



FINREG Focus

U.S. Financial Services Regulatory Center Update

October 12, 2026

1. Financial Crimes Enforcement Network (FinCEN) withdraws Section 311 finding and proposed convertible virtual currency (CVC) mixing rule.
2. Commodity Futures Trading Commission (CFTC) seeks input on the federal framework for retail crypto asset transactions.

Overview of Key Developments

1. FinCEN Withdraws Digital Assets Related Proposals

What Happened?

On October 5, 2026, FinCEN announced the [withdrawal of two proposed rules](#) related to CVC, including its proposed special measure addressing international CVC mixing. Effective October 6, FinCEN [withdrew both](#) its 2023 finding that international CVC mixing is a class of transactions of primary money laundering concern under Section 311 of the USA PATRIOT Act and the related proposed rule.

The 2023 proposal would have imposed enhanced record-keeping and reporting requirements on covered financial institutions when they knew, suspected, or had reason to suspect that a CVC transaction involved CVC mixing within or involving a jurisdiction outside the United States. Required reporting would have included information such as the amount and type of CVC, mixer used, wallet addresses, transaction hashes, and IP addresses, along with specified identifying information for customers associated with covered transactions.

As part of the same announcement, FinCEN also [withdrew a separate proposal](#) that would have imposed record-keeping, verification, and reporting requirements on certain CVC transactions involving unhosted wallets. FinCEN said it considered comments submitted on the proposals and characterized the withdrawals as part of efforts to ensure digital asset regulations are fit-for-purpose.

Why Does It Matter?

The action eliminates both the proposed CVC-mixing-specific reporting and record-keeping regime and the predicate Section 311 finding that international CVC mixing, as a class of transactions, is of primary money laundering concern. Accordingly, the special measure proposed in 2023 will not take effect.

FinCEN said the withdrawal was informed by commenters' concerns that the proposal's expansive definition of CVC mixing could have a chilling effect on legitimate activity and place a large reporting burden on covered financial institutions. The agency also cited a 2025 President's Working Group on Digital Asset Markets report recognizing that, while illicit actors use mixers to obscure and launder funds, lawful users may use them to preserve financial privacy when transacting on public blockchains.

Importantly, the withdrawal does not indicate that FinCEN views the illicit-finance risks associated with CVC mixers as resolved. The agency stated that illicit actors continue to use mixers and other methods to hinder law enforcement investigations. FinCEN will continue monitoring CVC mixer activity for indications of money laundering, terrorist financing, and other illicit finance and may take future steps to mitigate such activity.

The Bottom Line:

FinCEN has stepped back from the proposed Section 311 framework for international CVC mixing, eliminating the associated specialized reporting and record-keeping requirements before they took effect. However, the agency continues to identify illicit use of CVC mixers as a financial-crime concern and has left open the possibility of future action.

2. CFTC Retail Crypto Framework

What Happened?

On October 5, 2026, the CFTC issued an [advance notice of proposed rulemaking](#) (ANPRM) seeking input on a potential comprehensive regulatory framework for certain retail commodity transactions involving crypto assets, referred to as crypto asset transactions (CTXs), under Section 2(c)(2)(D) of the *Commodity Exchange Act*. The CFTC intends to use comments received to inform whether and how to proceed with future rulemaking. Comments are due within 60 days of the ANPRM's publication in the **Federal Register**.

The ANPRM outlines two related concepts:

- **Regulation CTX:** The CFTC sets forth preliminary interpretations of how Section 2(c)(2)(D) could apply to crypto assets, including the scope of an “offer” of leverage, margin, or financing and the meaning of “actual delivery.” The CFTC preliminarily views actual delivery as requiring meaningful possession or control and is considering how crypto-specific characteristics, including control of private keys and access to governance or staking rights, should inform that analysis.
- **Regulation CAM:** The CFTC outlines a potential crypto asset market (CAM) framework as a purpose-built subcategory of designated contract market designation for trading facilities focused on CTXs. The contemplated framework would tailor existing regulatory requirements to the characteristics and risks of these transactions.

