

November 18th, 2025 | Volume 1 | Issue 22

For MCUL Compliance, Advocacy and other news, check out the MILeague Minute!

🕅 Hello & Headlines! Start Here, Stay Informed

Howdy Compliance Comrades! 😇

After 43 long days, the **government shutdown has finally ended**. Relief is rippling across communities as **CDFI Fund staff return to work** and vital **food and housing programs are restored**. While the reopening brings stability, the extended closure left lasting impacts that credit unions and members will continue to navigate.

Looking ahead, the NCUA's succession planning rule takes effect January 1, 2026. This rule will require credit unions to formalize succession strategies for leadership and key positions, ensuring continuity and preparedness. Now is the time to review your governance structures and make sure your plans are ready.

The compliance landscape has shifted with the **conclusion of the Visa/Mastercard litigation.** The settlement brings significant changes to interchange fee structures and transaction costs, carrying direct implications for credit unions and their members. As the payments ecosystem adjusts, credit unions should evaluate how these changes affect operations, member pricing, and long-term strategy.

At the same time, the NCUA has proposed codifying the elimination of "reputation risk" from its supervisory program. America's Credit Unions recently filed a regulatory comment supporting this change, emphasizing that supervisory decisions should be grounded in objective financial and operational criteria rather than subjective reputational concerns. Their comment highlights how codifying this protection will promote fairness, transparency, and viewpoint neutrality in examinations — especially for credit unions serving politically sensitive or underserved markets.

Meanwhile, banking trade groups are once again targeting credit unions' 990 tax-exempt status, pressing Treasury to revisit reporting rules. This renewed push underscores the importance of advocacy and vigilance as credit unions defend their mission and member value.

And in a moment of history, the U.S. Treasury has officially cashed in its last penny — closing the book on America's smallest coin. America's final cent marks the end of an era in coinage, sparking conversations about cost savings, consumer adjustment, and the symbolic weight of retiring a denomination that's been part of daily life for generations.

So, grab your coffee, cocoa, or cider and settle in — this issue of RegCorner brings you the latest compliance developments, holiday fraud awareness insights, and resources to keep your teams prepared and proactive.



🔳 The Fine Print Files: What's New in Reg Land

Industry Headlines You Might Have Missed:

America's Credit Unions

- Regulatory Comment on Use of Reputation Risk by NCUA Due December 8
- Letter to NCUA on Maintaining Interest Rate Ceiling
- Exemptions to Currency Transaction Report Requirements
 This week: Congress returns, deposit insurance on agenda
- Capitalizing on credit unions' forward progress
 Pack to the Pacing Population P
- Back to the Basics: Regulation P
 Managing Dormant Accounts
- Engaging the Fed on Reg II

NCUA

- NCUA Board Meeting
- 2025 CDRLF Grand Round Closes Dec. 16

Other CU News

- Bankers Reportedly Launch New Salvo In Bid To Undermine CUs, Push to Treasury on Form 990
- America's Final Cent: Treasury Strikes Last Penny In Historic Farewell
 Credit Unions Deliver Millions In Relief As Shutdown Ends But Fallout I
- Credit Unions Deliver Millions In Relief As Shutdown Ends But Fallout Lingers
 Feds Launch First-Ever Scam Center Strike Force To Combat Exploding Crypto Fraud
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(Besides Everything): Compliance (Besides Everything): Compliance Events

MCUL Compliance Office Hours

Formerly SAS Compliance Office Hours, the group has been expanded to all credit unions in MI, regardless of size. Join us each month where we'll discuss recent compliance and regulatory updates, work through your compliance challenges, and have the opportunity to share resources, insights and other information with peers. We will also be looking for opportunities to include some elements from Cheers! to Compliance. You definitely don't want to miss these calls!

When: 1st Friday of every month, unless otherwise noted Time: 9:00 am

Join us for the next session, scheduled for Friday, December 5th.

** REGISTER HERE

2026 Compliance Office Hours:

** REGISTER HERE

🔏 Holiday Season = High Fraud Risk

With the holiday season upon us, fraud scams tend to skyrocket. To protect your credit union and members, it's critical to recognize the most common scams, understand their red flags, and know

what steps to take if someone falls victim.

