# Rules of Department of Insurance, Financial Institutions and Professional Registration

Division 1100—Division of Credit Unions

Chapter 2—State-Chartered Credit Unions

<table>
<thead>
<tr>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 CSR 1100-2.005 Frequency of Credit Union Examinations</td>
<td>3</td>
</tr>
<tr>
<td>20 CSR 1100-2.010 Location of Credit Union Records</td>
<td>3</td>
</tr>
<tr>
<td>20 CSR 1100-2.011 Accounting Manual and Procedures</td>
<td>3</td>
</tr>
<tr>
<td>20 CSR 1100-2.012 Accuracy of Advertising and Use of Credit Union Name</td>
<td>3</td>
</tr>
<tr>
<td>20 CSR 1100-2.020 Membership</td>
<td>4</td>
</tr>
<tr>
<td>20 CSR 1100-2.030 Surety Bond Requirement</td>
<td>4</td>
</tr>
<tr>
<td>20 CSR 1100-2.035 Special Standards for Newly Chartered Credit Unions</td>
<td>5</td>
</tr>
<tr>
<td>20 CSR 1100-2.040 Loans</td>
<td>5</td>
</tr>
<tr>
<td>20 CSR 1100-2.050 Credit Union Interlending</td>
<td>6</td>
</tr>
<tr>
<td>20 CSR 1100-2.055 Allowance for Loan Loss</td>
<td>6</td>
</tr>
<tr>
<td>20 CSR 1100-2.060 Delinquent Loan and Extension Agreements Reporting Procedures</td>
<td>6</td>
</tr>
<tr>
<td>20 CSR 1100-2.070 Completing Dissolution of Credit Union</td>
<td>7</td>
</tr>
<tr>
<td>20 CSR 1100-2.075 Mergers and Consolidations</td>
<td>7</td>
</tr>
<tr>
<td>20 CSR 1100-2.080 Fiscal and Financial Services</td>
<td>10</td>
</tr>
<tr>
<td>20 CSR 1100-2.085 Credit Union Service Organization (CUSO)</td>
<td>10</td>
</tr>
<tr>
<td>20 CSR 1100-2.090 Unlocatable Members: Small Share Balances: How to Handle</td>
<td>12</td>
</tr>
<tr>
<td>20 CSR 1100-2.100 Audits in Lieu of Examination: Procedure</td>
<td>12</td>
</tr>
<tr>
<td>20 CSR 1100-2.120 Credit Union Investments: Savings and Loan Associations and Savings Banks</td>
<td>12</td>
</tr>
</tbody>
</table>
20 CSR 1100-2.130 Credit Union Investments: United States Government Securities and Obligations .................................................................12
20 CSR 1100-2.135 Credit Union Investments: Other .................................................................13
20 CSR 1100-2.160 Call Reports .......................................................................................13
20 CSR 1100-2.170 Audit by Supervisory Committee ............................................................13
20 CSR 1100-2.185 Investments in Fixed Assets (Rescinded July 30, 2016) ..............................14
20 CSR 1100-2.190 Special Shares and Thrift Accounts ..........................................................14
20 CSR 1100-2.205 Deposit and Securing of Public Funds .....................................................14
20 CSR 1100-2.220 External Deposits ....................................................................................14
20 CSR 1100-2.240 Rules of Procedure .................................................................................15
Chapter 2—State-Chartered Credit Unions

20 CSR 1100-2.005 Frequency of Credit Union Examinations

PURPOSE: This rule sets forth the frequency of credit union examinations and the factors the director may consider when determining the frequency of credit union examinations.

(1) The director of the Division of Credit Unions, or the director’s agents, may examine a credit union at any time and shall have free access to all books, papers, securities, and other sources of information pertaining to the credit union.

(2) Qualifying credit unions, as determined by the director, shall be examined no less frequently than every eighteen (18) months. All other credit unions shall be examined annually.

(3) The factors the director may consider, when determining whether or not a credit union may qualify for examinations less frequently than annually, may include:

A. The credit union has been in operation for ten (10) years;
B. The credit union has not been operating under a Net Worth Restoration Plan or Letter of Understanding and Agreement within the preceding twelve (12) months;
C. The credit union has not been operating under an administrative order within the preceding twelve (12) months;
D. The credit union has not experienced major changes in its balance sheet structure within the preceding twelve (12) months;
E. The credit union has maintained a positive return on average assets;
F. The credit union has not implemented any new programs with high risk to its balance sheet within the preceding twelve (12) months;
G. The credit union has a net worth ratio of greater than seven percent (7%);
H. The credit union has implemented an adequate asset liability management mechanism;
I. The credit union has maintained accurate and current books and records;
J. The tenure and quality of the credit union’s management;
K. General economic conditions.

20 CSR 1100-2.010 Location of Credit Union Records

PURPOSE: This rule sets the location and availability of the books and records of a credit union in order that the division may have access to them for examinations.

(1) Credit union books and records must be maintained in one (1) location and available for examination sometime between the hours of 8 a.m. and 5 p.m. weekdays. This location should be the principal place of business as recorded with the Division of Credit Unions. Any exception to this must receive prior written approval by the director of credit unions.

(2) If the examiners arrive to examine the credit union books and cannot receive access to them, sections 370.140 and 370.150, RSMo may apply, if, in the opinion of the director, that action is necessary.

20 CSR 1100-2.011 Accounting Manual

PURPOSE: This rule establishes the basic accounting system to be utilized by state-chartered credit unions to assure an overall uniformity in the credit unions’ bookkeeping and recordkeeping methods.

PUBLISHER’S NOTE: The secretary of state has determined that the publication of the entire text of the material which is incorporated by reference as a portion of this rule would be unduly cumbersome or expensive. Therefore, the material which is so incorporated is on file with the agency who filed this rule, and with the Office of the Secretary of State. Any interested person may view this material at either agency’s headquarters or the same will be made available at the Office of the Secretary of State at a cost not to exceed actual cost of copy reproduction. The entire text of the rule is printed here. This note refers only to the incorporated by reference material. For anyone desiring a personal copy, this reference publication is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

(1) Accounting and recordkeeping shall conform to generally accepted accounting procedures on an accrual basis as may be necessary for full material disclosure and be acceptable to the director of credit unions.

(2) The Accounting Manual for Federal Credit Unions, published by the National Credit Union Administration, provides detailed instructions and approved procedures, including the approved chart of accounts, for Missouri credit unions.


