- **Creating a Loan in Forza:** When someone calls regarding interest rates, we shouldn't be pulling credit. We need to be getting clear approval to pull credit. Although we have written permission on member docs to pull credit, we still want their verbal permission. We should only be opening a loan after credit has been pulled. No rates are locked in unless credit has been pulled. We can work up a pre-approval on a nonmember before they sign member docs, but we would need member docs signed prior to booking the loan. If working with a nonmember, pull check systems with pre-approval. Reminder, for non-members we need an online loan application filled out.

- **Loan Application:** On the 3rd page of the application, make sure it is filled out completely. If it is an auto loan, put in the amount financed in the “other” section. Make sure the loan amounts on the application match what we have in Forza. On the financed amount on the GAP contract, make sure it matches the loan amount -including the \$525 GAP cost if they are financing it.
- **Second Approval:** If two people are approving the loan, both lenders need to be signing on the 3<sup>rd</sup> page of the application.
- **Autumn:** Make sure you are putting your 502's in the 502 folder that is located in the L drive. Please also make sure you are filling out the insurance portion on the Insurance Acknowledgment.



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# Credit Card

Connections Visa Rewards is a revolving line of credit that earns points redeemable for fun rewards.

- Unsecured Guidelines
- Visa Keying Process
- Credit Limit Increase Process
- CC Limit Payoff/Closure Form
- CC Balance Transfer Form
- Shop Spot Information
- Other Guidelines Page

Connections Visas have a variable interest rate, based on the Prime Rate. It will adjust each April and October, based on the Prime Rate published in the Wall Street Journal on the 20th day of the previous month. Regardless of the Prime Rate, the highest a VISA rate can go is 18%. We will not change the rate more than 2% at one time. There is not a per change minimum.

FICO	Rate
701+	Prime Rate + 5.0%
600-700	Prime Rate + 7.5%
600>	Prime Rate + 10.0%

Remember that the unsecured credit limit is aggregate per household. When figuring a credit card limit for a member, look at all current unsecured loans already in place for the member and his/her spouse.

FICO	Limit
740+	\$20,000
739 - 700	\$15,000
699 - 660	\$10,000
625 - 659	\$ 5,000
625>	\$ 1,000

Adding a second borrower to an existing Visa: Connections does not allow authorized users on Visas. If a member would like to add someone to their current Visa, we will need to qualify both members like it is a brand new Visa and have them sign the paperwork just like a brand new Visa. However, instead of booking a new Visa, the lender can simply add the new borrower as a Co-Borrower in the Member Services tab of Forza and then call anyone at the Member Support center to order a card for the new borrower.

Here are some items to keep in mind about payments for Visas - feel free to share this information