



RISK ADVISORY

Regulatory Compliance Digest

Q1 2026

The Regulatory Compliance Digest's Q1 2026 issue summarizes the latest updates from FFIEC, FinCEN, CFPB, FDIC and federal bank regulatory agencies, in addition to hot topics and recent developments in the regulatory environment.

The [Regulatory Compliance Digest](#) is intended to keep you informed of regulatory changes in advance of their effective date so your institution can evaluate changes or updates to necessary policies and procedures in place to be compliance at the time of enactment.

Regulatory Expectations for Financial Institutions in 2026

The regulatory environment continues to be quite dynamic, as regulatory agencies push toward modernization in both supervision and regulation. In 2025, proposed regulations were put on the back burner or rescinded as part of the federal administration's deregulation mindset, but what can we expect in 2026?

Regulatory Supervision

There will be a focus on properly targeted supervision to promote safety and soundness, which will enable examiners to quickly assess and detect material weaknesses requiring remediation. As each financial institution is unique in its products, services, geographic presence, market position, and specific risks, the supervisory approach for each financial institution will be tailored accordingly.

Evidence of this supervisory change was reflected in the elimination of the use of "reputational risk" due to its imprecision and potential for misuse. In addition, climate guidance has been rescinded as it diverted supervisory resources away from risks that are material to the safety and soundness of banks.

Throughout 2026, this theme of modernization will continue with a focus on the following:

- ▶ Aligning the supervisory approach with the complexity and risk profile of smaller institutions
- ▶ Effectively identifying material financial risks
- ▶ Reducing overlap in examinations
- ▶ Emphasizing examination findings and reports that focus on material financial risk, including revisiting the standard for issuing MRAs and MRIAs
- ▶ Streamlining and improving data collection processes for community banks
- ▶ Enhancing transparency and information sharing

What Does This Mean for Institutions?

These supervisory changes imply that institutions must also change their focus and processes to adequately address material weaknesses that pose financial risk to the institution as well as the consumer. As compliance professionals, now is the time to take an independent look at the institution's

compliance management system (CMS) to ensure its structure can adequately identify financial risks. As you go through the evaluation process, keep these key factors in mind:

- ▶ Does the program clearly define roles and responsibilities for compliance? Consider the roles of the board, committees thereof, senior management and the compliance function.
- ▶ Is there ongoing comprehensive reporting that includes deficiencies and addresses trends, issues, emerging risks and remediation status?
- ▶ Is there evidence that the board and/or senior management reviews and discusses compliance reports to gain an understanding of weaknesses and risks?
- ▶ Are compliance policies and procedures aligned with business processes? Do these processes consider inventory and assign accountability? Can they be refreshed in accordance with changes in the regulatory environment, technology, department structuring, etc.?
- ▶ Is there a formal, proactive, documented risk-based process to account for compliance monitoring, testing and complaint management? Are these processes supported by formal programs, sampling and supported testing results?
- ▶ Has a risk assessment been performed that identifies regulatory and governance gaps, in addition to mapping key applicable regulations? Does the assessment clearly assign compliance responsibilities?

2026 Regulatory Hot Topics and Changes

As your institution plans for 2026 and evaluates its CMS, keep the following hot topics and regulatory changes top of mind.

Regulatory Hot Topics

Artificial Intelligence (AI)

AI is becoming increasingly embedded into our compliance technology, particularly in the consumer lending and fair lending spaces. It is imperative that compliance teams understand the technology and can ensure that it adheres to consumer protection laws and emerging regulations. Consider algorithmic biases and the processes around AI-driven decisions.

Privacy

There is increased focus on what data is collected and how it is being used for customers and their children. If you are collecting information from children either through your website or via other means, review the Children's Online Privacy Protection Act. Be aware of the collection and use of data, as well as geolocation capabilities.

Third-party Risk Management (TPRM)

Due to the increasing frequency of data breaches, regulators are diving deeper into TPRM practices at institutions. Take inventory of your third-party vendors and understand how they access and use your customers' data.

Unfair, Deceptive or Abusive Acts or Practices (UDAAP)

Deceptive marketing and advertising, including conspicuous disclosures in digital marketing and social media, are a growing concern with the expanded use of AI.

Recent Regulatory Changes

Community Reinvestment Act (CRA): The Federal Reserve Board (FRB) and Federal Deposit Insurance Corporation (FDIC) released the 2026 annual [asset-size threshold updates](#) for small and intermediate small banks. [These thresholds are in effect](#) as of the latter of either January 1, 2026, or the Federal Register publication date through December 31, 2025.