Why Does It Matter?

The ANPRM represents an early step toward establishing a tailored federal market structure for certain retail crypto asset transactions using the CFTC's existing statutory authority. It does not establish new requirements at this stage. Instead, the CFTC is seeking comment on preliminary interpretations and potential regulatory structures.

Key areas under consideration include:

- **Federal market structure:** The contemplated CAM framework would tailor requirements for trading, market surveillance, disclosures, operational risk, and other areas to crypto asset markets.

- **Intermediation and customer protection:** The framework generally centers on futures commission merchant (FCM) intermediation of CTXs, while seeking input on whether retail customers should be able to transact without an intermediary in certain circumstances. The CFTC is also examining custody, leverage, and margin requirements, including potential financing arrangements involving qualifying banking institutions sponsored by FCMs.
- **Clearing and integrated models:** The CFTC is considering how clearing requirements should apply to CTXs and whether CAMs could also register as, or affiliate with, FCMs and derivatives clearing organizations, subject to appropriate regulatory requirements.
- **Federal and state oversight:** The covered CTXs could operate under a uniform federal framework while preserving a path for genuine spot-mark framework also raises questions about the boundary between federal and state regulation. The CFTC is considering how the scope of Section 2(c)(2)(D), including the “actual delivery” exception, should apply to crypto asset transactions.

The Bottom Line:

The CFTC is exploring a purpose-built federal framework that could reshape how certain retail crypto asset transactions are traded, intermediated, financed, cleared, and supervised. The concepts remain preliminary, and specific requirements will depend on any subsequent rulemaking.

NCUA Proposes Expanded Stablecoin Reporting Requirements

New Stablecoin Reporting

The National Credit Union Administration (NCUA) proposed adding a new Schedule J, Payment Stablecoin Activities, to the quarterly Form 5300 Call Report. The new schedule would introduce 26 individual reporting fields designed to capture federally insured credit unions’ payment stablecoin activities and exposures.

The [proposed changes](#) would take effect with the March 31, 2027 report date and would be incorporated into the Call Report filed by all federally insured credit unions.

What Would Be Reported?

The 26 reporting fields would be divided across four categories:

- **Reserve asset custody:** eight fields covering custody of reserve assets for permitted payment stablecoin issuers
- **Cryptographic key custody and control:** nine fields covering cryptographic key custody and control
- **Issuer exposure:** five fields covering direct exposures to permitted payment stablecoin issuers
- **Balance-sheet holdings:** four fields covering payment stablecoins held by credit unions

Increased Supervisory Visibility

The NCUA stated that the additional reporting would enhance its offsite supervision by providing standardized quarterly information on credit unions’ reserve-asset custody, cryptographic key custody and control, direct exposures to permitted payment stablecoin issuers, and payment stablecoins held on their balance sheets.

The changes remain proposed and are subject to public comment and Office of Management and Budget review and clearance. Comments are due by December 8, 2026.

CFPB Releases 2025 Fair Lending Report

The Consumer Financial Protection Bureau's (CFPB) [2025 Fair Lending Report](#) summarizes the Bureau's fair lending supervision, enforcement, rulemaking, stakeholder engagement, and interagency activity during 2025, while also highlighting several significant developments that occurred in 2026.

Supervision & Enforcement

The CFPB reported closing 76% of its Supervisory Actions, nearly 1,500, as it redirected supervisory resources. Approximately 12% of those closed actions related to fair lending. The Bureau also reported that it did not initiate supervisory activities, cite fair lending violations, or refer *Equal Credit Opportunity Act* (ECOA) matters to the U.S. Department of Justice during 2025.

