

## Regulatory Compliance News



**MOUNTAIN WEST**  
Credit Union Association

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### Compliance News

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**Q&A: Since the Department of Justice (DOJ) recently rescinded two Advanced Notices of Proposed Rulemaking (ANPRs) relating to Americans with Disabilities Act (ADA) website accessibility, should I wait to perform an ADA-website accessibility assessment on our website?**

No. During CUNA's ADA Website Litigation & Resources webinar, both CUNA Mutual Group and CUNA stressed the importance of taking active steps now.

Specifically, Carlos J. Molina, Risk & Compliance Solutions Consultant, CUNA Mutual Group, encouraged credit unions to:

- Assign ownership for initial remediation and ongoing maintenance
- Conduct a thorough risk assessment on credit union websites and mobile applications
- Review third party linked sites
- Include a Website Accessibility Statement- and supporting processes
- If necessary, make adjustments to your website's accessibility to minimize your risk

Additionally, Jared Ihrig, Chief Compliance Officer, CUNA, encouraged credit unions to:

- Conduct an ADA compliance audit of your website and digital content
- Engage a reputable vendor to help bring your website into compliance with WCAG 2.0 Level AA Success Criteria
- Review online vendor contracts for compliance with WCAG standards and liability for violations
- Implement a long-term website accessibility strategy
- Employ competent legal counsel to assist with any ADA-related claims

If you were unable to attend CUNA's member-only webinar, [Click here to register and view the recorded webinar](#)

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### InCompliance Implementation Materials

The Association's InCompliance Materials are provided to help your credit union meet the challenges of implementing new and changing regulations. InCompliance publications provide you with a brief summary of the rule to quickly assess its impact, a detailed analysis for compliance staff charged with implementation, sample policies, implementation checklists and, as appropriate, sample forms. In addition, these materials are updated with Q&As (InResponse), and other materials such as charts and matrices as questions are raised and issues are identified.

Visit [mwcu.com](http://mwcu.com) to register

### **Association Compliance Forums**

Click on one of the below links to subscribe

[Compliance Forum](#)

[BSA Compliance Officer Forum](#)

Please provide the subscriber's name, credit union, title

### Caution on Prospective Venezuelan Digital Currency

OFAC has posted a new [Frequently Asked Question](#) relating to a December 2017 announcement by Venezuelan President Nicolas Maduro of plans for the Venezuelan government to launch a digital currency. Because the proposed currency would reportedly carry rights to receive commodities in specified quantities at a later date, OFAC has determined that the currency would appear to be an extension of credit to the Venezuelan government, and U.S. persons that deal in the prospective Venezuelan digital currency may be exposed to U.S. sanctions risk.

*Source: Treasury.gov*

### Detecting and Preventing Ransomware Starts with Four Key Steps

Ransomware is a type of trojan—malware designed to provide unauthorized, remote access to a user’s computer—that was first seen in 1989 and dubbed the AIDS Trojan. The original infection was found on floppy disks that were handed out at a conference. Once the user’s machine was infected, the trojan laid in wait counting the number of times the machine rebooted. Once the machine hit 90 reboots, malware hid the directories and encrypted the names of the files. The ransom demand for a “licensing fee” of \$189 was to be paid using the twentieth century, black-box equivalent of bitcoin—by sending money to a Panamanian P.O. Box.

With the proliferation of the internet, ransomware has expanded. However, the method of infection today remains the same as it did in the original AIDS Trojan of the late 1980s. After encrypting files or directories following a phishing attack, the perpetrator seeks a ransom usually in the form of a virtual currency like bitcoin. Increasingly, however, ransomware perpetrators only partially unlock files in an effort to extract an even larger payment, or simply keep the money and never provide the key.

Recent changes to the ransomware model have incorporated a worm that allows the infection to spread through peer-to-peer computer networks, as in the case with the recent WannaCry virus. Here, attackers used exploits exposed by the ShadowBrokers hacker network to infect even larger numbers of machines.

What hasn’t changed though is that it is still possible to detect and prevent an attack using the following methods. Here are four ways you can better protect your credit union from ransomware:

- **Monitoring**—Researchers have found that when ransomware attacks, there are a significant amount of changes to the file system. By monitoring the system-file logs, you can detect the creation, encryption or deletion of files.
- **Behavior Analytics**—Endpoint solutions, like virus protection, can’t block unknown ransomware variants so it is best to move to user behavior analytics. Baseline normal user activity and setting up a tripwire to find variances will enable you to catch the infection in near real time.
- **Honeypots**—Create honeypots. Since it is quicker and, often more cost effective, to encrypt recently accessed files in a ransomware attack, creating a fake file repository will often lure the ransomware into encrypting those files and allow you to enact your security measures. This can also help if you don’t have the resources to monitor file access activity.
- **Access controls**—Getting rid of global access groups from your IT network’s access controls can greatly reduce the ability of the virus to spread. These access groups are known as “open shares,” and open to

and email address. The subscriber will receive a welcome e-mail that details how to access the forum.



