

InfoSight Highlight

ANNUAL SURVEY – Final Reminder

A big THANK YOU to everyone who has already taken the survey. For those who haven't, League InfoSight would love your input. The thoughts and opinions you provide in the annual survey are used to guide their product development. They want to hear what you think are the critical elements for InfoSight and CU PolicyPro. [Please fill out the survey](#) and let them know what you like, what could be improved, and what you hope to see from their products in the future. Should any questions arise as you're taking the survey and you'd like more assistance, please contact them at info@leagueinfosight.com.

Compliance News

[Chairman Hood: NCUA Will Take Phased Approach to Implement FOM Rule](#)

National Credit Union Administration Chairman Rodney E. Hood issued the following detailed statement in response to the August 20, D.C. Circuit Court of Appeals decision in American Bankers Association v. National Credit Union Administration: "In response to the D.C. Circuit's ruling, which largely upholds the NCUA's field-of-membership rules, the NCUA will take a phased approach to implementing this decision. Such a phased approach is necessary because the D.C. Circuit's ruling remains subject to requests for further review."

[NCUA: Q2 2019 State Credit Union Data Report Now Available](#)

Federally insured credit unions generally saw continued positive trends in the second quarter of 2019, according to the latest [NCUA Quarterly U.S. Map Review](#).

[Compliance: NCUA's Fidelity Bonds Rule](#)

NCUA finalized changes to its fidelity bonds rule in July, and the changes go into effect October 22. The Federal Credit Union Act requires that certain credit union employees and elected officials have fidelity bond coverage. [Additional details](#) can be found in the CompBlog entry.

[CFPB Issues No-Action Letter, Trial Disclosure, Sandbox Policies](#)

The CFPB issued three new policies to promote innovation and facilitate compliance: the [No-Action Letter Policy](#), [Trial Disclosure Program Policy](#), and [Compliance Assistance Sandbox Policy](#).

[CFPB: Spoil Your Grandkids, Not Scammers](#)

The CFPB has posted an article offering tips regarding scam calls. Be aware of scammers pretending to be your grandchild, relative, or friend asking for help.

[FBI: Worldwide Sweep Targets Business Email Schemes](#)

The FBI posted the [results](#) of Operation reWired, a months-long, multi-agency effort to disrupt and dismantle international business email compromise (BEC) schemes. These sophisticated cyber-enabled scams often target employees with access to company finances, and using methods like social engineering and computer intrusions, trick them into making wire transfers to bank accounts thought to belong to trusted partners. The accounts are actually controlled by the criminals.

[CMG RISK Alert: Managing Animals in the Workplace](#)

Companies have been increasingly accepting of animals in the workplace. However, some credit unions have expressed concern regarding members and employees bringing pets into branch locations, sometimes under the false pretense that they are service animals, or service animals-in-training. While developing policies for animals in the workplace, be sure that you understand your rights and obligations including those under the Americans with Disabilities Act (ADA).

[CMG Webinar: Rethinking Your Branch Strategy?](#)

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Compliance Calendar

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](#)

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

Compliance Training

September 16

[New Compliance Officer Boot Camp \(Webinar\)](#)

September 17

[IRA Series: Handling IRA Required Minimum Distributions & Roth](#)

In trying to appeal to today's modern consumers, specifically the younger generations, financial institutions are rethinking their branch strategies. Whether it's moving away from traditional teller lines to teller pods, or adopting a technology-first branch, changes are happening. While there's no one strategy for developing the branch of the future, it's critical that your policies, procedures, and internal controls are refreshed to best manage your operational risks. Join CUNA Mutual Group Risk on Wednesday, September 18, at 8 a.m. HST for this free webinar.

[OFAC Publication of New & Amended Iran-related Frequently Asked Questions](#)

The Department of the Treasury's Office of Foreign Assets Control (OFAC) is updating existing [FAQ 296](#) and is publishing [new FAQs](#) regarding bunkering of non-Iranian and Iranian vessels carrying goods to or from Iran.

