



## InfoSight Highlight

### Security Channel

You can never be over-prepared for a security-related event at your credit union. Topics such as: [Wireless Device Security](#), [Data Breach](#), [Active Shooter](#), [Social Media Security](#), and more are covered in the [Security Channel](#). Today might be a good day to check them out.

## Compliance News

### NCUA Risk Alert 19-RISK-01: Business Email Compromise Fraud

This alert describes the increasing frequency of and losses related to business email compromise fraud schemes. Credit unions can take steps to prevent this type of fraud and should report such fraud, when it occurs, to the FBI's [Internet Crime Complaint Center](#). Credit unions that report incidents to the Internet Crime Complaint Center promptly increase their opportunity to recover funds that have been wired under fraudulent pretenses.

### CFPB: TRID FAQs on Loan Estimates to Consumers

The Bureau posted frequently asked questions on providing Loan Estimates to consumers. Reviewing these questions and answers is not a substitute for reviewing TILA, RESPA, Regulation Z, or its official interpretations (also known as the commentary). The statutes, Regulation Z, and its official interpretations are the definitive sources of information regarding the requirements.

### CFPB Annual Reg Z Threshold Adjustments

The CFPB published a final rule revising, as applicable, the dollar amounts for provisions implementing TILA and amendments to TILA, including under the Credit Card Accountability Responsibility and Disclosure Act of 2009 (CARD Act), the Home Ownership and Equity Protection Act of 1994 (HOEPA), and the Dodd-Frank Act. The Bureau is adjusting these amounts, where appropriate, based on the annual percentage change reflected in the Consumer Price Index (CPI) in effect on June 1, 2019. The amendments will be effective January 1, 2020.

For open-end consumer credit plans under TILA, the threshold that triggers requirements to disclose minimum interest charges will remain unchanged at \$1.00 in 2020. For open-end consumer credit plans under the CARD Act amendments to TILA, the adjusted dollar amount in 2020 for the safe harbor for a first violation penalty fee will increase by \$1 to \$29 and the adjusted dollar amount for the safe harbor for a subsequent violation penalty fee will increase by \$1 to \$40.

For HOEPA loans, the adjusted total loan amount threshold for high-cost mortgages in 2020 will be \$21,980. The adjusted points-and-fees dollar trigger for high-cost mortgages in 2020 will be \$1,099.

For qualified mortgages, which provide creditors with certain protections from liability under the Ability-to-Repay Rule, the maximum thresholds for total points and fees in 2020 will be 3 percent of the total loan amount for a loan greater than or equal to \$109,898; \$3,297 for a loan amount greater than or equal to \$65,939 but less than \$109,898; 5 percent of the total loan amount for a loan greater than or equal to \$21,980 but less than \$65,939; \$1,099 for a loan amount greater than or equal to \$13,737 but less than \$21,980; and 8 percent of the total loan amount for a loan amount less than \$13,737.

### IC3: Cyber Actors Use Online Dating Sites to Conduct Confidence/Romance Fraud &

**InfoSight  
Compliance eNewsletter  
August 7, 2019  
Vol. 12, Issue 32**

**Created in partnership with  
the Credit Union National  
Association**

## Compliance Calendar

### **July 31**

\*[Form 941, Employer's Quarterly Federal Tax Return](#)  
\*[IRS Form 5500 or 5500-EZ](#)  
\*[Form UC-B6, "Quarterly Wage Contribution & Employment & Training Assessment Report"](#)

### **August 12**

[Form 941, Employer's Quarterly Federal Tax Return](#)

### **September 20**

[ACH Providing Faster Funds Availability](#)

### **September 30**

\*[Claim for Exemption: Real Property Assessment City & County of Honolulu](#)  
\*[Claim for Exemption: Real Property Assessment - County of Kauai](#)

### **October 27**

[NCUA Call Report for September 30, 2019 Cycle Due](#)

### **October 31**

\*[Form UC-B6, "Quarterly Wage Contribution & Employment & Training Assessment Report"](#)  
\*[Form 941, Employer's Quarterly Federal Tax Return](#)

### **November 24**

[SAFE Act. – MLO Registration](#)

### **November 30**

[New Employee Forms W-4 & HW-4](#)

### **December 31**

\*[Claim for Exemption: Real Property Assessment - County of Hawaii](#)

### [Recruit Money Mules](#)

What Is Confidence/Romance Fraud? Confidence/romance fraud occurs when an actor deceives a victim into believing they have a trust relationship, whether family, friendly, or romantic, and leverages the relationship to persuade the victim to send money, provide personal and financial information, or purchase items of value for the actor. In some cases, the victim is persuaded to launder money on behalf of the actor. Actors often use online dating sites to pose as U.S. citizens located in a foreign country, U.S. military members deployed overseas, or U.S. business owners seeking assistance with lucrative investments.

