

WAC 208-460-120 How much must I reserve for potential losses?

The following schedule sets the minimum amount you must reserve for classified member business loans:

Classification	Amount Required
Substandard	10% of outstanding balance unless other factors (for example, history of such loans at the credit union) indicate a greater or lesser amount is appropriate.
Doubtful	50% of the outstanding balance.
Loss	100% of the outstanding balance.

[Statutory Authority: RCW 31.12.426(1), 31.12.516(2), 43.320.040. WSR 01-10-084, § 208-460-120, filed 5/1/01, effective 6/1/01.]