- ▶ Small Bank: Assets less than \$1.649B, as of December 31 of either of the prior two calendar years.
- ▶ Intermediate Small Bank: Assets of at least \$412M as of December 31 of both of the prior two calendar years and less than \$1.649 billion as of December 31 of either of the prior two calendar years.

Truth in Lending Act (Regulation Z)

The Consumer Financial Protection Bureau (CFPB) [published guidance](#) to clarify which types of earned wage access (EWA) products are classified as credit under Regulation Z, as well as to determine applicable finance charges for EWAs. In addition to the annual threshold adjustments for points and fees for high-cost mortgages and qualified mortgages (QMs), the appraisals exemption threshold for higher-priced mortgage loans was announced.

Fair Housing Act

The Equal Housing Lender poster was updated with the language, "Designating English as the Official Language of the United States."

OCC and FDIC Statement Regarding the Status of Certain Investment Funds and Their Portfolio Investments for Purposes of Insider Lending Restrictions and Related Reporting Requirements

On December 18, 2025, the Office of the Comptroller of the Currency (OCC) and the Federal Deposit Insurance Corporation (FDIC) issued a statement to [clarify supervisory expectations](#) for OCC-supervised institutions' and FDIC-supervised institutions' compliance with insider lending restrictions and related reporting requirements with respect to certain types of related interests. This statement is effective immediately.

The OCC, the FDIC, and the Board of Governors of the Federal Reserve System (Board) issued the "Statement Regarding Status of Certain Investment Funds and their Portfolio Investments for Purposes of Regulation O and Reporting Requirements under Part 363 of FDIC Regulations" on December 27, 2019. Each subsequent December, the OCC, FDIC and Board issued new one-year extensions. A statement by the agencies with no expiration date, rather than a statement subject to annual extensions, will provide banks with greater certainty regarding the agencies' supervisory expectations.

This statement will continue to be effective unless amended, superseded or rescinded in writing. The agencies anticipate that this statement will no longer be necessary upon the adoption of a final rule by the Board that revises Regulation O to fully address the treatment of extensions of credit by a bank to fund complex-controlled portfolio companies that are insiders of the bank.

This FIL supersedes and rescinds FIL-85-2024, dated December 27, 2024.

Impact: Awareness

Responsible Department: Compliance, Governance, Lending

Action Needed: Review current policy and procedures

FDIC Board of Directors Approves Final Rule on Establishment and Relocation of Branches and Offices

On December 16, 2025, the FDIC Board of Directors Board of Directors [approved a final rule to streamline the processes](#) for the establishment and relocation of domestic branches and main offices. The final rule is intended to improve the speed and certainty of, and reduce the regulatory burden associated with, branch and main office filings. The final rule is substantially similar to the proposal issued in July 2025, with small modifications.

The final rule applies to insured state non-member banks applying to establish a branch or relocate a main office or branch, and to insured branches of a foreign bank applying to move from one location to another. Key elements of the final rule include:

- ▶ Providing that most filings qualifying for expedited processing will be deemed approved three business days after submission
- ▶ Eliminating the FDIC's discretion to remove filings from expedited processing
- ▶ Eliminating the filing requirements for de minimis branch facility changes
- ▶ Streamlining filing content requirements
- ▶ Eliminating public notice and public comment requirements
- ▶ Extending the expiration period for an approved filing

The final rule will take effect 60 days after publication in the Federal Register.

Impact: Awareness

Responsible Department: Compliance, Governance

FDIC Official Signs and Advertising Requirements, False Advertising, Misrepresentation of Insured Status, and Misuse of the FDIC's Name or Logo

On November 25, 2025, the FDIC [issued the final review](#) on the delay of Part 328 signage and advertising rules. On December 20, 2023, the FDIC adopted a final rule that, among other things, amended the FDIC's official sign and advertisement of membership requirements for insured depository institutions (IDIs).

The current compliance date for requirements related to displaying the official digital sign on IDIs' digital deposit-taking channels and automated teller machines (ATMs), and like devices, is March 1, 2026. The FDIC issued a notice of proposed rulemaking on August 21, 2025, to modify the requirements related to displaying the official digital sign on IDIs' digital deposit-taking channels and ATMs and like devices and establish a January 1, 2027, compliance date for such requirements. The FDIC is now delaying the March 1, 2026, compliance date to January 1, 2027, consistent with the proposal.