### [CMG RISK Alert: Increased Currency Storage at Off-Premise ATMs Attracts Criminals](#)

ATMs now provide more cash-holding cassettes which increases the currency capacity. While this makes it easier for your credit union to ensure off-premise ATMs are operational with cash-on-hand, it also increases your risk exposure at those ATMs. To minimize risk, off-premise ATMs must not exceed \$200,000 in cash storage and must be alarmed in a specific way.

### [Treasury Announces Block on Venezuela Government Assets](#)

The Treasury Department announced that the president has issued a new Executive Order (E.O.), "*Blocking Property of the Government of Venezuela*." In connection with the issuance of this E.O., OFAC issued *new and revised FAQs* as well as *12 amended general licenses* and *13 new general licenses*.

In addition, OFAC published "*Guidance Related to the Provision of Humanitarian Assistance and Support to the Venezuelan People*." In a *press release*, Treasury emphasized the U.S. commitment to the unfettered flow of humanitarian aid to the Venezuelan people, and cited the general licenses that permit humanitarian-related transactions, enabling continued support to the people of Venezuela and ensuring that legitimate humanitarian activity is not the target of U.S. sanctions. OFAC's regulations and general licenses allow U.S. persons to continue to provide humanitarian support to the Venezuelan people, including transactions through the U.S. financial system for certain authorized activity related to food, agricultural commodities, medicine, and medical devices; non-commercial, personal remittances; international organizations; telecommunications and mail; the Internet; medical services; and nongovernmental organizations.

### [OFAC: Amended Iranian Sanctions Regulations Regarding Iron, Steel, Aluminum, & Copper Sectors of Iran](#)

The OFAC is *amending the Iranian Financial Sanctions Regulations, changing the heading of the Iranian Human Rights Sanctions Regulations to the Iranian Sector and Human Rights Abuses Sanctions Regulations, and amending the renamed Iranian Sector and Human Rights Abuses Sanctions Regulations* to implement Executive Order 13871, "Imposing Sanctions with Respect to the Iron, Steel, Aluminum, and Copper Sectors of Iran." In connection with the issuance of these regulations, OFAC is amending several FAQs and publishing *several new FAQs*. These regulatory amendments are currently available for public inspection with the Federal Register and will take effect upon publication in the Federal Register on August 7, 2019.

### [US-CERT:](#)

- [SWAPGS Spectre Side-Channel Vulnerability](#): The Cybersecurity and Infrastructure Security Agency (CISA) is aware of a vulnerability (CVE-2019-1125) known as SWAPGS, which is a variant of [Spectre Variant 1](#), that affects modern computer processors. This vulnerability can be exploited to steal sensitive data present in a computer systems' memory.
- [VMware Releases Security Updates for Multiple Products](#): VMware released a security advisory to address vulnerabilities affecting multiple products. The CISA encourages users and administrators to review VMware Security Advisory [VMSA-2019-0012](#) and apply the necessary updates and workarounds.
- [Cylance Antivirus Vulnerability](#): The CERT Coordination Center (CERT/CC) released information on a vulnerability affecting Cylance Antivirus products. A remote attacker could bypass Cylance antivirus detection.

[\\*Claim for Exemption: Real Property Assessment - County of Maui](#)

## Compliance Training

### **August 13**

[Advanced Financial Literacy Update for New & Experienced Directors: ALM Primer & Financial Accounting & Risk Issues \(Webinar\)](#)

### **August 14**

[FFIEC Cyber Security Risk Assessments: Policy, Recent Findings & Recommendations \(Webinar\)](#)

### **August 15**

[E-Compliance Rules, Policies & Best Practices for Email, Web, Mobile & Social Media \(Webinar\)](#)

### **August 20**

[Regulation E Series: How to Handle Unauthorized Electronic Fund Transfers Under Reg E \(Webinar\)](#)

### **August 21-23**

[Operations Compliance School, Ala Moana Hotel](#)

