



Compliance eNewsletter

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InfoSight News

NEW: Sample Telecommuting Policy

In light of current events regarding the coronavirus and many employees having to work away from the office, a Sample Telecommuting Policy was added to the Business Continuity Planning topic in the Security Area, under Model Policies. Please note that before implementation of a full-blown telecommuting policy, additional policy considerations would be necessary.

Compliance and Advocacy News & Highlights

FinCEN urges communication of concerns related to COVID-19

FinCEN has [released](#) a notice encouraging financial institutions to communicate COVID-19-related concerns and to stay alert to related illicit activity, similar to fraudulent transactions that occur in the wake of natural disasters. FinCEN is monitoring public reports and BSA reports of suspect behavior connected to COVID-19, and has noted some emerging trends:

- Imposter Scams – Bad actors attempt to solicit donations, steal personal information, or distribute malware by impersonating government agencies (e.g., Centers for Disease Control and Prevention), international organizations (e.g., World Health Organization), or healthcare organizations.
- Investment Scams – The SEC urged investors to be wary of COVID-19-related investment scams, such as promotions that falsely claim that the products or services of publicly traded companies can prevent, detect, or cure coronavirus.
- Product Scams – The FTC and FDA have issued public statements and warning letters to companies selling unapproved or misbranded products that make false health claims pertaining to COVID-19. Additionally, FinCEN has received reports regarding fraudulent marketing of COVID-19-related supplies, such as certain facemasks.
- Insider Trading – FinCEN has received reports regarding suspected COVID-19-related insider trading.

FinCEN reminded institutions of its Advisory, [FIN-2017-A007](#), "Advisory to Financial Institutions Regarding Disaster-Related Fraud" (October 31, 2017), for descriptions of other relevant typologies, such as benefits fraud, charities fraud, and cyber-related fraud.

For suspected suspicious transactions linked to COVID-19, along with checking the appropriate suspicious activity report-template (SAR-template) box(es) for certain typologies, FinCEN also encourages financial institutions to enter "COVID19" in Field 2 of the SAR template.

Source: FinCEN

ACH Operations Bulletin #2-2020: Nacha Issues Reminder on ACH Responsibilities to Financial institutions Potentially Impacted by Coronavirus

In light of the potential impact of coronavirus, [Nacha reminds financial institutions](#) of the importance of reviewing their business continuity plans to ensure that they are prepared to maintain ACH payment processing capabilities in the event of possible disruptions. In addition to their own business continuity plans, financial institutions should understand the expectations of their regulators and ACH Operators with regard to ACH processing in potential scenarios of workforce disruption.

The Nacha Operating Rules permit a financial institution to delay performance of its obligations under the Rules beyond required time limits if:

1. The delay was caused by the interruption of communication or computer facilities; and,
2. The delay was beyond the reasonable control of the financial institution seeking the excused delay.

Whether a delay is beyond the reasonable control of the party asserting an excused delay must be determined based on the available facts and circumstances surrounding the delay, including whether the financial institution exercised the level of diligence required under such circumstances. A delay caused, in whole or in part, by the failure of a financial institution to maintain or implement an appropriate business continuity plan is not excused under the Rules for that financial institution.

Source: NACHA

NCUA Issues Letter to Credit Unions and Frequently Asked Questions on COVID-19

National Credit Union Administration Chairman Rodney E. Hood today issued a [Letter to Credit Unions and Frequently Asked Questions on COVID-19](#). The letter outlines a number of strategies credit unions may consider when determining how to address the challenges associated with COVID-19. The NCUA encourages credit unions to work with impacted borrowers.

Source: NCUA

CFPB Publishes Updated HMDA FAQ

Last week, the Bureau published a response to the following frequently asked [HMDA question](#): If a natural person applicant submits a mail, internet, or telephone application under Regulation C but does not provide race, ethnicity, or sex information, what should the financial institution report regarding whether this information was collected on the basis of visual observation or surname?

Source: CFPB

Articles of Interest

- [CUNA launches coronavirus resource, information page](#)

CUNA's Advocacy Resources:

- [This Week in Washington](#)
- [CUNA Advocacy page](#)

Compliance Calendar

- March 20th, 2020: Increasing the Same Day ACH Dollar Limit (Effective Date)
- April 26th, 2020: 5300 Call Report Due to NCUA
- May 25th, 2020: Memorial Day - Federal Holiday
- June 30th, 2020: Supplementing Data Security Requirements (Effective Date)
- July 1st, 2020: Regulation CC – Monetary Limit Threshold Changes