20 CSR 1100-2.012 Accuracy of Advertising and Use of Credit Union Name

PURPOSE: This rule explains what is allowed in the use of advertising and when a credit union uses an assumed name, also known as a “dba” (doing business as).

(1) No insured credit union may use any advertising (which includes print, electronic, or broadcast media, displays and signs, stationery, and other promotional material) or make any representation which is inaccurate, misleading, or deceptive in any particular manner, or which in any way misrepresents its services, contracts, or financial condition, or which violates the requirements of the
National Credit Union Administration’s Truth In Savings Regulation 707.8. The exception to this section is the approved use of an assumed name as described in sections (4) through (7) of this rule.

(2) If the director notifies a credit union that an advertisement is deemed to be inaccurate, misleading, or deceptive, the credit union will have fifteen (15) days following receipt of the notification to provide the director with information substantiating the truthfulness of the advertisement.

(3) The use by any person, co-partnership, association, or corporation, except credit unions formed under the provisions of this chapter or any association composed exclusively of credit unions, including any service corporation wholly owned by credit unions or an association of them, of any name or title which contains the words “credit union” shall be a misdemeanor.

(4) Subject to the requirements of this rule, a credit union may adopt an assumed name to be used in advertising or signage, provided that the credit union uses its official charter name in communications with the division’s office and for share certificates, signature cards, loan agreements, account statements, checks, drafts, and other legal documents. The assumed name may also be used in the above materials provided that it is clearly identified as such (e.g., ABC Credit Union dba XYZ Credit Union).

(5) A credit union shall not use an assumed name until it has received written approval from the director and has registered the name with the secretary of state.

(6) The director shall not issue approval to use an assumed business name if, by the director’s determination, the designation may confuse or mislead the public, or if it is not readily distinguishable from, or is too similar to a name of another credit union doing business in this state. The director shall also make this determination in the event a credit union requests to change its official charter name.

(7) It is the responsibility of the individual credit union to comply with state and federal law applicable to corporate names.

(8) A credit union that intends to use an assumed name shall take reasonable steps to ensure that use of the assumed name will not result in confusion to the extent that its different facilities will be mistaken as different credit unions or that the shares deposited at or through the different facilities are separately insured from those of the other facilities.

(9) Each credit union will take the necessary steps to follow the National Credit Union Administration’s requirements for the official sign display noting federal insurance.

(10) Any advertising that mentions share or savings accounts insurance provided by a party other than federal insurance must clearly explain the type and amount of such insurance and the identity of the carrier and must avoid any statement or implication that the carrier is affiliated with the federal government.


20 CSR 1100-2.020 Membership

PURPOSE: This rule establishes the minimum requirements for membership in a credit union (see section 370.080, RSMo, for statutory provisions).

(1) A member must establish one (1) full share in a share account within a specified time period as set by the board of directors; however, that period shall not be less than three (3) months and shall maintain this one (1) share to remain a member of the credit union. If a credit union lends to a member, the member shall maintain one (1) full share in a share account until the loan has been paid in full, has been determined to be a collection problem loan, has been referred to a third party for collection, or until the balance is charged to the reserve fund as a bad debt.


20 CSR 1100-2.030 Surety Bond Requirement

PURPOSE: This rule establishes the minimum surety bond coverage a credit union must carry for protection of its assets (see section 370.235, RSMo, for statutory provisions).

(1) All credit unions are required to carry a surety blanket bond with the types and amounts of coverage required to qualify for and maintain, if required, federal share insurance as stated in National Credit Union Association (NCUA) Rules and Regulations, Part 713, and in addition must provide for faithful-performance-of-duty coverage for any officer or employee.

(2) The board of directors of each credit union shall, at least annually, carefully review the bond coverage in force to determine its adequacy in relation to risk exposure and to minimum regulatory requirements and shall document this review in the board of directors’ minutes.

(3) All credit unions must use a basic bond form that has been approved by the NCUA board unless prior written approval has been acquired from the director.

(4) All credit unions should maintain increased coverage above the minimum required in section (1), equal to the greater of either of the following amounts within thirty (30) days of discovery of the need for such increase:

   (A) The amount of daily cash plus anticipated daily money receipts on any of the credit union’s premises; or

   (B) The total amount of the credit union’s money in transit in any one (1) shipment.

(C) Increased coverage is not required when the credit union temporarily increased its cash fund because of unusual events which cannot reasonably be expected to recur.

(5) Any aggregate limit of liability provided for in a surety blanket bond policy must be at least twice the single loss of liability. This requirement does not apply to optional insurance coverage.

(6) The maximum amount of deductible may not exceed the limit stated in NCUA Rules and Regulations, Part 713.
(7) For purposes of this regulation, the term surety bond is synonymous with the term fidelity bond.


20 CSR 1100-2.035 Special Standards for Newly Chartered Credit Unions

PURPOSE: This rule sets forth certain standards and goals which a newly chartered credit union must meet within its first year of operation. It also sets forth certain prohibited activities.

(1) A newly chartered credit union must—
   (A) Maintain its books and records in accordance with generally accepted accounting principles;
   (B) Generate from normal operations sufficient income to fund operations, reserve transfers, pay a reasonable dividend, a nominal contribution to retained earnings and further maintain solvency;
   (C) Close its books quarterly and transfer to regular reserves at least ten percent (10%) gross income beginning with the first full quarter of operations;
   (D) Record all accounts properly and on a timely basis; financial statements must be posted by the fifteenth of the following month;
   (E) Not engage in the following prohibited activities and practices:
      1. It shall not make any commercial loans nor hold any mortgage loans as assets;
      2. It will not form a Credit Union Service Organization (CUSO) nor enter into any arrangement where it participates in the sponsorship of CUSO;
      3. It shall not accept brokered funds;
      4. It shall not make and hold as an asset any single loan over twenty-five thousand dollars ($25,000) or ten percent (10%) of assets whichever is less; and
      5. It shall not enter into any insurance programs (other than credit disability, credit life, auto insurance or insurance securing property held for collateral on loans) where the credit union member finances the payment of insurance premiums through loans from the credit union without prior approval of the director of the Division of Credit Unions; and
   (F) Forward to the director of the Division of Credit Unions its monthly financial statements and board of directors’ minutes by the fifteenth of each month.


20 CSR 1100-2.040 Loans

PURPOSE: This rule establishes the requirement of maintaining current written lending policies and establishes requirements concerning loans to certain credit union officials.