### **August 21**

[Call Report Series: The Financial Statement Audit Process \(Webinar\)](#)

### **August 22**

[Developing the Right Strategic Plan for Your Credit Union \(Webinar\)](#)

### **August 27**

[Opening Donation, Memorial & Other Accounts for Nonprofit Organizations & Corporations \(Webinar\)](#)

### **August 28**

[IRA Series: Top 10 Most Misunderstood IRA Issues: Turning Confusion into Confidence \(Webinar\)](#)

### **August 29**

[Effective Management of Credit Report Disputes: Completing ACDVs, AUDs & Correcting Joint Credit \(Webinar\)](#)

### **September 4**

[Official Demands Part 2: Handling Garnishments, Levies & Judgment Liens \(Webinar\)](#)

### **September 5**

[Auditing E-Policies & Procedures: Risks, Rules & Records \(Webinar\)](#)

### **September 10**

## Advocacy Highlight

### **Fed Announces Development of New Real Time Payment Service**

The Federal Reserve announced this week that Federal Reserve Banks will develop a new round-the-clock real time payment and settlement service, called FedNow, to support faster payments in the U.S. The Federal Reserve board requests comment on how the new service might be designed to most effectively support the full set of payment system stakeholders and the functioning of the broader U.S. payment system. It also issued a [\*frequently asked questions\*](#) document on faster payments.

### **The Nussle Report**

The Nussle Report delivers CUNA's insights on key events and policy developments affecting credit unions. This report also provides a valuable window into CUNA's actions on behalf of member credit unions and reinforces the value of CUNA membership. Topics for this week include:

- This August, engage with your lawmakers!
- The CUNA/League 360-degree advocacy approach
- [\*Focusing on data protection\*](#)
- [\*Senators urge clarity on ADA\*](#)
- [\*CFPB advises on elder financial exploitation\*](#)
- [\*Chairman Hood visits Indiana League\*](#)
- [\*Over \\$6,000 raised for CMN Hospitals\*](#)
- [\*CUNA CEO Council Conference early bird deadline August 2\*](#)

### **CUNA Advocacy Update**

The CUNA Advocacy Update keeps you on top of the most important changes in Washington for credit union's and what CUNA is doing to monitor, analyze, and influence government agencies and federal law. Issues this week included:

- [\*Comment submitted to FTC on proposed modifications to the Safeguards Rule\*](#)
- [\*Senators raise ADA issue with DOJ\*](#)
- [\*Develop your advocacy skills to become a well-rounded leader\*](#)

### **Pending Regulatory Comment Calls**

The League encourages credit unions to use [\*PowerComment\*](#) to file comment letters with regulators on the items below. For more information regarding these proposals, please follow the links below:

- [\*QM Definition under TILA \(Reg Z\) due to CFPB by September 16\*](#)
- [\*Debt collection NPRM due to the CFPB by September 18\*](#)
- [\*Second Chance IRPS due to NCUA by September 27\*](#)
- [\*Home Mortgage Disclosure Act \(Reg C\) Data Points & Coverage due to the CFPB by October 15\*](#)

If you have any questions or comments concerning this newsletter, please contact Dorie Fitchett, Regulatory Officer at [dorie.fitchett@hcul.org](mailto:dorie.fitchett@hcul.org), or directly @ 203.6412, or for neighbor islands toll-free @ 1.888.331.5646 ext. 412.

[Managing Minor Accounts: Withdrawals, Transfers, CDD, Closing & Best Practices \(Webinar\)](#)

**September 11**  
[Conducting the 2019 ACH Audit \(Webinar\)](#)

**September 12**  
[Mortgage Lending Hot Spots Series: Appraisal & Evaluation Guidance on Collateral Valuation \(Webinar\)](#)

**September 14**  
[Leveraging the Credit Union Difference Workshop, Gather FCU, Kauai](#)

## Compliance Video

### **Compliance Outlook S. 2155, Part 2**

Part Two: S. 2155 Economic Growth, Regulatory Relief, and Consumer Protection Act. This presentation is the second of our two-part update covering the changes resulting from the passage of S.2155 that may impact credit unions. Glory LeDu, League InfoSight CEO, provides a short breakdown for you.

Just a reminder that Compliance videos since 2014 can be found on YouTube at the [Compliance Connection channel](#), where they are generally updated quarterly.