Fair Lending Priorities

The report highlights the CFPB's move away from disparate impact in fair lending supervision and enforcement, along with an increased focus on potential unlawful debanking. ECOA examination work focuses on direct evidence of intentional discrimination, adverse action requirements, and systems for managing ECOA and Regulation B compliance risk. *Home Mortgage Disclosure Act* (HMDA) examinations focus on the accuracy of key reported data.

Rulemaking & Guidance

The report also reviews significant changes to the CFPB's fair lending regulatory framework. The Bureau finalized revisions to the Section 1071 small business lending rule that narrowed the financial institutions and credit transactions subject to reporting, reduced required data points, and changed certain data collection requirements. It also revised Regulation B provisions governing special purpose credit programs and discouragement and withdrew a number of earlier fair lending-related guidance documents. Both major fair lending rulemakings prioritized during 2025 were finalized in 2026.

Interagency Findings

Federal agencies with ECOA enforcement authority collectively cited 140 institutions for ECOA or Regulation B violations in 2025. Frequently cited issues among FFIEC agencies included adverse action requirements, discrimination, credit application requirements, and appraisals and valuations. NCUA made four referrals to the U.S. Department of Justice involving ECOA or Regulation B violations.

Overall, the report reflects a narrower CFPB fair lending supervisory and enforcement approach, while the broader interagency findings show continued regulatory attention to core ECOA and Regulation B requirements, particularly adverse action notices and other established compliance obligations.

Recent Key Regulatory Developments

Joint Banking Agencies

Date	Topic	Summary
10/5	Banking Agencies Update Third-Quarter 2026 Call Report Instructions	The federal banking agencies issued updated Call Report instructions for September 30, 2026, reflecting the reduced 8 percent community bank leverage ratio, the extended four-quarter CBLR grace period, revised reporting treatment for certain reciprocal and qualifying custodial deposits, and an option to file on the next business day when a due date falls on a weekend or federal holiday.

Federal Reserve Board

Date	Topic	Summary
10/7	Federal Reserve Extends Comment Period for Regulation O Proposal	The Fed extended the comment period on its proposal to update Regulation O, which governs member bank lending to insiders and insiders of affiliates, by 30 days from October 5 to November 4, 2026.

Federal Deposit Insurance Corporation

Date	Topic	Summary
10/7	FDIC Issues List of Banks Examined for CRA Compliance	The FDIC released its list of state nonmember banks recently evaluated for CRA compliance.
10/9	FDIC Extends Comment Period for Proposed Insider Lending Rule	The FDIC extended the comment period for its proposed rule to increase and index certain dollar-based thresholds applicable to extensions of credit to insiders of FDIC-supervised institutions, moving the deadline from October 5 to November 4, 2026.

National Credit Union Administration

Date	Topic	Summary
10/9	NCUA Proposes Form 5300 Stablecoin Reporting	The NCUA proposed adding a new Schedule J to the quarterly Form 5300 Call Report to collect information on federally insured credit unions' payment stablecoin activities and exposures, with the revisions proposed to take effect with the March 31, 2027 report date.

Recent Key Regulatory Developments

Securities & Exchange Commission

Date	Topic	Summary
10/5	SEC Coordinates with Financial Regulators on World Investor Week	The SEC, in coordination with U.S. and global financial regulators, issued a joint investor bulletin for World Investor Week encouraging investors to remain resilient amid changing economic conditions and vigilant against relationship investment and impersonation scams.
10/6	SEC Announces Compliance Outreach Seminar for Investment Companies and Advisers	The SEC announced a November 19 virtual compliance outreach seminar for investment companies and investment advisers covering information security and operational resiliency, registered and private fund adviser issues, registered investment company topics, compliance program effectiveness, and other current issues.
10/8	FINRA Releases Report on September Board Meeting and Rule Modernization Proposals	FINRA released its report on the Board of Governors' September 29-30 meeting, announcing four approved proposals for SEC filing that would make membership application reviews more risk-focused, provide greater flexibility for annual CEO certification deadlines, rescind the Same Quote Rule for OTC equity securities, and repeal a mutual fund cash compensation disclosure requirement.
10/8	SEC Issues New Interpretations on Retail Voting Programs	The SEC issued two new Corporation Finance Interpretations, Questions 189.01 and 189.02, addressing retail voting programs under the proxy rules and Schedules 14A/14C.

