



InfoSight Highlight

CFPB Publishes Notice on Credit Card Agreement Submissions
The Consumer Financial Protection Bureau (CFPB) has published a notice in the *Federal Register* of the expiration of the suspension of Regulation Z requirements that credit card issuers submit their currently-offered credit card agreements to the Bureau for posting on the Bureau's website (see the April 4, 2016, edition of *InfoSight eNewsletter*). **The next submission is due on the first business day on or after April 30, 2016 (i.e., May 2, 2016).** The CFPB has issued guidance for credit card issuers with simplified instructions for making the required submissions.

There has been no change to the de minimis exception in Section 1026.58(c)(5), so **card issuers with fewer than 10,000 open credit card accounts as of the last business day of the calendar quarter are not required to submit any credit card agreements to the Bureau.**

For more information see the Credit Cards: Regulation Z - Detailed Analysis topic in InfoSight.

Compliance News

SCRA Protection Extension Enacted

President Obama has signed into law the "Foreclosure Relief and Extension of Servicemembers Act of 2015." This short piece of legislation amended the dates in Section 710(d) of the "Honoring America's Veterans and Caring for Camp Lejeune Families Act of 2012 (Public Law 112-154) to extend the sunset in that act of the temporary substitution of "one year" for "90 days" in sections 303(b) and (c) of the Servicemembers Civil Relief Act (50 U.S.C. 3953). **The new sunset date is December 31, 2017.** Those of you who put off updating your HUD SCRA delinquency notice in the hope that Congress would act made the right choice. If you did update your notices, you must now change the "90 days" back to "one year."

GEORGIA CREDIT UNION

Affiliates

InfoSight
Compliance eNEWSLETTER

April 11, 2016

Vol. 10, Issue 15

Created in partnership with the



Credit Union National Association

Compliance Calendar

April 15
Operating Fee/Capitalization
Deposit Adjustment due to
NCUA

Previous Year's IRA
Contributions Due

April 22
5300 Call Report Due to NCUA

May 2
Credit Card Quarterly
Agreement Submission Due to
CFPB (10,000 or more open
credit card accounts)

May 30
Memorial Day - Federal
Holiday

June 30
PCI - SSL/TLS can no longer

NCUA Webinar

The NCUA's "[Hot Topics in Compliance](#)" webinar will begin at **2:00 p.m. EST on April 27**. The free 90-minute presentation, which includes a thirty-minute Q&A, will provide an in-depth review of the latest requirements for compliance, including:

- An overview of the BSA, with discussion of requirements and common violations;
- Monitoring of money laundering;
- Suspicious Activity Reports (SARs);
- Equal Credit Opportunity Act (ECOA) adverse action notice requirements; and
- Office of Consumer Protection contact information.

Final Rule on 'Fiduciaries' of Retirement Plans Issued

The Department of Labor (DOL) has released its long-awaited final rule defining who is a "fiduciary" of an employee benefit plan under the Employee Retirement Income Security Act (ERISA) or IRA under the Internal Revenue Code (IRC). The DOL final rule defines who is considered a fiduciary investment adviser, describes the kinds of communications that would constitute investment advice, and adopts new exemptions to permit investment advice fiduciaries to continue to receive compensation under certain circumstances.

Under the "nutshell" version of the rule, a person is a fiduciary if he or she receives compensation for providing investment advice based on the particular needs of the individual being advised, or if he or she directs that person to a specific plan sponsor, plan participant, or IRA owner. A fiduciary can be a broker, registered investment adviser, or other type of advisor (whether subject to federal securities laws or not).

Covered investment advice is defined as a "recommendation" to a plan, plan fiduciary, plan participant and beneficiary and IRA owner for a fee or other compensation, direct or indirect, as to the advisability of buying, holding, selling or exchanging securities or other investment property, including recommendations as to the investment of securities

be used as a Security Control after this date

Child Support Data Match Reimbursement Deadline

[Click here for upcoming compliance dates.](#)

Compliance Training

April 12, 2016
[Completing the SAR Line-by-Line](#) - Webinar
3:00 – 4:30 p.m. EST

April 13, 2016
[Your Depositor Has Died: Actions to Take, Mistakes to Avoid](#) - Webinar
3:00 – 4:30 p.m. EST

April 19, 2016
[Effective Management of Credit Report Disputes](#) - Webinar
3:00 – 4:30 p.m. EST

April 20, 2016
[Troubled Debt Restructuring: Determination & Accounting](#) - Webinar
3:00 – 4:30 p.m. EST

April 25, 2016
[Examining Complex TRID Issues, Part 1: Application Through Loan Estimate & Revised Loan Estimate](#) - Webinar
3:00 – 4:30 p.m. EST

April 26, 2016
[Regulator Expectations for Risk](#)

or other property after the securities or other property are rolled over or distributed from a plan or IRA.