(1) Each credit union will maintain current written lending policies. Written lending policies will be sufficiently detailed to adequately address all lending activities and products.

(2) No member of the board of directors or of the supervisory or credit committee shall enter into loan contracts with the credit union where the terms are more favorable than those of loans extended to other member-borrowers. It is recommended that employees of the credit union shall be subject to similar loan restrictions.

(3) In processing the loan application of a member of the board of directors or of the credit or supervisory committee, the credit union shall be subject to similar loan restrictions.

(4) When a member of the board of directors or of the credit or supervisory committee makes application to the credit union of which the member is an official, the loan application must be approved by the loan officer in the manner provided by law and the bylaws of the credit union adopted and where the loan is so approved.

(5) An application for an increase in the credit limit of a previously approved line of credit or credit card loan is considered a new application which, if approved, shall be reported to the board. Periodic advances on a previously approved and properly reported line of credit or credit card loan shall not be considered a new application if the previously approved credit limit is not exceeded;

(6) Any loan to a member of the board of directors or to a member of the supervisory or credit committee that becomes sixty (60) days or more delinquent shall be reported to the board of directors by the president or manager at the next board meeting following the discovery of the delinquency. That report shall be included in the board minutes. A copy of this report shall be forwarded to the director of the Division of Credit Unions. The board then shall act to make appropriate arrangements to bring the loan(s) current. Arrangements to bring the loan current shall be on terms no more favorable than those available to other members and be acceptable to the director of the Division of Credit Unions. In no event shall a loan to an official become more than ninety (90) days delinquent nor shall any loan remain thirty (30) days or more delinquent for more than one hundred eighty (180) consecutive days;

(7) No member of the board of directors or of the credit or supervisory committee shall, in any manner, directly or indirectly, participate in the deliberation of any question affecting the member’s application for a loan; and

(8) These provisions also are applicable to officials who enter into contracts for a loan(s) as co-makers.

(5) The credit union’s board of directors must adopt a clear and concise policy regarding employees and elected officials and their immediate family members bidding on and/or purchasing assets, such as vehicles, that were previously repossessed by the credit union. The credit union must also implement the proper steps to ensure the policy is followed, which should include preventing the possibility of insider abuse, which includes a bidding process. The credit union must also implement the proper steps to ensure the policy is followed, which should include preventing the possibility of insider abuse, which includes a bidding process. The credit union must also implement the proper steps to ensure the policy is followed, which should include preventing the possibility of insider abuse, which includes a bidding process.
PURPOSE: This rule sets forth certain provisions regarding the establishment and maintenance of the allowance for loan loss account in conformity with generally accepted accounting principles.

(1) All credit unions shall maintain an allowance for loan loss account. Credit unions that have not in the past considered inherent losses in establishing the balance in this account may transfer the initial amount applicable to inherent losses from the regular reserve or undivided earnings. The allowance account will be adjusted at least quarterly or more often as required. All adjustments to increase or decrease the allowance account will be made to the provision for loan loss expense. All charged off loans and recoveries will be to the allowance account.

(2) The allowance for loan loss account shall represent an estimate of loan losses in the entire loan portfolio, including estimated inherent losses, in conformity with generally accepted accounting principles and meet regulatory requirements for full and fair disclosure. The allowance account will be adjusted at least quarterly or more often as required. All adjustments to increase or decrease the allowance account will be made to the provision for loan loss expense. All charged off loans and recoveries will be to the allowance account.

(3) Full and complete documentation of the determination of the balance of the allowance account must be maintained by the credit union.


20 CSR 1100-2.060 Delinquent Loan and Extension Agreements Reporting Procedures

PURPOSE: This rule sets forth reporting requirements for delinquent loans and extension agreements and establishes minimum standards for charging off loans.

(1) The scheduling or classifying of delinquent loans shall be on the contract basis. This means that the status of the accounts is determined by comparing the amount of money or the number of full payments received against the amount of money or the number of full payments that should have been made in accordance with the contract (note). Delinquencies of a partial month shall be considered a full month when scheduling or classifying delinquent loans.

(2) Each credit union shall maintain a monthly schedule of delinquent loans which shall list in columnar form the account number, name of borrower, date of loan, date of last payment, original amount of loan and outstanding balance of loan at date of schedule and share balance, together with space to note current action or status.

(3) The unpaid balances of loans shall be set apart in columns of the schedule of delinquent loans which will indicate the extent of delinquency as determined by the oldest delinquent installment according to note contract, as follows:

A. Loans on which the oldest delinquent installment is two (2) months, but less than six (6) months, past due;
B. Loans on which the oldest delinquent installment is six (6) months, but less than twelve (12) months, past due; and
C. Loans on which the oldest delinquent installment is past due twelve (12) months or more.

(4) In determining the oldest delinquent installment, all repayments received are to be considered as applying to installments in the order in which they came due.

(5) The schedule of delinquent loans shall be reviewed by the board of directors at least quarterly.

(6) Loans listed as twelve (12) months or more delinquent and classified Loss on the most recent state examination and are the same at the next annual examination or supervisory contact (which shall be not less than one hundred fifty (150) days from the day of the previous examination), with no change in circumstances (change in circumstances shall be defined as receiving a minimum of twenty-five percent (25%) of scheduled monthly payments for the period), will be charged to the allowance for loan loss at that time. If the allowance for loan loss is
insufficient, sufficient amounts will be charged to the provision for loan loss expense for that requirement. Upon written application by the board of directors, the director of credit unions, considering special circumstances, may waive this requirement.

(7) The proper control of extension agreements is of considerable significance and is singled out for special attention. Extension agreements, by their very nature, may lend themselves to misuse and must be monitored carefully by the board of directors at least quarterly. For purposes of this regulation, extension agreements do not include changes to payment schedules to facilitate changes in a borrower’s pay schedule, assuming the borrower is current. However, for purposes of this regulation, the reporting of extension agreements does include the refinancing of delinquent loans for the purpose of removing them from the delinquent loan list or changing their delinquent status.


20 CSR 1100-2.070 Completing Dissolution of Credit Union

PURPOSE: This rule outlines the procedures for liquidating a credit union which enters dissolution either voluntarily or involuntarily (see section 370.350, RSMo, for more information regarding dissolutions).

(1) Immediately following the receipt of consent of dissolution from the director of the Division of Credit Unions, the liquidating agent will file with the director a list of all members holding accounts in the credit union, showing the number, name, and share and loan balances.