This issue is different: instead of focusing solely on current fraud trends, we're spotlighting seven common holiday scams — what they look like, how to identify them, and how to protect yourself

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1. Non-Delivery Scam

What it is: Fraudsters advertise products online, take payment, and never deliver.

Protection: Verify sellers, use trusted platforms, and avoid unusual payment methods.

Red flags: Too-good-to-be-true deals, sellers demanding payment via gift cards or wire transfers.

2. Fake/Cloned Websites & Fraud Social Media Ads

What it is: Fraudsters create lookalike websites or ads that mimic legitimate retailers.

Red flags: Misspelled URLs, poor-quality images, limited contact information.

Protection: Type web addresses directly, check for HTTPS, and avoid clicking suspicious ads

3. Secret Shopper Job Scam

What it is: Victims are "hired" as mystery shoppers, receive fraudulent checks, and are asked to send money back.

Red flags: Upfront payments, unsolicited job offers, checks that clear then bounce. *Protection*: Educate members that legitimate companies never ask shoppers to send money back.

4. Fraud Checks

What it is: Counterfeit checks trick victims into depositing them.

Holiday Context: Financial pressures around holiday spending can make members more vulnerable. Some may knowingly or unknowingly deposit fraudulent checks, hoping to cover expenses.

Red flags: Checks from unknown sources, urgent instructions to wire funds after deposit.

Protection:

Staff: Train staff to spot counterfeit checks and remind members that funds availability ≠ check validity.

Members: Funds availability ≠ check validity. Pause and ask your credit union about the check before depositing it.

5. Fake Charity Scams

What it is: Fraudsters pose as charities during the giving season.

Red flags: High-pressure solicitations, vague mission statements, requests for gift card donations.

Protection: Verify charities through trusted sites (e.g., Charity Navigator, BBB Wise Giving Alliance).

6. Fake Vacation Giveaways

What it is: Victims are told they've "won" a trip but must pay fees upfront. *Red flags:* Requests for taxes/fees before travel, vague prize details, unsolicited notifications.

 $\textbf{\textit{Protection:}} \ \text{Remind members that legitimate sweep stakes never require upfront payments.}$

7. Fraud Package Emails/Texts

What it is: Fake delivery notifications trick victims into clicking malicious links. Red flags: Generic greetings, misspellings, links that don't match official carriers. Protection: Advise members to track packages directly with carriers and avoid clicking links in unsolicited messages.

What to Do If Someone Falls Victim

- Report fraud immediately to the credit union and relevant authorities.
- Place fraud alerts or credit freezes with credit bureaus.
- Change compromised passwords and monitor accounts closely.

Protection Measures for Staff & Members

Staff: Stay alert for unusual transactions, educate members proactively, and report suspicious activity.

Members: Use strong passwords, shop only on trusted sites, and be cautious with unsolicited offers.



Fraud thrives during the holidays because people are busy, distracted, and financially stretched. Awareness and empathy are the best defenses. Please feel free to share this guide widely to protect your credit union family!

INF@SIGHT360

△ Around the InfoSight: Highlights Worth a 360° Look

NMLS Annual Renewal Period Now Open

This is a friendly reminder that the Nationwide Multistate Licensing System (NMLS) annual renewal period opened on November 1st and will remain open until December 31st. The SAFE Act (Regulation G) requires both covered financial institutions and individual mortgage loan originators to renew their registrations annually.

Regulation G defines a covered financial institution as a bank or credit union that employs at least one mortgage loan originator. A mortgage loan originator, by definition, is an individual that:

- Takes residential mortgage loan applications; and
 Offers or negotiates the terms of residential mortgage loans for compensation or gain.
- Otters or negotiates the terms of residential mortgage loans for compensation or gain

During the renewal process, the credit union's SAFE Act administrator should confirm that the following information about the institution is correct in the registry:

- Credit union name,Main office address,
- Main office address,Contact information,
- Contact information,EIN number,
- EIN number
 RSSD numb
- RSSD number,
 Identification of
- Identification of its primary federal regulator,
 Name and contact information of its primary results.
- Name and contact information of its primary point of contact for the registry, and
 Name and contact information of its SAFE Act administrator
- Name and contact information of its SAFE Act administrator.

An Institution Renewal Guide is available from the NMLS <u>here</u>.