Commodity Futures Trading Commission

Date	Topic	Summary
10/5	CFTC Seeks Comment on Regulatory Framework for Retail Crypto Asset Transactions	The CFTC issued an advance notice of proposed rulemaking seeking public input on a comprehensive regulatory framework for certain retail crypto asset transactions, including approaches to preventing abusive practices, providing crypto-specific regulatory and compliance context, and potentially establishing a purpose-built "crypto asset market" subcategory of designated contract market registration.
10/5	CFTC Provides No-Action Relief for Conversion of Certain Index Futures to Perpetual Futures	The CFTC provided temporary no-action relief allowing designated contract markets (DCMs) to convert certain broad-based security index futures into true perpetual futures, subject to customer protection and procedural conditions.

Financial Crimes Enforcement Network

Date	Topic	Summary
10/5	FinCEN Withdraws Two Proposed Digital Asset Rules	FinCEN withdrew proposed rules addressing certain CVC transactions involving unhosted wallets and CVC mixing, citing its consideration of public comments and efforts to ensure digital asset regulations are fit-for-purpose.

Recent Key Regulatory Developments

Financial Accounting Standards Board

Date	Topic	Summary
10/7	FASB Continues Research on Revenue Recognition Issues	FASB declined to add projects to its technical agenda on several Topic 606 revenue recognition issues but directed staff to conduct additional research on net revenue presentation for assets measured at fair value, the interaction of Topic 460 and Topic 606 for guarantees of an entity's own future performance, and accounting for consideration payable to customers.

Financial Stability Board

Date	Topic	Summary
10/9	FSB Assesses Public-Sector Backstop Funding Mechanisms	The FSB found that approximately half of jurisdictions still have material gaps in public-sector backstop funding mechanisms for systemic bank resolution and issued six recommendations aimed at achieving full and consistent implementation of its standards.

Basel Committee on Banking Supervision

Date	Topic	Summary
10/5	Basel Committee Reports Further Progress on Basel III Implementation	The Basel Committee on Banking Supervision reported that three-quarters of its 27 member jurisdictions have published rules adopting the final Basel III standards, with almost all announcing application by April 2027 or earlier.

Deadlines & Compliance Calendar

Agency	Requirement	Due Date
Joint Agency	Comments due on CRA regulations	Oct 13, 2026
	Comments due on expanded examination cycle for certain small insured depository institutions	Oct 14, 2026
	Comments due on third-party risk management guidance	Nov 16, 2026
Treasury	Comments due on GENIUS Act regulations on payment stablecoin issuance, offer, and sale	Oct 19, 2026
	Comments due on Regulation O changes for loans to insiders	Nov 4, 2026
	Comments due on third-party risk management guide for community banks	Nov 16, 2026
FRB	Comments due on the Federal Reserve Board's responsibilities under the GENIUS Act	Nov 30, 2026
	Comments due on application procedures for subsidiaries to issue payment stablecoins	Nov 30, 2026
	Comments due on model changes for the Board's 2027 supervisory stress test	Dec 1, 2026
FDIC	Comments due on extensions of credit to insiders	Nov 4, 2026
	Comments due on merger transactions	Nov 23, 2026
	Comments due on state bank parity	Nov 23, 2026
NCUA	Comments due on proposed Form 5300 stablecoin reporting changes	Dec 8, 2026
	Comments due on Regulation Crypto Assets	Oct 20, 2026
	Comments due on transfer agent rules	Nov 3, 2026
SEC	Comments due on political contributions by certain investment advisors (rescission)	Nov 9, 2026
	Comments due on proxy solicitation modernization	Nov 20, 2026
	Comments due on rescission of Rule 14a-8, amendments to Rule 14a-4	Nov 20, 2026
	Comments due on interval fund modernization and expansion of multiple share classes	Dec 4, 2026
CFTC	Comments due on investment adviser performance-based compensation modernization	Dec 7, 2026
	Comments due on listing of compute derivatives contracts	Oct 20, 2026
	Comments due on proposed special measure involving A7 Network sub-agents	Nov 4, 2026
FinCEN	Comments due on proposed special measure involving A7 Network sub-agents	Nov 4, 2026
	Comments due on improvements for the 2027 SEC Reporting Taxonomy	Oct 30, 2026
FASB	Comments due on Codification improvements	Nov 19, 2026