(2) The liquidating agent will begin filing the following quarterly reports with the director at the director’s office in Jefferson City, Missouri:

(A) A financial and statistical report;
(B) A list of each loan account, showing number, name, total payments since last report, and balance. The agent shall also report action taken toward collection;
(C) Copy of the minutes of all board meetings since last report. Minutes shall show any court action for or against credit union; and
(D) Statement of total amount and rate of any refund or partial refund of shares to members before final distribution.

(3) The liquidating agent shall present plan of distribution of funds to the director of the Division of Credit Unions for approval.

(4) Upon written approval of the director, the liquidating agent shall make final payment to members.

(5) The liquidating agent shall report to the director the date of final dissolution of the credit union and shall submit an analysis of the disposition of all funds to members.

(6) The liquidating agent shall report the location of the storage of the credit union’s books and records for five (5) subsequent years.


1. Current financial statements for both credit unions;
2. Current delinquent loan summaries and analyses of the adequacy of the Allowance for Loan and Lease Losses account;
3. Consolidated financial statements, including an assessment of the generally accepted accounting principles (GAAP) net worth of each credit union before the merger and the GAAP net worth of the continuing credit union after the merger;
4. Analysis of share values;
5. Explanation of any proposed share adjustments;
6. Explanation of any provisions for reserves, undivided earnings, or dividends;
7. Provisions with respect to notification and payment of creditors; and
8. Explanation of any changes relative to insurance, such as life savings and loan protection insurance and insurance of member accounts;
(F) Disclosure of financial benefit to be received by the officers, senior management, and directors other than those available to ordinary members;
(G) An explanation of any proposed adjustments to the members' shares, provisions for reserves, or undivided earnings;
(H) A summary of the products and services proposed to be available to the members of the surviving credit union that may differ from those available at the merging credit union, with an explanation of the effects of any changes from the current products and services provided to the members of the merging credit union;
(I) A summary of the advantages and disadvantages of the merger; and
(J) Any other items deemed critical to the merger agreement by the boards of directors.
(5) An application for approval of the merger will be complete when the following information is submitted to the director:
(A) The merger plan, as described in this rule;
(B) A copy of the corporate resolution of each board of directors formally agreeing in principle to merge;
(C) A copy of the corporate resolution of each board of directors formally approving the Articles of Merger, and/or the Merger Agreement;
(D) The proposed Notice of Special or Annual Meeting of the members of the merging credit union;
(E) A copy of the written or electronic ballot to be sent to the members of the merging credit union;
(F) A written explanation as to the voting procedures; and
(G) If the credit union is seeking a waiver pursuant to section 370.353.3, RSMo, a request for such waiver.
(6) If the surviving credit union is organized under the laws of another state or of the United States, the director may accept an application to merge that is prescribed by the state or federal supervisory authority of the surviving credit union, provided that the director may require additional information to determine whether to deny or approve the merger. The application will be deemed complete upon receipt of all information requested by the director.
(7) The director may grant preliminary approval of an application for merger conditioned upon specific requirements being met. However, final approval shall not be granted unless such conditions have been met within the time specified in the preliminary approval and until approval has been granted by the National Credit Union Administration.
(8) The director shall deny an application for merger if the director finds any of the following:
(A) The financial condition of the merging credit union before the merger is such that it will likely jeopardize the financial stability of the surviving credit union or prejudice the financial interests of the members, beneficiaries, or creditors of either credit union;
(B) The plan includes a change in the products or services available to members of the merging credit union that substantially harms the financial interests of the members, beneficiaries, or creditors of the merging credit union;
(C) The officers, directors and/or senior management are to receive undue financial benefits not ordinarily received by similar credit unions and which are not available to ordinary members;
(D) The credit unions do not furnish to the director all information requested by the director which is material to the application; or
(E) The merger would be contrary to law or regulation.
(9) Upon approval of the plan of merger, the board of directors of the merging credit union shall direct, by resolution, that the plan be submitted to a vote at a meeting to be called within sixty (60) days of the approval by the director. Advance notice of the meeting shall be mailed or delivered to each member of the credit union. This notice must be sent no more than thirty (30) days and no less than fourteen (14) days prior to the meeting at which the special merger will be voted on. The notice must—
(A) Specify the purpose of the meeting and the date, time, and place;
(B) Contain a summary of the merger plan, including but not necessarily limited to current financial statements for each credit union, a consolidated financial statement for the continuing credit union, analyses of share values, explanation of any proposed share adjustments, and explanation of any changes relative to insurance, such as life savings and loan protection insurance and insurance of member accounts;
(C) State reasons for the proposed merger;
(D) Provide name and location, including branches, of the continuing credit union;
(E) Inform the members that they have the right to vote on the merger proposal in person at the meeting, or by written or electronic ballot to be received no later than the date and time announced for the meeting called for that purpose, or by an alternative method that is approved by the director. All members should be provided the opportunity to vote without being required to attend the meeting; and
(F) Be accompanied by a Ballot for Merger Proposal and instructions on how to vote in an alternative manner, which shall be included in or enclosed with the notice.
(10) Approval of a proposal to merge a credit union into another credit union requires the affirmative vote of a majority of the members of the merging credit union who vote on the proposal.
(11) The board of directors of the merging credit union shall appoint or hire independent tellers of elections.
(12) The board of directors of the surviving credit union named in any such plan of merger need not submit the merger plan to its members but shall, instead, approve such merger plan according to the procedure stated in section 370.351, RSMo.
(13) The membership of the merging credit union shall have the ability to complete a written or electronic ballot. This ballot may be in the form of an absentee ballot request that accompanies the notice of meeting or in the form of an actual ballot. All members should be provided the opportunity to vote without being required to attend the meeting where the merger plan is voted on.
(14) With prior approval of the director, a credit union may accept member votes by an alternative method that is reasonably calculated to ensure each member has an opportunity to easily vote on the merger.

(15) The director may waive any membership meeting required above upon the request of the board of directors of the merging credit union pursuant to section 370.353.3, RSMo.

(16) Upon approval of the merger plan by the membership, if applicable, the certification of vote will be completed, signed, and submitted, along with necessary amendments to the surviving credit union’s bylaws, to the director for final approval. If applicable, the director will forward the approval to the National Credit Union Administration for insurance approval. Upon the National Credit Union Administration’s final approval, a certificate of merger will be issued to the surviving credit union. Necessary amendments to the surviving credit union’s bylaws shall also be submitted at this time.

