

April 8, 2022 | Volume 16 | Issue 14

## Highlights

# Quarterly Update videos are **BACK!**



Click on "Compliance Videos"  
in **Info**  **Sight** to view!

*Our highly-requested Compliance Update videos (formerly called Compliance Connection videos) are BACK! Start off on the right foot with the 2022 Q1 Compliance Update, available in InfoSight by clicking the "Compliance Videos" link in the upper right corner of the screen. The Q1 update provides information on:*

- *Deposit Account Updates*
- *Lending Updates*
- *Credit Union Operations Updates*

- *Resources available in InfoSight and from other sources to help you keep in compliance with these changes and updates!*

## Compliance and Advocacy News & Highlights

### 2022 “Getting it Right” Published

The 2022 edition of the [Guide to HMDA Reporting: Getting it Right!](#) is now available. The Guide is a valuable resource for assisting all institutions in their HMDA reporting. It includes a summary of responsibilities and requirements, directions for assembling the necessary tools, and instructions for reporting HMDA data.

*Source: FFIEC*

### Treasury Targets Sanctions Evaders and Russian Tech Companies

The [Treasury Department recently announced](#) that OFAC has designated 21 entities and 13 individuals as part of its crackdown on the Kremlin’s sanctions evasion networks and technology companies, which are instrumental to the Russian Federation’s war machine. Treasury has also determined that three new sectors of the Russian Federation economy are subject to sanctions pursuant to Executive Order 14024. This allows Treasury impose sanctions on any individual or entity determined to operate or have operated in any of those sectors. OFAC also designated Russian government malicious cyber actors.

*Source: US Treasury*

### FinCEN Fines Fragrance Dealer \$275,000 For GTO Violations

The [Financial Crimes Enforcement Network \(FinCEN\) recently announced a \\$275,000 civil money penalty](#) on [A&S World Trading, Inc., d/b/a Fine Fragrance](#) (A&S) for willful violations of the Bank Secrecy Act and its implementing regulations. This was FinCEN’s first enforcement action for failing to comply with a Geographic Targeting Order.

A&S admits that it failed to comply with the reporting and recordkeeping requirements of a Geographic Targeting Order issued to certain nonfinancial trades and businesses located within the Los Angeles Fashion District. Because of these violations, A&S failed to report more than two million dollars in high-risk currency transactions.

*Source: FinCEN*

### FBI and International Partners Stop Wire Transfer Schemes

According to a [recent press release from the FBI](#), the Bureau recently conducted a coordinated effort to disrupt Business Email Compromise (BEC) schemes that intercept and steal wire transfers sent by businesses and individuals. The U.S. Department of Justice and international law enforcement partners carried out **Operation Eagle Sweep** over a three-month period and arrested 65 suspects in the United States and overseas, including 12 in Nigeria, eight in South Africa, two in Canada, and one in Cambodia. In parallel with Operation Eagle Sweep, Australia, Japan, and Nigeria conducted local operations targeting BEC actors.

BEC is a sophisticated scam that often targets employees of businesses that make payments through wire transfers. Skilled scammers usually gain access to a company's email accounts or spoof their email addresses to send legitimate sounding and well-timed requests for wire transfers. The bank accounts provided for the receipt of transfers, however, are controlled by the criminals. The same criminal organizations that carry out BEC also exploit individuals, often real estate purchasers and the elderly.

Starting in September 2021, Operation Eagle Sweep targeted BEC scammers believed responsible for targeting over 500 U.S. victims and for causing losses exceeding \$51 million.

*Source: FBI*

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## NCUA to Begin Phase 2 of Resuming Onsite Operations

In July 2021, the NCUA announced the implementation of Phase 1 of its phased approach to returning to onsite operations in [Letter to Credit Unions, 21-CU-06](#). Based on new guidance from the Centers for Disease Control and Prevention (CDC) and the Safer Federal Workforce Task Force, the agency will enter the second phase (Phase 2) of resuming its onsite operations on April 11, 2022. The [NCUA has issued Letter to Credit Unions, 22-CU-06 with](#) further explanation.

Phase 2 permits NCUA staff to volunteer to work onsite, including conducting examination and supervision work at credit unions located in counties with low or moderate [COVID-19 community levels](#), as defined by the CDC. Onsite work in counties with high COVID-19 community levels may be allowed when necessary and with prior approval from NCUA management.

*Source: NCUA*

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## Articles of Interest:

- [FTC Sues Intuit for its Deceptive TurboTax "free" Filing Campaign](#)
- [FTC Takes Action Against Multistate Auto Dealer](#)
- [Treasury Sanctions Russia-Based Hydra, World's Largest Darknet Market](#)
- [NCUA, FDIC Host April 14 Webinar to Aid Providers Helping Young People](#)

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## CUNA's Advocacy Resources:

- [Happenings in Washington \(Removing Barriers Blog\)](#)

### *WOCCU (World Council of Credit Unions Advocacy) Advocacy Resources:*

- [Telegraph](#) – Current advocacy news world-wide.
- [Advocate Blog](#) – Check out recent updates!

## **Compliance Calendar**

- *May 30th, 2022: **Memorial Day - Federal Holiday***
- *June 20th, 2022: **Juneteenth National Independence Day - Federal Holiday (observed)***
- *July 4th, 2022: **Independence Day - Federal Holiday***
- *September 5th, 2022: **Labor Day - Federal Holiday***
- *September 16th, 2022: **NACHA – Micro-Entry Rule – Phase I***

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