Impact: Awareness

Responsible Department: Compliance, Marketing

Appraisals for Higher-priced Mortgage Loans Exemption Threshold

On December 16, 2025, the OCC, the Board, and the CFPB [finalized amendments to the official interpretations](#) of their regulations that implement section 129H of the Truth in Lending Act (TILA). Section 129H of TILA establishes special appraisal requirements for "higher-risk mortgages," termed "higher-priced mortgage loans" or "HPMLs" in the agencies' regulations.

A December 2013 rulemaking exempted transactions of \$25,000 or less and required that this loan amount be adjusted annually based on any annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). Based on the CPI-W in effect as of June 1, 2025, the exemption threshold will increase from \$33,500 to \$34,200, effective January 1, 2026.

Impact: Threshold change for HPMLs

Responsible Department: Compliance, Lending

Action Needed: Update current policy and procedures for threshold change

Truth in Lending (Regulation Z) Annual Threshold Adjustments (Credit Cards, HOEPA and Qualified Mortgages)

On December 15, 2025, the CFPB issued this [final rule amending the regulation text and official interpretations](#) for Regulation Z, which implements the Truth in Lending Act (TILA). The CFPB calculates the dollar amounts for provisions in Regulation Z annually; this final rule revises the amounts for provisions implementing TILA and its amendments, including the Home Ownership and Equity Protection Act of 1994 (HOEPA), and the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). The bureau adjusts these amounts based on the annual percentage change of the Consumer Price Index (CPI) as of June 1, 2025. This final rule is effective January 1, 2026.

The adjusted points-and-fees dollar trigger for high-cost mortgages in 2026 will be \$1,380. For QMs under the General QM loan definition in §1026.43(e)(2), the thresholds for the spread between the annual percentage rate (APR) and the average prime offer rate (APOR) in 2026 will be:

- ▶ 2.25 or more percentage points for a first-lien covered transaction with a loan amount greater than or equal to \$137,958
 - ▶ 3.5 or more percentage points for a first-lien covered transaction with a loan amount greater than or equal to \$82,775 but less than \$137,958
 - ▶ 6.5 or more percentage points for a first-lien covered transaction with a loan amount less than \$82,775
 - ▶ 6.5 or more percentage points for a first-lien covered transaction secured by a manufactured home with a loan amount less than \$137,958
 - ▶ 3.5 or more percentage points for a subordinate-lien covered transaction with a loan amount greater than or equal to \$82,775
 - ▶ 6.5 or more percentage points for a subordinate-lien covered transaction with a loan amount less than \$82,775.
- For all categories of QMs, the thresholds for total points and fees in 2026 will be:
- ▶ 3% of the total loan amount for a loan greater than or equal to \$137,958
 - ▶ \$4,139 for a loan amount greater than or equal to \$82,775 but less than \$137,958
 - ▶ 5% of the total loan amount for a loan greater than or equal to \$27,592 but less than \$82,775
 - ▶ \$1,380 for a loan amount greater than or equal to \$17,245 but less than \$27,592
 - ▶ 8% of the total loan amount for a loan amount less than \$17,245

Impact: Regulation Z threshold changes

Responsible Department: Compliance, Lending

Action Needed: Update current policy and procedures for threshold change

Adjusting and Indexing Certain Regulatory Thresholds

On November 25, 2025, the FDIC adopted the final rule to [amend certain regulatory thresholds](#) in its regulations to reflect inflation. Specifically, this final rule generally updates such thresholds to reflect inflation from the date of initial implementation or the most recent adjustment and provides for future adjustments pursuant to an indexing methodology.

The changes set forth in this final rule preserve the level of certain thresholds set forth in the FDIC's regulations in real terms, thereby avoiding the undesirable and unintended outcome where the scope of applicability for a regulatory requirement changes due solely to inflation rather than actual changes in an institution's size, risk profile, or level of complexity.

The final rule is effective January 1, 2026. An IDI need not comply with the applicable part 363 requirements in effect as of December 31, 2025, if the IDI will not be subject to such part 363 requirements under the updated thresholds in effect as of January 1, 2026, as specified in this final rule.