[OFAC Publication of Updated Cuban Assets Control Regulations & Frequently Asked Questions](#)

OFAC is amending the [Cuban Assets Control Regulations](#), 31 C.F.R. part 515 (CACR), to further implement portions of the President's foreign policy toward Cuba. In accordance with announced changes related to remittances and certain kinds of financial transactions, OFAC is amending the CACR to: 1) revise certain authorizations for remittances to Cuba to impose new requirements and limitations; and 2) revise the authorization commonly known as the "U-turn" general license to eliminate the authorization for banking institutions subject to U.S. jurisdiction to process certain kinds of financial transactions. The CACR amendment will be published in the Federal Register on Monday, September 9, and will take effect on October 9. OFAC is also publishing a number of [updated Frequently Asked Questions](#) and a [Fact Sheet](#) pertaining to this regulatory amendment.

[OFAC Issuance of Venezuela-related General License; Issuance of Amended Venezuela-related Frequently Asked Question](#)

OFAC published [Venezuela-related General License 34, "Authorizing Transactions Involving Certain Government of Venezuela Persons"](#). In conjunction with this action, OFAC amended [Frequently Asked Question 680](#).

[US-CERT:](#)

- [Intel Releases Security Updates](#): Intel released security updates to address vulnerabilities in multiple products. An attacker could exploit one of these vulnerabilities to gain an escalation of privileges on a previously infected machine.
- [Google Releases Security Updates for Chrome](#): Google released Chrome version 77.0.3865.75 for Windows, Mac, and Linux. This version addresses multiple vulnerabilities that an attacker could exploit to take control of an affected system. The Cybersecurity and Infrastructure Security Agency (CISA) encourages users and administrators to review the [Chrome Release](#) and apply the necessary updates.
- [MS-ISAC Releases Security Event Primer on Malware](#): The Multi-State Information Sharing & Analysis Center (MS-ISAC) released a Security Event Primer on Malware. The white paper outlines general malware operations and includes common malware event types and best practice recommendations. An attacker can use malware to gain access to a network, obtain sensitive data, and damage systems.
- [Microsoft Releases September 2019 Security Updates](#): Microsoft released updates to address multiple vulnerabilities in Microsoft software. A remote attacker could exploit some of these vulnerabilities to take control of an affected system.
- [Adobe Releases Security Updates](#): Adobe released security updates to address vulnerabilities affecting Flash Player and Application Manager. The CISA encourages users and administrators to review Adobe Security Bulletins [APSB19-45](#) and [APSB19-46](#) and apply the necessary updates.
- [North Korean Malicious Cyber Activity](#): The CISA and the Federal Bureau of Investigation have identified two malware variants, referred to as ELECTRICFISH and BADCALL, used by the North Korean government. The U.S. Government refers to malicious cyber activity by the North Korean government as HIDDEN COBRA.
- [U.S. Cyber Command Shares 11 New Malware Samples](#): U.S. Cyber Command released 11 malware samples to the malware aggregation tool and repository, VirusTotal. The CISA encourages users and administrators to review U.S. Cyber Command's [VirusTotal page](#) to view the samples. CISA also recommends users and administrators review the CISA Tip on [Protecting Against Malicious Code](#) for best practices on protecting systems and networks against malware.

[Distributions \(Webinar\)](#)

September 18
[Regulation E Series: Auditing for Reg E Compliance \(Webinar\)](#)

September 19
[Emerging Trends & Developments in Online, Mobile & Digital Channels \(Webinar\)](#)

September 24
[Mitigating a Data Breach: Forensics & Incident Response \(Webinar\)](#)

September 25
[Hiring in the Digital Age: What Every HR Manager Needs to Know About Social Media \(Webinar\)](#)

September 26
[What Directors Should Know About CECL, ALLL & the New Credit Impairment Standards \(Webinar\)](#)

October 2-3
[IRA Essentials & Advanced Seminar, HCUL Education Center](#)

October 2
[New BSA Officer Training Part 1: Compliance, Risk Assessment, CTRs, Exemptions, Forms & Regulator Expectations \(Webinar\)](#)