(17) Upon receipt of the director and the National Credit Union Administration’s approval, the records of the credit unions shall be combined as of the effective date of the merger. The board of the directors of the surviving credit union shall certify the completion of the merger to the director within thirty (30) days after the effective date of the merger.

(18) Upon receipt by the director of the completion of the merger certification, a copy will be sent to the National Credit Union Administration, any bylaw amendments will be approved and the charter of the merging credit union will be cancelled.

(19) Upon approval of a proposal for consolidation by a majority vote of the members of the board, the credit unions shall prepare a Plan of Consolidation setting forth:

(A) The names of the credit unions proposing to consolidate and the name of the new credit union;

(B) The terms and conditions of the proposed consolidation and the mode of carrying the same into effect, referred to as the Articles of Consolidation and/or the Consolidation Agreement;

(C) The manner and basis of converting the membership shares, assets, and liabilities of each credit union into membership shares or assets and liabilities of the new credit union;

(D) With regard to the new credit union, all of the statements required to be set forth in the articles of agreement and the bylaws for credit unions;

(E) The current financial reports of each credit union, as follows:

1. Current financial statements;

2. Current delinquent loan summaries and analyses of the adequacy of the Allowance for Loan and Lease Losses account;

3. Consolidated financial statements, including an assessment of the generally accepted accounting principles (GAAP) net worth of each credit union before the consolidation, and the GAAP net worth of the new credit union after the consolidation;

4. Analyses of share values;

5. Explanation of any proposed share adjustments;

6. Explanation of any provisions for reserves, undivided earnings, or dividends;

7. Provisions with respect to notification and payment of creditors;

8. Explanation of any changes relative to insurance, such as life savings and loan protection insurance and insurance of member accounts;

(F) Financial benefit to be received by the officers, senior management, and directors other than available to ordinary members; and

(G) Such other provisions with regard to the proposed consolidation as are deemed necessary or desirable.

(20) An application for approval of the consolidation will be complete when the following information is submitted to the director:

(A) The consolidation plan, as described in this rule;

(B) A copy of the corporate resolution of each board of directors formally agreeing in principle to consolidate;

(C) A copy of the corporate resolution of each board of directors formally approving the articles of consolidation, the consolidation agreement, if applicable, and the consolidation plan;

(D) The proposed Notice of Special or Annual Meeting of the members;

(E) A copy of the written or electronic ballot to be sent to the members;

(F) A written explanation as to the voting procedures; and

(G) If the credit union is seeking a waiver pursuant to section 370.353.3, RSMo, a request for such waiver.

(21) If the new credit union is organized under the laws of another state or of the United States, the director may accept an application to consolidate that is prescribed by the state or federal supervisory authority of the surviving credit union, provided that the director may require additional information to determine whether to deny or approve the consolidation. The application will be deemed complete upon receipt of all information requested by the director.

(22) The director may grant preliminary approval of an application for consolidation conditioned upon specific requirements being met. However, final approval shall not be granted unless such conditions have been met within the time specified in the preliminary approval and until approval has been granted by the National Credit Union Administration.

(23) The director shall deny an application for consolidation if the director finds any of the following:

(A) The financial condition of the merging credit union before the consolidation is such that it will likely jeopardize the financial stability of the new credit union or prejudice the financial interests of the members, beneficiaries, or creditors;

(B) The plan includes a change in the products or services available to members of the new credit union that substantially harms the financial interest of the members, beneficiaries, or creditors;

(C) The officers, directors, and/or senior management are to receive undue financial benefits not ordinarily received by similar credit unions and which are not available to ordinary members;

(D) The credit unions do not furnish to the director all information requested by the director which is material to the application; or

(E) The consolidation would be contrary to law or regulation.

(24) Upon approval of the plan of consolidation, the board of directors shall direct, by resolution, that the plan be submitted to a vote at a meeting to be called within sixty (60) days of the approval by the director. Advance notice of the meeting shall be mailed or delivered to each member of the credit union. This notice must be sent no more than thirty (30) days and no less than fourteen (14) days prior to the meeting at which the consolidation will be voted on. The notice must—

(A) Specify the purpose of the meeting and the date, time, and place;

(B) Contain a summary of the consolidation plan, including but not necessarily limited to current financial statements for each credit union, a consolidated financial statement for the new credit union, analyses of share values, explanation of any proposed
share adjustments, and explanation of any changes relative to insurance, such as life savings and loan protection insurance and insurance of member accounts;

(C) State reasons for the proposed consolidation;

(D) Provide name and location, including branches of the new credit union;

(E) Inform the members that they have the right to vote on the consolidation proposal in person at the meeting, or by written or electronic ballot to be received no later than the date and time announced for the meeting called for that purpose, or by an alternative method that is approved by the director. All members should be provided the opportunity to vote without being required to attend the meeting; and

(F) Be accompanied by a Ballot for Consolidation Proposal and instructions on how to vote in an alternative manner, which shall be included in or enclosed with the notice.

(25) Approval of a proposal to consolidate into another credit union requires the affirmative vote of a majority of the members who vote on the proposal.

(26) The board of directors of the consolidating credit unions shall appoint or hire independent tellers of elections.

(27) The membership shall have the ability to complete a written or electronic ballot. This ballot may be in the form of an absentee ballot request that accompanies the notice of meeting or in the form of an actual ballot. All members should be provided the opportunity to vote without being required to attend the meeting where the consolidation plan is voted on.

(28) With prior approval of the director, a credit union may accept member votes by an alternative method that is reasonably calculated to ensure each member has an opportunity to easily vote on the consolidation.

(29) The director may waive any membership meeting required above upon the request of the board of directors of any of the consolidating credit unions pursuant to section 350.353.3, RSMo.

(30) Upon approval of the consolidation plan by the membership, if applicable, the certification of vote will be completed, signed, and submitted, along with necessary amendments to the bylaws, to the director for final approval. If applicable, the director will forward the approval to the National Credit Union Administration for insurance approval. Upon the National Credit Union Administration’s final approval, a certification of consolidation will be issued.

(31) Upon receipt of the director and the National Credit Union Administration’s approval, the records of the credit unions shall be combined as of the effective date of the consolidation. The board of directors of the new credit union shall certify the completion of the consolidation to the director within thirty (30) days after the effective date of the consolidation.

(32) Upon receipt by the director of the completion of the consolidation certification, a copy will be sent to the National Credit Union Administration, any bylaw amendments will be approved and the charter of the consolidating credit unions will be cancelled.