Impact: Awareness

Responsible Department: Compliance, Governance

Federal Reserve Board Releases Information Regarding Enhancements to Bank Supervision

On November 18, 2025, the Federal Reserve Board released information regarding [enhancements to bank supervision](#). The [new supervisory operating principles](#) were provided to all Federal Reserve supervisory leadership and staff and are intended to focus Federal Reserve examiners on material financial risks threatening the safety and soundness of banks and on taking timely, proportionate action to ensure that those risks are properly addressed.

Impact: Awareness

Responsible Department: Compliance, Governance

Action Needed: FRB-supervised banks to review and understand new examination focus

Federal Bank Regulatory Agencies Release 2024 Small Business, Small Farm and Community Development Lending Data

On November 13, 2025, the federal bank regulatory agencies, as members of the Federal Financial Institutions Examination Council (FFIEC), [released data on small business, small farm, and community development lending](#) during 2024. The Community Reinvestment Act regulations require the agencies to annually disclose this data.

The FFIEC also prepared aggregate reports of small business and small farm lending for each metropolitan statistical area and for each county in the United States and its territories. The statements are available [here](#).

Impact: Awareness

Responsible Department: Compliance, Lending, CRA

FDIC Updates Consumer Compliance Examination Schedule

On November 7, 2025, the FDIC's Consumer Compliance Examination Manual has been revised to reflect an [updated examination frequency schedule](#) whereby consumer compliance examinations and Community Reinvestment Act (CRA) evaluations will occur less frequently for most institutions.

Section II-12.1 of the FDIC's Consumer Compliance Examination Manual has been revised to reflect an updated consumer compliance examination and CRA evaluation frequency schedule. The update also establishes a new compliance mid-point risk analysis for certain institutions. Additional highlights include:

- ▶ Institutions will generally be on an examination cycle of 66-78 months, 54-66 months, or 24-36 months, depending on asset size
- ▶ Examination cycles are based on the date of the last joint Consumer Compliance examination/Community Reinvestment Act (CRA) evaluation
- ▶ Institutions on an examination cycle of 66 - 78 months or 54 - 66 months, with no targeted consumer compliance examination or CRA evaluation, examiners will conduct a mid-point risk analysis of the institution and determine if an intervening supervisory activity, such as a targeted visitation, is needed
- ▶ Adversely rated institutions (institutions not rated a "1" or "2" for Consumer Compliance and "Outstanding" or "Satisfactory" or CRA) will encounter more frequent supervisory activities

Impact: Awareness

Responsible Department: Compliance

Fair Credit Reporting Act; Preemption of State Laws

On October 28, 2025, the Consumer Financial Protection Bureau [issued an interpretive rule](#) to clarify that the Fair Credit Reporting Act (FCRA) generally preempts State laws that touch on broad areas of credit reporting, consistent with Congress's intent to create national standards for the credit

reporting system. This interpretive rule replaces a July 2022 interpretive rule that the CFPB withdrew in May 2025. This interpretive rule is applicable on October 28, 2025.

Impact: Awareness

Responsible Department: Compliance, Lending

Action Needed: Advise lenders

Fair Housing Act: Update to Fair Housing Lender Posters

On October 15, 2025, the OCC Equal Housing Lender [poster template was updated in accordance with Executive Order 14224](#) (EO 14224) "Designating English as the Official Language of the United States."

EO 14224, issued March 1, 2025, designates English as the official language of the U.S. and instructs agencies to make decisions as they deem necessary to fulfill their respective missions and efficiently provide government services to the American people.

Consistent with EO 14224, the OCC has updated the Spanish language version of the Equal Housing Lender poster template to include the following language: "Como se describe en la Orden Ejecutiva 14224, el inglés es el idioma oficial de los Estados Unidos."

Impact: EHL poster Spanish language changes

Responsible Department: Compliance, Lending

Action Needed: Update EHL poster if not compliant

Rescission of Principles for Climate-related Financial Risk Management for Large Financial Institutions

On October 16, 2025, the OCC, Treasury, the Board, and the FDIC [rescinded the interagency Principles for Climate-related Financial Risk Management for Large Financial Institutions](#).

Impact: Awareness

Responsible Department: Compliance

BSA/AML OFAC Update

FinCEN Announces Data-driven Border Operation To Address Potential Money Laundering

On December 23, 2025, the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) [announced a multi-tiered operation](#) targeting more than 100 U.S. money services businesses (MSBs) operating along the southwest border. These MSBs — which provide financial services outside of a formal bank — are being examined for potential non-compliance with regulations designed to detect money laundering and combat illicit finance. FinCEN's operation resulted in the issuance of six notices of investigation, dozens of examination referrals to the IRS and over 50 compliance outreach letters.