October 8
[Head Teller Training: Maximizing Teller Performance \(Webinar\)](#)

October 9
[When a Depositor Dies: Legal Requirements, Practical Issues & FAQs \(Webinar\)](#)

October 15
[Mortgage Lending Hot Spots Series: Demystifying Rules for TRID Tolerances \(Webinar\)](#)

October 16
[Regulation E Series: Reg E Requirements for Debit Card Error Resolution: Processing, Disclosure & Investigation \(Webinar\)](#)

October 17
[POD Account Documentation, Compliance, Beneficiaries & Closing \(Webinar\)](#)

Compliance Video

[Compliance Outlook - 2nd and 3rd Quarters of 2019](#)

- [Exim Releases Security Patches](#): Exim released patches to address vulnerabilities affecting Exim 4.92.1 and prior versions. A remote attacker could exploit this vulnerability to take control of an affected email server.
- [Ransomware Protection Strategies](#): The Cybersecurity and Infrastructure Security Agency (CISA) has observed an increase in ransomware attacks across the Nation. Helping organizations protect themselves from ransomware is a chief priority for CISA. Organizations are encouraged to review the resources to help prevent, mitigate, and recover against ransomware
- [WordPress Releases Security Update](#): WordPress 5.2.2 and prior versions are affected by multiple vulnerabilities. An attacker could exploit some of these vulnerabilities to take control of an affected website. The CISA encourages users and administrators to review the [WordPress Security and Maintenance Release](#) and upgrade to WordPress 5.2.3.
- [MS-ISAC Releases Advisory on PHP Vulnerabilities](#): The Multi-State Information Sharing & Analysis Center (MS-ISAC) released an advisory on multiple Hypertext Preprocessor (PHP) vulnerabilities.
- [FBI Releases Article on Think Before You Post Campaign](#): The Federal Bureau of Investigation (FBI) released an article on their Think Before You Post campaign, designed to educate students on the use of social media and how to avoid making poor choices when posting, texting, or emailing thoughts or grievances that could lead to disruptive behavior, including threats. The FBI article stresses that this type of online behavior could result in serious consequences to the individual as well as the community.
- [Cisco Releases Security Updates](#): Cisco released security updates to address vulnerabilities affecting Cisco products. The CISA encourages users and administrators to review the Cisco Advisories and apply the necessary updates.

This presentation provides an overview of regulatory changes that may be impacting the credit union, effective in the 2nd and 3rd quarter of 2019.

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

Advocacy Highlight

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:

- Congress returns Monday, September 9
- [NCUA to take 'phased approach' to implementing FOM](#)
- [Treasury submits housing finance reform plan to administration](#)
- [SBA's cooperative lending report warrants a Congressional hearing](#)
- [LSCU & Affiliates, Georgia League Complete Merger](#)
- [Bethpage, New York Jets team up to tackle bullying](#)

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:

- Credit unions focus on members. Banks focus on profit. End of story.
- [The week ahead in Washington](#)
- [CUNA issues statement on Administration's Housing Finance proposal](#)
- [CFPB hosts Behavioral Economics Symposium on September 19](#)
- [Court upholds NCUA's Field of Membership Rule](#)
- [Credit unions win in 6th circuit!](#)
- [FedNow ushers in new era of real time payments](#)
- NCUA Chairman Hood writes op-ed in Kentucky newspaper on interim hemp guidance

[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](#)
- [Delay of CECL effective date due to FASB by September 16](#)
- [Debt collection NPRM due to the CFPB by September 18](#)
- [Second Chance IRPS due to NCUA by September 27](#)
- [Disparate Impact Rule due to HUD by October 10](#)
- [Home Mortgage Disclosure Act \(Reg C\) Data Points & Coverage due to the CFPB by October 15](#)
- [Home Mortgage Disclosure \(Reg C\) reporting thresholds due to CFPB by October 15](#)
- [Federal Reserve actions to support Interbank settlement of faster payments due to FED by November 7](#)
- [Truth in Lending \(Reg Z\) Annual Threshold Adjustments due to CFPB by January 1, 2020](#)

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