

**DATE:** February 22, 2021  
**BULLETIN:** 2021-KDCU-CUB-4  
**TO:** Kansas Chartered Credit Unions  
**SUBJECT:** FinCEN Information

### FinCEN INFORMATION

In recent months, the Financial Crimes Enforcement Network (FinCEN) has issued informational materials, as highlighted below, which credit unions may find helpful.

As the **COVID-10 vaccination process** began, on December 28, 2020, FinCEN issued a [Notice](#) asking financial institutions to stay alert to vaccine-related scams and cyberattacks. As you know, criminals look to the headlines for their next scam. There have already been offers – for a fee – to provide potential victims with the vaccine sooner than permitted under the applicable vaccine distribution plan. Credit unions and their members should stay alert to phishing schemes luring victims with fraudulent vaccine information. During a ten month period in 2020, credit unions filed 21,000 Suspicious Activity Reports referencing COVID-19 and the stimulus programs (see Director Kenneth Blanco’s remarks below).

Many of your members, or new members, may have received **Paycheck Protection Program (PPP) loans**. The Small Business Administration (SBA), along with the U.S. Department of the Treasury, issued [FAQ’s](#) on February 1, 2021, with regard to how those loans should be handled to remain compliant with FinCEN’s Customer Due Diligence (CDD) Rule. In addition, decisions should be made based upon your risk-based approach to BSA compliance.

The importance of **information sharing, pursuant to USA Patriot Act §314(b)**, was highlighted by the Director of the Financial Crimes Enforcement Network (FinCEN), Kenneth A. Blanco, as he [addressed](#) an enforcement conference on December 10, 2020. Information sharing between financial institutions is critical to identifying, reporting and preventing money laundering and/or terrorist financing. A new [314\(b\) Fact Sheet](#) was prepared as a result of feedback from financial institutions. Information may be shared even if the activity does not constitute a “transaction.” It may have been an attempted transaction or an attempt to induce others to engage in a transaction. You do not need to have made a conclusive determination that the activity is suspicious.

**NOTE:** In accordance with Governor Laura Kelly’s [Executive Orders](#), KDCU Administrator Vickie Hurt continues to review the feasibility of resuming the on-site examination program.

This is being done in coordination with the NCUA.