Impact: Awareness

Responsible Department: Compliance, BSA/AML/CFT

FBAR Filing Requirement for Certain Financial Professionals: Extended Filing Date Related to FIN-2024-NTC7

On December 8, 2025, the FinCEN [announced a further extension of time](#) for certain Report of Foreign Bank and Financial Accounts (FBAR) filings in light of the notice of proposed rulemaking (NPRM) that FinCEN issued on March 10, 2016, which proposes to revise the regulations implementing the Bank Secrecy Act (BSA) requirements regarding FBARs.

Specifically, one of the proposed amendments would expand and clarify the exemptions for certain U.S. persons with signature or other authority over foreign financial accounts. This proposed amendment seeks to address questions previously raised by members of the public regarding the filing requirement and its application to U.S. persons with signature authority over, but no financial interest in, certain types of foreign financial accounts.

Impact: Awareness

Responsible Department: Compliance, BSA/AML

FinCEN Issues Financial Trend Analysis on Ransomware

On December 4, 2025, the U.S. Department of the Treasury's FinCEN issued a [Financial Trend Analysis](#) on ransomware incidents in BSA data between 2022 and 2024, which totaled [more than \\$2.1 billion in ransomware payments](#).

Impact: Awareness

Responsible Department: Compliance, BSA/AML

Bank Secrecy Act/Anti-money Laundering: Community Bank Minimum Bank Secrecy Act/Anti-money Laundering Examination Procedures

On November 24, 2025, the OCC, [published a bulletin](#) establishing the Community Bank Minimum Bank Secrecy Act (BSA/AML) Examination Procedures (Community Bank Procedures) for BSA/AML compliance examinations and provides guidance for OCC examiners on their application.

The Community Bank Procedures, effective for examinations beginning February 1, 2026, reflect the OCC's continued commitment to, and leadership on, efforts to improve the effectiveness and efficiency of the BSA/AML regime and reduce unnecessary burden on community banks.

The Community Bank Procedures reduce burden on community banks by:

- ▶ Emphasizing examiner discretion to place reliance, as appropriate, on satisfactory independent testing to form a basis for conclusions for specific examination procedures.
- ▶ Allowing examiners to use discretion in carrying forward prior cycle examination conclusions for one examination cycle, for the training and BSA compliance officer pillars, in instances where there have not been significant changes to the bank's risk profile and in consideration of other relevant factors.
- ▶ Emphasizing examiner discretion to determine, as appropriate, whether and to what extent to perform transaction testing or whether it is appropriate to limit testing to analytical or other reviews.

Impact: Awareness

Responsible Department: Compliance, BSA/AML/CFT

Action Needed: Review current independent review process

Bank Secrecy Act/Anti-Money Laundering: Discontinuation of Annual Money Laundering Risk System Data Collection

On November 24, the OCC will [no longer annually collect information](#) from community banks¹ through the Money Laundering Risk (MLR) System. Highlights include:

- ▶ Effective immediately, the OCC is discontinuing the annual mandatory data collection from community banks under the MLR System
- ▶ The MLR System was used to understand, analyze, and assess the money laundering (ML) and terrorist financing (TF) risks in the OCC's community bank portfolio
- ▶ The OCC determined that there are alternative, less burdensome means of assessing community banks' ML/TF risks and believes the MLR System is no longer necessary
- ▶ These actions build upon the OCC's continued efforts to tailor its regulatory and supervisory frameworks to minimize burden for its regulated institutions and promote economic growth

Impact: Awareness

Responsible Department: Compliance, BSA/AML

Action Needed: OCC banks no longer need to submit data

Financial Action Task Force Identifies Jurisdictions With Anti-money Laundering, Combating the Financing of Terrorism, and Counter-proliferation Finance Deficiencies

On November 21, 2025, FinCEN [informed U.S. financial institutions](#) that the Financial Action Task Force (FATF), an intergovernmental body that establishes international standards for anti-money laundering, countering the financing

of terrorism, and countering the financing of proliferation of weapons of mass destruction (AML/CFT/CPF), updated its lists of jurisdictions with strategic AML/CFT/CPF deficiencies at the conclusion of its plenary meeting last month.

