



Ohio Administrative Code Rule 1301:9-2-07.1 Derivatives authority.

Effective: [October 25, 2022](#)

A credit union may enter into certain derivatives transactions, pursuant to an approved derivatives program, exclusively for the purpose of reducing interest rate exposure.

(A) "Approved derivatives program" means a program administered by an eligible credit union that meets the criteria established in 12 C.F.R. Part 703, subpart B, as in effect on June 25, 2021 and that the superintendent has approved in accordance with the procedure set out in this rule.

(B) For the purpose of this rule, the following terms contained in 12 C.F.R. Part 703, subpart B, as in effect on June 25, 2021 shall have equivalent meanings to their Ohio-specific counterparts:

(1) The term "federal credit union" shall have the equivalent meaning of "credit union."

(2) The terms "field director," "field supervisor," "NCUA," "NCUA Board," and "regional director" shall have the equivalent meaning of "superintendent."

(C) The superintendent shall approve or deny a credit union's application for derivatives authority consistent with the procedure set out in 12 C.F.R. Part 703, subpart B, as in effect on June 25, 2021.

(D) A credit union with derivatives authority shall comply with the requirements of 12 C.F.R. Part 703, subpart B, as in effect on June 25, 2021.

(E) If the superintendent denies an application for derivatives authority or for additional products or characteristics, or revokes a derivatives authority or orders a credit union to terminate existing derivatives positions, as described in 12 C.F.R. Part 703, subpart B, as in effect on June 25, 2021, the superintendent shall notify the credit union of the basis or reason for the denial, revocation, or termination and the credit union may request a hearing in accordance with the provisions of sections 119.01 to 119.13 of the Revised Code.