### Put a CCRS at Your Fingertips!

Easily apply [Consumer Compliance Rating System](#) (CCRS) expectations with AffirmX. CCRS is a supervisory policy for evaluating a financial institution’s adherence to consumer compliance requirements. By adding AffirmX to your team of experts, a credit union can meet examiner expectations to proactively prevent, self-identify, and correct compliance issues. AffirmX is the leading cloud-based compliance solution that delivers a near-real time risk-based dashboard of your compliance operations. AffirmX provides document review for all areas of regulatory compliance, including ACH, Advertising, BSA, Deposits, Loans, and Operations, as well as helps you create and manage your Cybersecurity Risk Assessment.

For more information about our compliance services, please contact Melia Heimbuck at: [mheimbuck@mwcu.com](mailto:mheimbuck@mwcu.com) or (720) 479-3325 or 1 (800) 477-1697 ext. 3325



### Same Day ACH

In 2016, NACHA and the Federal Reserve Board amended their operating rules to support Same Day ACH payments.

The rule will enable ACH originating depository financial institutions (ODFIs) that want to utilize same-day processing the option to send same-day ACH transactions to accounts at any receiving depository financial institution (RDFI). Offering same-day ACH products and services will be optional for ODFIs, but receipt of same-day entries will be required for RDFIs.

Besides requiring mandatory participation by RDFIs, the rule requires an interbank fee paid by the ODFI to the RDFI for each same-day ACH forward transaction. The fee will allow RDFIs to recover some of their costs for enabling and supporting mandatory receipt of same-day ACH transactions. The interbank fee is set at \$0.052 cents per transaction.

ODFIs will be able to submit files of same-day ACH payments through two new clearing windows provided by the ACH Operators:

- A morning submission deadline at 10:30 a.m. (ET),

misuse.

Additionally, if you find yourself a victim of ransomware, the first thing is to go to law enforcement. You will often find that you are not alone, and there may be a known decryption system available for the specific ransomware that you are facing. Also, there are many decryption tools on the market, and often these are built into your security software suite or available online for free.

Credit unions can find additional information and resources on NCUA's Cybersecurity Resource Center to help them be better protected against ransomware and other cyber threats. Go to NCUA's [Cybersecurity Resource Center](#) for additional information.

Source: NCUA

## CUNA Advocacy Update

The CUNA Advocacy Update is published at the beginning of every week and keeps you on top of the most important changes in Washington for credit unions and what CUNA is doing to monitor, analyze and influence government agencies and federal law. To receive this update, click on "Get CUNA Updates" on the [CUNA Advocacy Page](#). Additional Advocacy efforts may also be found under [CUNA's Removing Barriers blog](#). With the recent updates to CUNA's website, Advocacy information has also changed. To view recent advocacy issues and see ways your credit union can become involved, visit the [Priorities](#) or [Actions](#) pages.



### Training & Events Calendar

#### 2018 Webinars

**IMPORTANT NOTE:** For the past ten years we have partnered with the Credit Union Webinar Network to provide timely, relevant webinars. We are excited to announce an expansion of our partnership! Beginning in 2018, they will also assist us in marketing and managing these webinars. Click on the link above for a full list of webinar offerings and for more detailed information.

#### **January 30**

Webinar: [Compliance Series: Job-Specific Compliance Training for the Frontline](#)

#### **February 6**

Webinar: [Fair Lending Challenges for HMDA Data Rule Changes: Expanded Data Fields & Lending Practices](#)

#### **February 8**

Webinar: [Simplifying the Compliance Function: Tools & Checklists to Keep You on Track](#)

#### **February 14**

Webinar: [Preparing for the New Mortgage Servicing Rules: Final](#)

- with settlement occurring at 1 p.m. (ET); and
- An afternoon submission deadline at 2:45 p.m. (ET), with settlement occurring at 5 p.m. (ET)

Virtually all types of ACH payments, including both credits and debits, will be eligible for same-day processing. Only international ACH transactions (IATs) and high-value transactions above \$25,000 will not be eligible.

InfoSight -- [AZ](#), [CO](#), [WY](#)

## Compliance Videos

### **NEW! Compliance Outlook for Q4 2017**

In this [video](#), Glory LeDu provides a brief summary of the key changes of the new HMDA rules becoming effective in January.

