

Compliance Office Hours Recap

Updates Provided:

General Updates:

- Reminded the group that the recap document will no longer be emailed out and will only be available on the MCUL website.
- Reminded the group about the Compliance Professional's Directory document. To add your name to the list you can utilize this survey monkey [link](#).

NCUA:

- John Crews was officially sworn in as the 14th Chairman of the NCUA. We are working on getting him on an upcoming Industry Leaders Call and will keep everyone updated once that date is confirmed.

America's Credit Unions (ACU):

- ACU posted a great resource for BSA on their website. It's entitled BSA 101 and you can gain access to it [here](#) (you will need to log into your ACU account to access).

FinCEN:

- Corporate Transparency Act (CTA) Update:
 - FinCEN's final rule eliminated beneficial ownership reporting requirements for U.S. companies and U.S. persons which became effective on August 14th.
 - FinCEN also indicated that they will delete previously reported information that is no longer required.

Joint Statement re Suspicious Activity Reports (SARs):

- The Federal Reserve, FDIC, NCUA, OCC and FinCEN, issued a statement to clarify confidentiality requirements related to Suspicious Activity Reports (SARs).
 - Under the Bank Secrecy Act (BSA), financial institutions cannot disclose a SAR or information that would reveal that a SAR has been or may be filed. However, regulators emphasized that the prohibition does not extend to the underlying facts, transactions and documents on which a SAR is based.
 - That means that financial institutions can discuss transaction dates, amounts and parties with members, as long as the communication does not reveal the existence of a SAR.
 - Regulators said financial institutions may also tell their members that an account restriction, transaction delay or account closure is related to suspected fraud or other suspicious activity. Institutions can reject deposits because of suspected fraud, ask members about transaction purposes or sources of funds and provide warnings about fraud schemes.

Discussion Items:

- TruStage Outage Discussion
- Record Retention Discussion
 - Discussion about the updates to the record retention rule and the meaning of some of the language changes. As part of this discussion the Michigan Statute of Limitations was brought into play where there was some ambiguity or flexibility within the record retention guidance.
 - The group also discussed destruction of records that are not required to be kept permanently.
- Cross-Selling Compliance Discussion
 - Discussion centered around how credit unions are complying with regulations while cross-selling to members. Much of the discussion centered around "permissible purpose" and what that actually means in the compliance world. It was also mentioned to check relevant documents to see what your members have and have not agreed to.
- Wire Transfers to Crypto Companies Discussion
 - Discussion was had on whether or not credit unions on the call were allowing members to do wire transfers to crypto companies. The discussion centered around the influx in fraud related to these transactions. Based on the discussion it was split on whether or not the credit unions is allowing them but for the most part it seemed the group was either not allowing or allowing on a case-by-case basis.
- HR 1 Vehicle Loan Interest Deduction Discussion
 - Discussion centered around the frustrations with and lack of clarity around how to meet the requirements of the HR 1 Vehicle Loan Interest Deduction as we are making our way into the 2026 tax season. The group discussed the what their respective cores could and could not do and the manual work that will be associated. They talked about the lack of guidance from the IRS and the hope that there is additional guidance from the IRS ahead of the 2026 tax season.
 - America's Credit Unions does have some HR 1 resources which you can find [here](#) (you will need to log into with your ACU account to access).