



## Compliance eNewsletter

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### InfoSight News

#### Information Sharing

The USA PATRIOT Act, Section 314(b) permits financial institutions (after certain notice provided to the U.S. Department of Treasury), to share information with one another in order to identify and report to the federal government activities that may involve money laundering or terrorist activities.

Recently, several credit unions received fictitious “phishing” emails purported to be from another credit union, threatening to report the receiving credit union “for money laundering, under 314(b) of the USA Patriot Act.” Additionally, there was an attachment that – if opened - could cause harm to credit union data. Some of the “red flags” contained in the email were:

- The email address does not reflect a credit union name they state that they are from - the domain name can contain a series of strange letters or a generic domain name.
- Second, the sender name and the name in the email address do not match.
- Third, there are several typos and misspellings in the email, including a "suspicious transfer."

Credit unions should visit the Information Sharing topic under the Bank Secrecy Act channel within InfoSight for more information.

### Compliance News

#### First TRID Rule FAQs posted by CFPB

The CFPB has posted [four FAQs relating to compliance with the TRID Rule](#). Three of the questions concern corrected closing disclosures and the three-business day waiting period before consummation.

The fourth question addresses use of a model form that doesn't reflect a TRID Rule change finalized in 2017. That question and the Bureau's answer provide "cover" for

the creditor and the Bureau, since the Bureau did not update the sample TRID model forms in appendix H. An example is model form H-24(C), which shows a "4.00%" interest rate in the prepaid interest disclosure, although the 2017 amendments (TRID 2.0) would call for it to be disclosed as "4%," with the trailing zeros to the right of the decimal point truncated.

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## Bureau updates credit bureau list

The CFPB recently posted on their blog to announce the 2019 edition of its list of consumer reporting companies and to provide information regarding who can see one's consumer reports, when to check a report, and resources to take action if needed.

[Check out the blog for additional information!](#)

*Source: CFPB*

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## Cosmetics company pays \$996,000 for OFAC violations

OFAC has announced a [settlement of \\$996,080 with e.l.f. Cosmetics, Inc.](#) of Oakland, California. ELF has agreed to settle its potential civil liability for 156 apparent violations of the North Korea Sanctions Regulations, 31 C.F.R. part 510 (NKSR). The apparent violations involved the importation of false eyelash kits from two suppliers located in the People's Republic of China that contained materials sourced by those suppliers from the Democratic People's Republic of Korea. OFAC determined that ELF voluntarily self-disclosed the apparent violations and that the apparent violations constitute a non-egregious case.

*Source: OFAC*

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## NCUA Publishes Technical Corrections to Regulations

The NCUA has published a final rule at [84 FR 1601](#) in this week's Federal Register to make technical amendments to various provisions of the NCUA's regulations to correct minor drafting errors and inaccurate legal citations and remove unnecessary regulatory provisions no longer applicable to federally insured credit unions (FICUs). Affected are 12 CFR parts 700 through 705 and 708. The amendments are effective immediately.

*Source: NCUA*

## Advocacy Highlight

CUNA Links of interest:

[This Week's Advocacy Update](#)

[CUNA's 2019 Advocacy Agenda](#)

*Source: CUNA Advocacy*

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### CUNA's Advocacy Resources

- [Input to lawmakers and regulators](#)
- [CUNA Advocacy page](#)
- [CUNA's Removing Barriers blog](#)
- [CUNA's Priorities](#)
- [Actions You Can Take](#)

## Compliance Calendar

- February 18th, 2019: President's Day - Federal Holiday
- April 1st, 2019: Prepaid Accounts under the Electronic Fund Transfer Act/Regulation E and the Truth In Lending Act/Regulation Z (Date Extended)
- May 27th, 2019: Memorial Day - Federal Holiday
- June 21st, 2019: Return for Questionable Transaction (Effective Date)
- July 4th, 2019: Independence Day - Federal Holiday

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