### **Quarterly Update for Q4 and Review of Q3**

This newly released Compliance Connection [video](#) reviews those laws and regulations effective in the 3<sup>rd</sup> Quarter of 2017 and tells credit unions what to prepare for in the 4<sup>th</sup> Quarter of 2017 as well as what's coming up in the first half of 2018.

## Effective Dates New and Revised Rules

### **January 1, 2018**

- [HMDA/Reg C](#)

### **January 1, 2018**

- [Supervisory Review Committee; Procedures for Appealing Material Supervisory Determinations](#)

### **January 1, 2018**

- [Appeals Procedures](#)

### **January 1, 2018**

- [Amendments to Equal Credit Opportunity Act \(Reg B\) Ethnicity and Race Information Collection](#)

### **January 1, 2018**

- [Truth in Lending Annual Threshold Adjustments](#)

### **January 16, 2018**

- [Payday Lending, Vehicle Title, and Certain High-Cost Installment Loans](#)

### **January 19, 2018**

- [Emergency Mergers](#)

### **March 16, 2018**

- [Same-day ACH - Phase 3 \(Final phase\)](#)

### **April 1, 2018**

- [Prepaid Accounts under the EFT Act/Reg E and TILA/Reg Z](#)

Implementation Date, April 19, 2018

### **March 8**

Webinar: Revisiting CDD Policies & Procedures to Include Beneficial Ownership Rule Changes Effective May 11, 2018

### **March 15**

Webinar: Flood Insurance Compliance Review & Update 2018

### **March 21**

Webinar: Compliance & Legal Risks in Mobile Banking: Rules & Security Requirements

### **March 22**

Webinar: Completing the CTR Line-by-Line Effective May 28, 2018: Technical Changes, New Data Fields & Alternate Model Reporting

### **March 28**

Webinar: Collections & The Servicemember: From the MLA to SCRA

*\*For 2018 webinar questions, please contact [MWCUA@cuwebtraining.com](mailto:MWCUA@cuwebtraining.com).*

## **2018 Compliance Lunch & Learn Sessions Begin in February**

Join your credit union compliance peers for instruction and a discussion regarding Advertising & Sweepstakes Rules - review important advertising regulations, and discuss how to avoid pitfalls with promotional giveaways, sweepstakes and contests. Cost is \$35/ person. Instruction, networking and lunch included.

- Feb. 7: [Compliance Lunch & Learn](#): Phoenix, AZ
- Feb 8: [Compliance Lunch & Learn](#): Tucson, AZ
- Feb. 22: [Compliance Lunch & Learn](#): Denver, CO

## **CUNA Comment Calls – Due Dates on Proposed Rules**

### **January 2, 2018~NCUA**

Electronic Loan, Deposit, and Investment Data Collection

### **January 8, 2018~CFPB**

Financial Coaching Program for Veterans and Low-income Consumers

### **January 16, 2018~CFPB**

Web-based Quantitative Testing of Point of Sale/ATM Overdraft Disclosure Forms

### **February 12, 2018~CFPB**

Consumer's Experience with Free Access to Credit Scores

### **February 20, 2018~FHFA**

Credit Score Requirements

### **March 5, 2018~Federal Reserve**

Consumer Leasing (Regulation M)

### **April 19, 2018**

- Amendments to 2013 Mortgage Rules under RESPA/Reg X and TILA/Reg Z

### **May 11, 2018**

- Customer Due Diligence/CDD

### **May 25, 2018**

- EU's General Data Protection Regulation

### **July 1, 2018**

- Availability of Funds and Collection of Checks/Reg CC

### **October 1, 2018**

- Amendments to the Integrated Disclosure Rule

### **January 1, 2019**

- HMDA Thresholds/Reg C

### **January 1, 2019**

- Risk-Based Capital

### **August 19, 2019**

- Payday Lending, Vehicle Title, and Certain High-Cost Installment Loans

### **January 1, 2020**

- HMDA Threshold/Reg C

### **December 15, 2020**

- Current Expected Credit Losses

### **January 1, 2022**

- Amendments to Equal Credit Opportunity Act (Reg B) Ethnicity and Race Information Collection

*\*For detailed information on rules and effective dates, click [here](#)*



## **Compliance Calendar**

### **February 19, 2018**

- President's Day – Federal Holiday

### **May 28, 2018**

- Memorial Day – Federal Holiday

### **July 4, 2018**

- Independence Day – Federal Holiday

### **September 3, 2018**

- Labor Day – Federal Holiday

### **October 8, 2018**

- Columbus Day – Federal Holiday

**November 12, 2018**

Veterans Day (observed) – Federal Holiday

Please respond to [Mark Robey](#) with any questions or concerns regarding content of this newsletter.

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