During the renewal process, each mortgage loan originator at the credit union should confirm the following information is correct in the registry:

- Identifying information (e.g., name, home address, social security number, date of birth, etc.),
- 10 years-worth of financial services-related employment history,Any convictions of certain criminal offenses,
- Any civil judicial actions against the loan originator brought in connection with their
- financial services-related employment,

 Actions and/or final orders brought against the loan originator by a state or federal
- regulator,

 Customer-initiated financial services-related arbitration brought against the loan
- originator, and
 Fingerprints (if more than 3 years old).

A Loan Originator Renewal Guide is available from the NMLS <u>here</u>.

Registration of Mortgage Loan Originators).

InfoSight360 has additional information available on the SAFE Act – Registration of Mortgage Loan Originators channel. There is also a model policy available in CU Policy Pro (Policy 7301:

InfoSight360 FAQs

What is InfoSight360?

InfoSight360 is an integrated platform that combines three industry-leading solutions, InfoSight, CU PolicyPro, and RecoveryPro, into one unified system. It provides a 360-degree view of compliance, policy management, and business continuity resources, all accessible through a single sign-on.

Why do I need InfoSight360?

Managing compliance is complex and time-consuming. InfoSight360 simplifies this by:

- Centralizing resources so you don't have to switch between systems.
- AI-enhanced search for fast, accurate answers across all content.
- Seamless integration shows related information from all products, even if you subscribe to only one or two. This means fewer gaps, better efficiency, and stronger compliance management.

How do I get InfoSight360?

Access to the InfoSight360 system and to the InfoSight content is FREE for our member credit unions! Many credit unions already use InfoSight360. If you're unsure how to access your credit union's implementation, simply complete our Contact Us Form

(https://www.infosight360.com/contact-us), and our support team will assist you.

Depending on your situation, we will help with:

- Resetting your password; or
- Connecting you with your system administrator for access; or
- Providing a link to our registration form if a new implementation needs to be created

CU PolicyPro FAQs

What is CU PolicyPro?

CU PolicyPro is an industry-leading policy management solution designed for credit unions. It offers over 230 customizable policy and procedure templates and a full policy management system to simplify the entire policy lifecycle, from creation to implementation. By integrating seamlessly with the InfoSight360 platform, CU PolicyPro provides advanced features like multi-tool auditing, track changes, and assignment management.

Why do I need CU PolicyPro?

Creating policies and procedures from scratch can be time-consuming and challenging. CU PolicyPro helps lessen that burden by providing 230+ customizable templates written by industry experts, so you can develop your credit union's policies and procedures without starting from a blank page.

Additional benefits include:

- Maintain a centralized repository for storing, updating, and distributing policies and procedures using CU PolicyPro's robust content management system
- Stay compliant with model content updated to current laws and regulations
- Track and document changes with auditing tools
- Assign and remind users of upcoming policy reviews
- Publish select policies into a single printable document
- Ensure security with customizable user access levels

How do I get access to CU PolicyPro?

Access to CU PolicyPro is FREE for our affiliated credit unions! OR Access to CU PolicyPro is DEEPLY DISCOUNTED for our affiliated credit unions! Many credit unions already use CU PolicyPro. If you're unsure how to access your credit union's implementation, simply complete our Contact Us Form (https://www.infosight360.com/contact-us), and our support team will assist you.

Depending on your situation, we will help with:

- Resetting your password; or
- Connecting you with your system administrator for access; or
- Providing a link to our registration form if a new implementation needs to be created

RecoveryPro FAQs

What is RecoveryPro?

RecoveryPro is a comprehensive Business Continuity Planning (BCP) solution designed for credit unions. It provides a full suite of tools to help you prepare for potential disruptions, including risk assessments, incident response strategies, and business impact analysis. With RecoveryPro, your credit union can confidently manage and recover from unexpected events.

Why do I need RecoveryPro?

Designing a Business Continuity Plan is a complex task that requires careful planning and expertise. RecoveryPro simplifies this challenge with pre-built model content and guided templates, helping you create a robust, compliant plan quickly and confidently.

Additional benefits include:

- Guidance on identifying and prioritizing business processes and developing risk assessments and impacts
- Manage incidents and recover quickly when disaster strikes
- Test and update plans to ensure effectiveness
- Maintain your BCP with robust content management and auditing tools

How do I get access to RecoveryPro?