The FATF also updated its public statement on Iran, reminding all jurisdictions of their obligations under the FATF standards to address proliferation financing risks emanating from Iran, reiterating its call for action to its members, and urging all jurisdictions to apply effective countermeasures against Iran, specifically highlighting two countermeasures.

U.S. financial institutions should consider the FATF's stance toward these jurisdictions when reviewing their obligations and risk-based policies, procedures and practices. On October 24, 2025, the FATF removed Burkina Faso, Mozambique, Nigeria and South Africa from its list of [**Jurisdictions Under Increased Monitoring**](#).

The FATF's list of [**High-Risk Jurisdictions Subject to a Call for Action**](#) remains the same, with Iran, the Democratic People's Republic of Korea (DPRK), and Burma subject to calls for action. Specifically, the FATF continues to call on jurisdictions to apply effective countermeasures on Iran, including two specific countermeasures:

- ▶ Refusing the establishment of subsidiaries or branches or representative offices of financial institutions from the country concerned or otherwise taking into account the fact that the relevant financial institution is from a country that does not have adequate AML/CFT systems; and
- ▶ Prohibiting financial institutions from establishing branches or representative offices in the country concerned, or otherwise taking into account the fact that the relevant branch or representative office would be in a country that does not have adequate AML/CFT systems.

The FATF also continues to call on jurisdictions to impose effective countermeasures on the DPRK. Burma remains subject to the application of enhanced due diligence, but not countermeasures.

The FATF issued the following statements as part of its listing and monitoring process to ensure compliance with its international standards:

1. [**Jurisdictions Under Increased Monitoring**](#), which publicly identifies jurisdictions with strategic deficiencies in their AML/CFT/CPF regimes that have committed to, or are actively working with, the FATF to address those deficiencies in accordance with an agreed upon timeline

2. [**High-Risk Jurisdictions Subject to a Call for Action**](#), which publicly identifies jurisdictions with significant strategic deficiencies in their AML/CFT/CPF regimes and calls on all FATF members to apply enhanced due diligence and, in the most serious cases, apply countermeasures to protect the international financial system from those risks.

Impact: Awareness

Responsible Department: Compliance, BSA/AML

FinCEN Renews Residential Real Estate Geographic Targeting Orders

On October 9, 2025, FinCEN [**announced the renewal**](#) of its Geographic Targeting Orders (GTOs) that require U.S. title insurance companies to identify the natural persons behind shell companies used in non-financed purchases of residential real estate. The GTOs are effective beginning October 10, 2025.

On September 30, 2025, FinCEN announced a postponement of the reporting requirements of the reporting requirements of the Anti-Money Laundering Regulations for Residential Real Estate Transfers Rule (RRE Rule) until March 1, 2026. In light of the RRE Rule's reporting requirements, the residential real estate GTOs will expire on February 28, 2026, with the GTOs continuing to provide valuable data on the purchase of residential real estate by persons possibly involved in various illicit enterprises.

These renewed GTOs continue to cover certain counties and major U.S. metropolitan areas in California, Colorado, Connecticut, Florida, Hawaii, Illinois, Maryland, Massachusetts, Nevada, New York, Texas, Washington, Virginia and the District of Columbia.

No changes have been made to jurisdictional coverage since the last issuance of these GTOs. The purchase price threshold likewise remains \$300,000 for each covered metropolitan area, with the exception of the city and county of Baltimore, where the purchase price threshold is \$50,000.

Impact: Awareness

Responsible Department: Compliance, BSA/AML

FinCEN Issues Frequently Asked Questions To Clarify Suspicious Activity Reporting Requirements

On October 9, 2025, FinCEN issued answers to four frequently asked questions (FAQs) to [clarify certain requirements related to suspicious activity reports](#) (SARs). With these FAQs, FinCEN aims to ensure financial institutions are not needlessly expending resources on efforts that do not provide law enforcement and national security agencies with the critical information they need to detect, combat and deter criminal activity.

FinCEN issued the FAQs jointly with the Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency.

The FAQs clarify regulatory requirements relating to structuring SARs, continuing activity reviews, and a financial institution's decision not to file a SAR, and were informed by feedback from financial institutions. The answers to these FAQs can assist financial institutions with their compliance obligations while enabling institutions to focus resources on activities that produce the greatest value to law enforcement agencies.

Impact: Awareness

Responsible Department: Compliance, BSA/AML

Have Questions?

If you would like to discuss any compliance matters for your institution, please contact your Cherry Bekaert advisor or the Firm's Risk Advisory regulatory compliance team today.

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