The types of relationships that must exist for such recommendations to give rise to fiduciary investment advice responsibilities include recommendations made either directly or indirectly (e.g. through or together with any affiliate) by a person who:

- Represents or acknowledges that they are acting as a fiduciary within the meaning of ERISA or the IRC;
- Renders advice pursuant to a written or verbal agreement, arrangement or understanding that the advice is based on the particular investment needs of the advice recipient; or
- Directs the advice to a specific recipient or recipients regarding the advisability of a particular investment or management decision with respect to securities or other investment property of the plan or IRA.

The recommendation must be provided in exchange for a "fee or other compensation."

Under ERISA and the IRC, individuals providing fiduciary investment advice to plan sponsors, plan participants, and IRA owners are not permitted to receive payments creating conflicts of interest without a "prohibited transaction exemption" (PTE). That's where the "Best Interest Contract Exemption" comes in -- one of DOL's newly created PTEs (which some refer to as the BIC or BICE). The exemption allows investment advisors to continue to use certain compensation arrangements that might otherwise be forbidden so long as they, among other things, "commit to putting their client's best interest first," adopt anti-conflict policies and procedures (including avoiding certain incentive practices), and disclose any conflicts of interest that could affect their best judgment as a fiduciary rendering advice.

Compliance with the new requirements will not be required until one year after the final rule is published in the *Federal Register* — in other words, April 2017. Exemptions will be phased in, with full compliance required by January 1, 2018.

Fact sheets and FAQs on the DOL website are available [here](#).

To gain a better understanding of what changed from the proposal stage to the final rule, and the rule's potential impact on your operations,

Assessment: Policies, Procedures & Steps in Obtaining Board Approval - Webinar

3:00 – 4:30 p.m. EST

April 27, 2016

Call Report Preparation: Avoiding Common Errors - Webinar

3:00 – 4:30 p.m. EST

April 28, 2016

ACH Rules Update 2016 - Webinar

3:00 – 4:30 p.m. EST

May 3, 2016

Conducting the Annual Physical Security Review – Webinar

3:00 – 4:30 p.m. EST

May 4, 2016

Loan Participation Due Diligence: Practices, Documentation, Servicing & Risks – Webinar

3:00 – 4:30 p.m. EST

May 10, 2016

Succession Planning for the Board & Supervisory Committee - Webinar

3:00 – 4:30 p.m. EST

May 11 – 14, 2016

GCUA Annual Convention Savannah, GA

May 11, 2016

Business Accounts: Who is Authorized to Open, Close, Transact? – Webinar

3:00 – 4:30 p.m. EST

see [DOL Addresses Some CUNA Concerns in Fiduciary Rule\(4/7/16\)](#) in [CUNA's Removing Barriers Blog](#).

Stay tuned for additional details...

Your CU Should Know...

New Privacy Opt-Out Notice Checklist Available: The annual privacy notice has been an unnecessary compliance cost for many years, and now we were finally seeing changes made to this requirement. First, the alternative delivery method (website) rule in 2014 followed by the FAST Act eliminating the general annual notice requirement in December 2015.

These changes have resulted in many credit unions taking another look at their information sharing arrangements. Over the years, some credit unions have offered their members the option of opting out of information sharing even if it wasn't required, for example, even if the information sharing met an exception in the privacy rule. Credit unions did this simply as a member service. But now that costly annual notices are not required in all instances, many credit unions are carefully reviewing their information sharing arrangements to determine whether they are required or voluntary, and reconsidering whether the voluntary opt-out notices are worth the additional cost.

To assist credit unions with this review, CUNA has developed the [Privacy Opt-Out Notice Checklist](#). If your credit union is reviewing any information sharing arrangements, you may find this helpful.

OFAC Issues Burundi Regulations: The Office of Foreign Assets Control (OFAC) has published [regulations](#) (31 CFR 554) to implement Executive Order 13712 of November 22, 2015 ("Blocking Property of Certain Persons Contributing to the Situation in Burundi"). OFAC intends to supplement this part 554 with a more comprehensive set of regulations, which may include additional interpretive and definitional guidance and additional general licenses and statements of licensing policy. **The regulations are effective immediately.**

May 12, 2016
[Managing the Force-Placed Insurance Process - Webinar](#)
3:00 – 4:30 p.m. EST

May 16, 2016
[Examining Complex TRID Issues, Part 2: Closing Disclosure, Tolerances & the Good Faith Analysis – Webinar](#)
3:00 – 4:30 p.m. EST

May 17, 2016
[Wire Transfer Compliance, Including International Remittances – Webinar](#)
3:00 – 4:30 p.m. EST

May 24, 2016
[Understanding & Managing the CFPB Complaint Process – Webinar](#)
3:00 – 4:30 p.m. EST

May 25, 2016
[Developing Quality & Efficiency in Your IT Audit – Webinar](#)
3:00 – 4:30 p.m. EST

June 2, 2016
[Best Practices for Member Business Lending - Webinar](#)
3:00 – 4:30 p.m. EST