Access to RecoveryPro is DEEPLY DISCOUNTED for our member credit unions! To find out how to purchase RecoveryPro, simply complete our Contact Us Form (https://www.infosight360.com/contact-us), and our support team will assist you.

Depending on your situation, we will help with:

Resetting your password; or Connecting you with your system administrator for access; or

of the rule.

- Providing a link to our purchase form if a new implementation needs to be created

Personal Financial Data Rights Rule Delayed In the closing days of the Biden Administration, the Consumer Financial Protection Bureau (CFPB)

issued a final rule to implement the open-banking requirements of Section 1033 of the Dodd-Frank Act. Under the final rule, covered financial institutions (those with \$850 million or more in assets) are required to make covered data regarding consumer financial products and services available to both consumers and authorized third parties in electronic form. The largest financial institutions must begin complying with the rule in 2026.

The CFPB was Immediately sued in federal district court In the Eastern District of Kentucky. The plaintiffs in the lawsuit allege that the agency exceeded its statutory authority in promulgating the

rule. On July 29th, the CFPB, under Acting Director Russell Vought, indicated in a court filing that it planned to engage in an accelerated rulemaking process to rewrite the rule. On August 22nd, the

Bureau published an advance notice of proposed rulemaking in the Federal Register seeking industry comments on four specific issues related to its rewrite of the rule. In light of the fact that it appears unlikely the CFPB will complete its rewrite of the rule prior to the first mandatory compliance date of June 30, 2026, and has done nothing to delay the current effective dates, on October 29th, Judge Danny C. Reeves of the Eastern District of Kentucky issued

an injunction. The court's order, available here, prohibits the CFPB from enforcing the personal financial data rights rule against any covered financial institution until it has completed its rewrite

Fraud Symposium – Back by Popular Demand

We know how valuable training is to our credit unions, especially when it comes to the everevolving world of fraud! InfoSight360 is excited to announce the return of our Fraud Symposium. hosted in collaboration with our League and Association partners. The symposium is free for affiliated members!

We are excited to welcome back Ken Otsuka from TruStage to talk about recent fraud trends, including account takeovers, interactive teller machines (ITMs), ATM/ITM jackpotting, check fraud, business member check kiting schemes, and business email compromise wire scams.

Also on the agenda is Sue Landauer, a certified fraud expert and partner in the Forensic Accounting Services Group, LLC., Sue brings expertise in fraud investigation, prevention, and training, and will cover recent fraud schemes and strategies to best engage with those impacted members.

Mark your calendars and be sure to register for our virtual session, scheduled for December 2, 2025, from 2:00 p.m. - 5:00 p.m. Eastern Standard Time. Registration is limited, so be sure to reserve your spot today!

Not available on the 2nd? Don't worry, the session will be recorded and available on InfoSight360's Fraud channel.

□ Open Comment Calls

them to Haleigh.Krombeen@mcul.org and JaMille.Rauls@mcul.org no later than 3 weeks prior to the comment due date.

← FinCEN Request for Comment: Section 314(a) Information Sharing

FinCEN is seeking public input on its proposal to extend, without changes, the existing Bank Secrecy Act (BSA) information collection requirements related to Section 314(a) requests. These requests facilitate information sharing between government agencies and financial institutions to support law enforcement investigations.

KEY POINTS:

- FinCEN is proposing to \boldsymbol{renew} the $\boldsymbol{current}$ 314(a) information-sharing framework without introducing new requirements.
- When a request is issued, credit unions must search their records to determine whether they maintain or have maintained any account or transaction involving the named individual or entity.
- If a match is found, institutions must report the relevant information to FinCEN within the specified timeframe and format.
- The process requires maintaining search capabilities, documentation procedures, and timely response protocols, which can be particularly burdensome for smaller credit unions with limited compliance staff.

Why It Matters:

Although the rule itself isn't changing, this RFC offers a valuable opportunity for credit unions to comment on the operational impact of 314(a) searches. Feedback can address:

- The frequency and volume of requests
- The clarity of instructions and response expectations
- The staffing and system demands required to comply Whether there are opportunities to
- streamline or modernize the process without compromising law enforcement goals

Agency Information Collection Activities: Proposals, Submissions, and Approvals

Federal agencies are requesting public comment on proposed revisions or renewals of existing information collection requirements under the Paperwork Reduction Act (PRA). These collections often involve reporting, recordkeeping, or disclosure obligations that credit unions must fulfill to remain compliant with federal regulations.