20 CSR 1100-2.080 Fiscal and Financial Services

PURPOSE: This rule establishes the procedures for a credit union to follow when it desires to initiate additional financial services such as money orders, traveler’s checks, and the like (see section 370.070(10), RSMo for statutory provisions).

(1) All fiscal and financial services not provided as a service to the members by the credit union shall have the approval of the director of credit unions before each new service is offered.

(2) Application for authority to provide each additional fiscal and financial service shall be made in writing to the director and shall contain a concise description of the service to be provided as well as projected cost of providing this service to the members and the projected fee structure and which fees would be charged to each member using the service. Accompanying the application shall be a copy of the most recent financial report of the credit union, as well as other documents that may support the feasibility of the credit union offering the service for which application was made.

(3) The director, from time-to-time, may approve programs for credit unions by which specific additional new services may be offered by credit unions to their members and the director also may establish prerequisites for credit unions who may elect to offer these services; and credit unions meeting these prerequisites may offer these services to their members.

(4) The director of the Division of Credit Unions authorizes all credit unions to offer the following business related services without prior approval unless the director orders a specific credit union to cease offering these services:

(A) Money orders, traveler’s checks, letters of credit;
(B) Share draft accounts;
(C) Debit, credit, ATM and smart cards;
(D) Sale of insurance products;
(E) Any program servicing or granting loans;
(F) Any share program; or
(G) Sale of tickets, charitable or promotional items.

The credit union offering these services shall make available to the director, upon his/her request, the direct and indirect cost of providing the services together with a schedule of the fees charged for the services.


20 CSR 1100-2.085 Credit Union Service Organization (CUSO)

PURPOSE: This rule outlines certain procedures and practices a credit union is to follow...
when investing in or lending to a credit union service organization.

(1) Definition. A credit union service organization (CUSO) is a legal entity established by or funded by one (1) or more credit unions (with or without participation of other parties) to meet the needs of its member credit union(s) by providing services and performing activities that are associated with credit union operations.

(2) Structure. A credit union can invest in a CUSO, only if the CUSO is structured as a limited partnership with the credit union participating as a limited partner. The credit union must obtain legal advice as to whether the organization and operation of the CUSO is in a manner that meets the goal of limited liability. In general, the corporate form must be adequately capitalized and operated as a separate entity. The limited partnership form must not engage in activities that would cause the limited partnership to be treated as a general partnership. For purposes of this rule, “corporation” means a legally incorporated corporation as established and maintained under relevant state or federal law.

(3) Funding. No single credit union’s investment(s) in and/or loan(s) to any or all CUSO(s) shall exceed in the aggregate twenty-five percent (25%) of the credit union’s net capital (reserves and undivided earnings), unless prior approval is obtained from the director of the Division of Credit Unions.

(4) Permissible Services and Activities. A credit union can invest in and/or lend to a CUSO, only if the CUSO complies with all applicable laws and limits its services and activities to the following general categories of services or activities:
- Checking and currency services;
- Clerical, professional, and management services;
- Loan origination;
- Electronic transaction services;
- Financial counseling services;
- Fixed asset services;
- Insurance brokerage or agency;
- Leasing;
- Loan support services;
- Record retention, security, and disaster recovery services;
- Securities brokerage services;
- Shared credit union branch (service center) operations;
- Travel agency services;
- Trust and trust-related services;
- Real estate brokerage services; or
- Other services or activities approved by the director of the Division of Credit Unions.

(5) In connection with providing a permissible service, a CUSO may invest in a non-CUSO service provider. The amount of the CUSO’s investment is limited to the amount necessary to participate in the service provider, or a greater amount if necessary to receive a reduced price for goods or services.

(6) Prohibited Activities. A CUSO may not acquire control, directly or indirectly, of another depository financial institution nor invest in shares, stocks or obligations of an insurance company, trade association, liquidity facility of other similar organization. The credit union will not engage in any activities, contract for or enter into any form or manner of arrangement that will allow the credit union to be committed or potentially committed for an amount in excess of its legally allowed investment in or loans to the CUSO(s).

(7) Related Parties. (A) The officials and senior management employees (and their immediate family members) of a credit union that has outstanding loans or investments in a CUSO must not receive any salary, commission, investment income, or other income or compensation from the CUSO either directly or indirectly, or from any person being served through the CUSO. This provision does not prohibit such credit union officials or senior management employees from assisting in the operation of a CUSO, provided the officials or senior management employees are not compensated by the CUSO. Further, the CUSO may reimburse the credit union for the services provided by such credit union officials and senior management employees only if the account receivable of the credit union due from the CUSO is paid in full at least every one hundred twenty (120) days. For purposes of this section, “official” means affiliated credit union directors or committee members. For purposes of this section, “senior management employee” means affiliated credit union chief executive officer (typically this individual holds the title of President or Treasurer/Manager), any assistant chief executive officers (e.g., Assistant President, Vice President, or Assistant Treasurer/Manager) and the chief financial officer (Comptroller). For purposes of this section, “immediate family member” means a spouse or other family members living in the same household.

(8) Accounting. (A) Credit unions must follow generally accepted accounting principles (GAAP) in their involvement with CUSOs.

(B) Credit unions must obtain, from any CUSO for which the credit union has an outstanding loan or investment, a certified public accountant (C.P.A.) audit on at least an annual basis and financial statements (balance sheet and income statement) on at least a quarterly basis.

(C) A CUSO must agree in writing with its participating credit unions to follow GAAP.

(9) Director Access to Books and Records. (A) A CUSO must agree, in writing, with its participating credit unions to provide the director or the director’s representative with complete access to any books and records of the CUSO and to make periodic reports in the manner and form deemed necessary by the director in carrying out the director’s duties.

(B) Any findings made by the director or the director’s representative that are intended for distribution to the CUSO’s participating credit unions shall be presented first to the CUSO’s board of directors. The CUSO shall be given fifteen (15) days to object in writing, with a detailed explanation, to any information contained in the director’s findings that the CUSO reasonably believes could jeopardize its independent relationship with the CUSO’s participating credit unions such that the credit unions would be exposed to liability. Such written objections shall be submitted to the director, who shall then make a determination as to the need to amend the findings prior to presenting them to the participating credit unions. The director or the director’s representative may make such additional inquiries or investigations as deemed necessary for a determination of the issue.