June 7, 2016
[Hiring in the Digital Age: What Every HR Manager Needs to Know About Social Media – Webinar](#)
3:00 - 4:30 p.m. EST

June 8, 2016
[Federal Government ACH Payments, Reclamations &](#)

Bureau Blog Promotes Complaints Phone Access: The [CFPB Blog explains](#) that while many consumers submit complaints to the regulator online, they can talk to a real person in more than 180 languages by calling Monday through Friday, 8 a.m. – 8 p.m. ET a toll-free telephone number, (855) 411-CFPB (2372). Services to consumers who are deaf, have hearing loss, or have speech disabilities are also available through a TTY/TDD number: (855) 729-CFPB (2372). The Bureau suggests before a consumer makes a call or online contact they have information available about the product or service they are complaining about, prepare a statement of what happened, know the name of the company that is the subject of the complaint, and provide the consumer’s contact information for a response.

Wells Fargo Pays \$1.2B for Mortgage Practices: The Department of Justice (DOJ) has [announced](#) that the United States has settled civil mortgage fraud claims against Wells Fargo Bank, N.A. (Wells Fargo) and Wells Fargo executive Kurt Lofrano, stemming from Wells Fargo’s participation in the Federal Housing Administration (FHA) Direct Endorsement Lender Program. In the settlement, Wells Fargo agreed to pay \$1.2 billion and admitted, acknowledged and accepted responsibility for, among other things, certifying to the Department of Housing and Urban Development (HUD), during the period from May 2001 through December 2008, that certain residential home mortgage loans were eligible for FHA insurance when in fact they were not.

SCOTUS Rejects Wells Fargo OD Fees Appeal: The [Los Angeles Times](#) has [reported](#) that the U.S. Supreme Court has refused to hear an appeal by Wells Fargo Bank from a Ninth Circuit Court of Appeals ruling upholding a \$203 million ruling issued against the bank in 2010 by a federal judge in San Francisco ([Gutierrez v. Wells Fargo Bank, N.A.](#)). In the 2010 ruling, Wells Fargo was found to have sought to "maximize the number of overdrafts" by posting largest debit card charges first. The judge had declared that that the bank had deceived its customers in violation of California’s consumer protection law, and awarded \$203 million in restitution to customers charged for overdrafts between 2004 and 2008. According to the *Times*, Wells Fargo attorneys argued that there was no proof that the customers had actually been deceived, since there was no proof they had ever read or relied on the bank’s policies. The 9th Circuit had rejected that claim, ruling that

[Garnishments - Webinar](#)
3:00 – 4:30 p.m. EST

June 9, 2016
[FFIEC Cyber Security Risk Assessments: Recent Findings & Recommended Actions - Webinar](#)
3:00 – 4:30 p.m. EST

June 10 – 17, 2016
[Southeast CUNA Management School](#)
Athens, GA

June 14, 2016
[Comparing Regulation E Requirements with Visa & MasterCard Rules - Webinar](#)
3:00 – 4:30 p.m. EST

June 16, 2016
[ACH Rules for Deceased Account Holders & Federal Government Payments - Webinar](#)
3:00 – 4:30 p.m. EST

June 21, 2016
[The Growing Scope of Vendor Management: Business Continuity, Cyber Security, Contract Negotiation & More - Webinar](#)
3:00 – 4:30 p.m. EST

June 22, 2016
[Product Terms Part 1: Modifying Existing Product Terms & Fees, Including Timing, Content & Requirements for Change-in-Term Notices - Webinar](#)
3:00 – 4:30 p.m. EST

consumers are protected from a company's deception, even if they never actually read its disclosures.

Comment Calls

The [CUNA Advocacy Update](#) 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. You can view the current report and past reports from the archive.

Click [here](#) to request to be added to the mailing list for this and/or other GCUA email publications.

Bookmark InfoSight

No need to go through the Georgia Credit Union Affiliate's home page to access InfoSight. Simply add the following link to your bookmarks: <http://ga.leagueinfosight.com/>.

**Need a BSA, ACH or Website review?
Email compliance@gcu.org.**

June 23, 2016

[Legal Aspects of HELOCs: Disclosures, Advertising, Termination, Credit Line Reduction & More - Webinar](#)
3:00 – 4:30 p.m. EST

June 26 – 29, 2016

[America's Credit Union Conference](#)
Seattle, WA

June 27, 2016

[Developing a Sound Appraisal Management Program - Webinar](#)
3:00 – 4:30 p.m. EST

June 29, 2016

[Understanding FCRA Permissible Purposes in Obtaining Credit Reports - Webinar](#)
3:00 – 4:30 p.m. EST

June 30, 2016

[Compliance Officer Training: Risk Assessments, Monitoring & Testing - Webinar](#)
3:00 – 4:30 p.m. EST

BSA Training Opportunities through GCUA
[Click here for details](#)