KEY POINTS:

- The notice covers updates to existing reporting requirements—either through renewal or modification—rather than introducing new mandates.
- Credit unions are invited to comment on the necessity, accuracy, and clarity of these collections, as well as the burden they impose on operations.
- This is a chance to advocate for clearer instructions, streamlined processes, and reduced administrative strain—especially for smaller institutions with limited compliance Feedback can help shape how agencies
- balance regulatory oversight with operational feasibility.

Comments Due:

December 01, 2025

Federal Register

Comments Due:

December 12, 2025

Federal Register

🚫 Prohibition on Use of Reputation Risk

The National Credit Union Administration Board (NCUA) has issued a proposed rule to formally eliminate "reputation risk" as a basis for supervisory action. This rule would codify protections for institutions and their members by preventing regulatory decisions based solely on perceived reputational concerns.

KEY POINTS:

- The rule would prohibit the NCUA from criticizing or taking adverse action against any institution—defined as any entity subject to NCUA supervisory determinations—based solely or jointly on reputation risk.
- It would also prohibit the agency from requiring, instructing, or encouraging institutions to:
 - Close an account Refuse to provide an account, product,
 - or service Modify or terminate any product or
 - service —based on a person or entity's political, social, cultural, or religious
 - views, constitutionally protected speech, or unlawful but politically disfavored business activities perceived to present reputation risk.
 - The rule aims to protect lawful businesses

and individuals from discriminatory treatment and ensure supervisory actions are grounded in objective financial and operational criteria.

December 8, 2025

Comments to America's Credit Unions Due:

Submit Comments

Comments Due: December 22, 2025

Federal Register

Why It Matters:

This proposal is especially relevant for credit unions serving politically sensitive, emerging, or underserved markets—such as cannabis businesses, advocacy groups, or faith-based organizations. By eliminating subjective reputation risk considerations, the rule promotes fairness, transparency, and viewpoint neutrality in supervisory practices.

☐ CFPB Request for Comment: Clarifying Disparate-Impact Equal Credit Opportunity Act/Reg B

The Consumer Financial Protection Bureau (CFPB) has issued a request for comment seeking input on how disparate-impact claims should be interpreted under the Equal Credit Opportunity Act (ECOA) and its implementing regulation, Regulation B. The Bureau is considering whether additional guidance or rulemaking is needed to clarify standards for proving disparate impact in credit practices. enforcement.

KEY POINTS:

- The request asks whether ECOA/Reg B should explicitly recognize disparate-impact liability, and if so, under what framework.
- CFPB is evaluating whether current case law and regulatory precedent provide sufficient clarity or whether new rulemaking is necessary.
- The Bureau is also seeking input on how credit unions and other lenders assess fair lending risk, including the use of statistical models and underwriting practices.
- Comments may address operational burdens, compliance uncertainty, and potential impacts on credit availability.

Why It Matters:

Credit unions should carefully consider how disparate-impact standards could affect lending policies, underwriting criteria, and fair lending examinations. This is an opportunity to advocate for clarity that balances consumer protection with operational feasibility. Clearer guidance could reduce litigation risk, ensure consistent examiner expectations, and help credit unions maintain fair lending compliance without discouraging innovation or member service.

Comments Due:

December 15, 2025

<u>Federal Register</u>



WE WANT TO HEAR FROM YOU! 2?

- How did the shutdown impact your credit union or members?
- What resources would help you navigate potential changes from Visa/Mastercard litigation?
- Are there holiday-season compliance or fraud challenges you'd like spotlighted in future RegCorner editions or in resources and materials designed for your staff?

Please share your thoughts during **Compliance Office Hours** and/or email them directly to me at JaMille.Rauls@mcul.org!

Questions, Comments, Concerns? We are here to help! Email us at ComplianceHelpline@mcul.org

If this newsletter was forwarded to you and you'd like your own emailed copy, or wish to be removed from this list, please contact Haleigh.Krombeen@mcul.org or JaMille.Rauls@mcul.org