(10) Right to Appeal. In any matter relating to a credit union’s interest in a CUSO that requires the director to approve or deny a credit union’s request, the credit union may appeal the director’s denial pursuant to the provisions of Chapter 536, RSMo. Such appeal shall be heard pursuant to sections 536.100 to 536.140, RSMo, if such matter is
required to file an annual report and remit all funds paid to the member. All credit unions are required to maintain a small share balance, which shall be credited to these accounts; however, a record of the account and no further dividend shall be credited to these accounts. When unlocated member share accounts exist and they are grouped together into a single account for bookkeeping purposes, this account should be labeled Unlocatable Member Shares and it should be listed separately on the monthly financial statement, but combined with the regular share accounts on the annual report; and this account shall be credited with dividends each dividend period.

(5) Attempts to locate members carried as unlocatable pursuant to this rule may be made by using a locator service under the provision of section 370.260.2., RSMo.

**20 CSR 1100-2.090 Unlocatable Members: Small Share Balances: How to Handle**

**PURPOSE:** This rule gives the procedures for handling inactive accounts of unlocatable members (see sections 370.260.2. and 370.340, RSMo, for statutory requirements on expelling or withdrawing member accounts).

(1) Where a member of a credit union cannot be located, and when no contact has been had with the member, and when the member has a small share balance with the credit union, even though the credit union may elect to group the small balances in a single account for bookkeeping purposes, as long as the credit union has not expelled that member pursuant to the provisions of section 370.340, RSMo, the shares remain the property of the member and dividends are to be credited to the account.

(2) When nonlocatable members are expelled pursuant to state law, share balances in those members’ accounts shall be transferred to an unlocatable member accounts payable account and no further dividend shall be credited to these accounts; however, a record shall be maintained in the event the member later makes a claim upon the credit union for the member’s share balance, which shall be paid to the member. All credit unions are required to file an annual report and remit all unclaimed property to Missouri per Chapter 470, RSMo.

(3) If the total of unlocated member shares exceeds ten percent (10%) of the regular reserve fund, the financial statement will be footnoted to show the entire amount of unlocated shares as a potential liability.

(4) When unlocated member share accounts exist and they are grouped together into a single account for bookkeeping purposes, this account should be labeled Unlocatable Member Shares and it should be listed separately on the monthly financial statement, but combined with the regular share accounts on the annual report; and this account shall be credited with dividends each dividend period.

**20 CSR 1100-2.100 Audits in Lieu of Examination: Procedure**

**PURPOSE:** This rule establishes the requirements to be met before a credit union may have an audit in place of the regular examination by the division (see section 370.120.3., RSMo, for statutory provisions).

(1) The reports of an auditor who has audited a credit union may be accepted by the director in lieu of an examination by the Division of Credit Unions if the auditor has been approved by the director for the audit on the basis of a written application from the credit union for the acceptance of the audit in lieu of examination. Further, the director, in approving the performance of the audit, may require the submission of various classes of data, delineated by the director, to be reported in the manner and upon forms as required by the director.

**20 CSR 1100-2.120 Credit Union Investments: Savings and Loan Associations and Savings Banks**

**PURPOSE:** This rule establishes the requirements a credit union must meet when investing in federal and state-chartered savings and loan associations and savings banks (see section 370.075(4), RSMo for statutory provisions).

(1) With the statutory limitation of twenty-five percent (25%) of a credit union’s capital, surplus and reserve funds, credit unions may invest in accounts of federally insured savings and loan associations and savings banks. Attention is called to the fact that where the investment in any one (1) savings and loan association or savings bank exceeds one hundred thousand dollars ($100,000), all funds in excess of one hundred thousand dollars ($100,000) are uninsured funds. Subsidiary ledgers shall be maintained to detail multiple investment transactions.


(see section 370.075(1), RSMo for statutory requirements).


(2) In addition, any state-chartered credit union may invest in any instrument that is acceptable for a federal credit union to invest in under federal rules and regulations.

(3) The listed investments are considered safe for all credit unions without regard to their size or management ability.

(A) Further, credit unions are cautioned to take adequate time and thought before investing in long-term, nonredemption-type securities.

(B) Subsidiary ledgers shall be maintained to detail multiple investment transactions.


Op. Atty. Gen. No. 27, Mackey, 1-24-63. Missouri credit unions are authorized to invest their funds in bonds of school districts.

20 CSR 1100-2.135 Credit Union Investments: Other

PURPOSE: This rule lists those additional securities that are acceptable investments for credit unions (see section 370.075(1), RSMo for statutory requirements).

(1) The following securities are approved for investment of Missouri credit unions: bankers’ acceptances and federal funds of insured domestic banks. No investment in any such single institution or corporation shall exceed five percent (5%) of the credit union’s shares, surplus and reserve fund, nor shall the previously mentioned investments exceed in the aggregate twenty-five percent (25%) of the credit union’s shares, surplus and reserve fund.

(2) Other securities, with the approval of the director of the Division of Credit Unions, as may be permissible for investment by federally chartered credit unions.

(3) Recognizing the increasing complexity and importance of safe and sound investment decisions by credit unions, investment policy is singled out for special attention. Each credit union will maintain written investment policies. The investment policies will as detailed as is applicable to adequately address the degree of the individual credit union’s investment strategy and practice and to be in conformity with overall funds management policy.

(4) Missouri credit unions may invest in Collateralized Mortgage Obligations (CMOs) rated at least AA or better by a nationally recognized rating firm. Should the rating of the instrument fall below the AA rating, the credit union will mark the investment to market and should divest itself of the security as soon as possible. The board of directors is responsible for determining the permissibility of an investment which should be supported by legal opinion from an independent source. In the aggregate, investments in CMOs shall not exceed twice the amount of unimpaired equity of a credit union (regardless of unencumbered reserves). A credit union may request in writing an exemption from the director for the aggregate limit.

(5) In addition, any state-chartered credit union may invest in any instrument that is acceptable for a federal credit union to invest in under federal rules and regulations.


20 CSR 1100-2.160 Call Reports

PURPOSE: This rule establishes requirements for submitting call reports to the Division of Credit Unions.

(1) State-chartered credit unions shall submit call reports and supplemental information to the Division of Credit Unions as prescribed by the director, as often as four (4) times a year, but no more often than a credit union is required to file a call report with the National Credit Union Administration.


20 CSR 1100-2.170 Audit by Supervisory Committee

PURPOSE: This rule establishes the basis of required audits by or for the supervisory committee, lines of authority and responsibility, and penalties for noncompliance with section 370.230, RSMo.

(1) The annual audit required by section 370.230, RSMo, shall be performed by the supervisory committee or by contract with an audit firm acceptable to the Division of Credit Unions within the budget set by the board of directors.

(2) A copy of the annual audit required to be performed under section 370.230, RSMo, shall be submitted to the director of the Division of Credit Unions within thirty (30) days of the completion.

(3) Failure of the supervisory committee to make or cause to be made acceptable examinations and the annual audit as required in section 370.230, RSMo, may result in the director of the Division of Credit Unions requiring an outside independent audit of the books and records of the credit union. The cost of such audit shall be paid by the credit union.
20 CSR 1100-2.185 Investments in Fixed Assets
(Rescinded July 30, 2016)


20 CSR 1100-2.190 Special Shares and Thrift Accounts

PURPOSE: This rule defines special share and thrift accounts. It also sets up the procedures and guidelines to follow when establishing special share and thrift accounts (see section 370.070(1) and (9), RSMo for the statutory requirements).

(1) A special share shall be issued only to members of the credit union. The terms and conditions under which any class of special shares is issued shall be passed on by the board of directors. Special shares will not be superior in rank to or have the right to prior payment over general shares or other classes of special shares.

(2) A thrift account shall be available only to nonmembers of the credit union. The terms and conditions under which any type of thrift account is to be authorized shall be passed upon by the board of directors. Thrift accounts which are not insured by the National Credit Union Share Insurance Fund (NCUSIF) will be inferior in rank to and will have or are currently deemed to be eligible to secure or collateralize deposits other than deposits or public funds held by a political subdivision. The only assets allowed to be pledged by the Missouri state treasurer.

20 CSR 1100-2.205 Deposit and Securing of Public Funds

PURPOSE: This rule allows credit unions to accept public funds for deposit (see sections 148.660, 370.070, 370.071 and 370.400 RSMo).

(1) All state-chartered credit unions shall have the power to receive deposits from an officer, employee or agent of nonmember units of federal, Indian tribal, state, local governments and political subdivisions, subject to the terms, rates and conditions as may be established by the board of directors.

(2) No credit union may pledge its assets to secure or collateralize deposits other than deposits or public funds held by a political subdivision. The only assets allowed to be pledged in this instance will be those that have or are currently deemed to be eligible to be pledged by the Missouri state treasurer.


20 CSR 1100-2.220 External Deposits

PURPOSE: This rule limits the possibility of several types of unsafe and unsound uses of deposits from external sources.

(1) For purposes of this rule only the following definitions shall apply:

(A) Nonmember shall mean any natural person or legal entity, whether or not eligible for membership, not belonging to the credit union into which a deposit is being made; and

(B) Nonnatural person shall mean any legal entity such as a governmental unit, corporation, credit union, association or other similar entity other than a natural person.

(2) Any credit union which receives deposits from nonmember nonnatural persons must notify the director of credit unions, in writing, within ten (10) days of the balance of all such deposits exceeding five percent (5%) of total shares and deposits.


PURPOSE: This rule is to serve as a reminder of the requirement for all federally-insured credit unions regarding the areas noted in the title of this rule.

(1) As a result of being federally insured, all Missouri state-chartered credit unions are required to follow the requirements in Part 748 of the National Credit Union Administration’s Rules and Regulations which cover a credit union’s security program, report of crimes and catastrophic acts and Bank Secrecy Act compliance.

(2) Part 741 of the National Credit Union Administration’s Rules and Regulations details the federal rules and regulations that also apply to all state-chartered, federally-insured credit unions.
20 CSR 1100-2.240 Rules of Procedure

PURPOSE: This rule establishes procedures for the hearings required by sections 370.157–370.165, RSMo, that establish procedures for the removal or suspension of officers and directors of credit unions.

(1) Definitions. As used in these rules, except as otherwise required by the context—
   (A) Director shall mean the director of the Division of Credit Unions;
   (B) Hearing officer shall mean the director or such other person designated by the director to conduct hearings; and
   (C) Respondent shall mean the officer, director, or other person against whom the director proposes to take the action authorized by sections 370.157–370.165, RSMo.

(2) Records. The director will maintain a complete record of all proceedings under this rule. All such records, unless expressly indicated otherwise, shall be maintained as confidential records of the Division of Credit Unions.

(3) Pleadings. Pleadings and briefs shall be bound at the top, shall be typewritten paper eight and one-half inches by fourteen inches (8 1/2" × 14") in size and exhibits annexed to them and, wherever practical, folded to that size. Typing shall be on one (1) side of the paper only and shall be double spaced except that footnotes and quotations in excess of a few lines may be single spaced.

(4) Title and Number. Pleadings, briefs, and other documents shall show the title of the proceeding before the director and shall show the name and address of the attorney, if any, on the flyleaf or at the end of the document.

(5) Commencement of Action. The hearing process is begun by the delivery to the respondent of a notice of charges which shall set forth the facts constituting the basis for the proposed action. Attached to the notice shall be a copy of the proposed order or action, a notice of the time and place at which the hearing will be held, and a stipulation of consent by which the respondent may consent to the order or action without a hearing.

(6) Waiver of Procedures. The respondent, prior to or at the time of hearing, may waive the calling of witnesses, the cross-examination of witnesses, the filing of briefs or other documents, or any other procedures. The respondent may elect to proceed by presenting oral arguments and documentary evidence supporting its position.

(7) Stipulations. The respondent may stipulate to any or all of the facts set forth in the notice of charges. Such procedure is desirable wherever practical.

(8) Prepared Testimony. With the approval of the hearing officer, a witness may read testimony into the record and direct examination. Before any prepared testimony is read, the witness, unless excused by the hearing officer, shall deliver copies to the hearing officer, to the director's attorney, and to the court reporter if the matter is recorded by a court reporter. If the hearing officer deems that substantial saving of time will result without prejudice to the objectives of the hearing, prepared testimony may be copied into the record without having the witness read it aloud, provided, however, that the witness shall be available for cross-examination on any topic germane to the proceedings.

(9) Costs. The hearing will be recorded by tape recorder unless the director or respondent requests the appointment of a court reporter to transcribe the proceedings. In the event a court reporter is employed, the costs of the original and one (1) copy of the transcript shall be taxed against the respondent.


*Original authority: see Missouri Revised Statutes 2000 and Missouri Revised Statutes Cumulative Supplement 2011.