Effective Rule Compliance Dates

Agency	Requirement	Compliance Date
Joint Agency	Expanded examination cycle for certain small insured depository institutions	Sep 14, 2026
	Financial Data Transparency Act joint data standards	Oct 1, 2026
	Unsafe or unsound practices, matters requiring attention	Nov 2, 2026
FRB	Enhanced transparency & public accountability of supervisory stress test models & scenarios	Nov 2, 2026
	Modifications to the capital plan rule and stress capital buffer requirement	Dec 1, 2026
FDIC	FDIC official signs and advertisement of membership	Apr 1, 2027
NCUA	Simplification of share insurance rules	Dec 1, 2026
SEC	Form N-PORT and N-CEN reporting requirements¹	Nov 17, 2027
		May 18, 2028
CFTC	Swap clearing requirements for the transition from CDOR and TIIE to CORRA and F-TIIE	Oct 8, 2026
	Whistleblower Award Determination	Oct 16, 2026
SEC/CFTC	Form PF reporting requirements	Jul 1, 2027
FinCEN	AML/CFT program and suspicious activity report filing requirements for registered investment advisers and exempt reporting advisers	Jan 1, 2028

1. Compliance dates based on asset size: November 17, 2027 for fund groups with net assets of \$1 billion or more; and May 18, 2028 for fund groups with less than \$1 billion in net assets as of the end of their most recent fiscal year-end.

Agencies Without Recent Key Developments

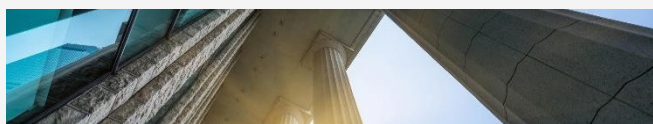
Several key regulators maintained their prior positions for the period, with no new actions to report, including:

- Legislative
- Financial Stability Oversight Council
- Federal Financial Institutions Examination Council
- Office of the Comptroller of the Currency
- International Organization of Securities Commissions



U.S. Financial Services Regulatory Center Recent FORsights™

We're committed to changes and obligations regulators demand, helping you meet business objectives and enhance shareholder value. For more information on our latest work, please see our FORsights below:



[Quarterly Insights: Financial Services Q2 2026](#)

Download our Q2 2026 insights featuring major regulatory and supervisory developments.



[Agencies Propose CRA Revisions for Lending Accountability](#)

OCC and FDIC propose targeted CRA updates for lending and community development grants.



[What the Agencies' TPRM Overhaul Signals for Bank Oversight](#)

Explore how the proposed TPRM guidance may affect banks and vendor risk programs.



[SEC Implementation of Daily Rule 15c3-3 Reserve Computations](#)

Explore how daily reserve computations affect sweep activity and customer credits.



[The New FDIC Two-Phase Deposit Insurance Review](#)

Explore the FDIC's new review framework and what it means for your application.



[Implications of the Updated Interagency MRM Guidance](#)

Understand evolving guidance in model risk management.



[Treasury Clearing Changes Broker-Dealers Should Know](#)

Learn about SIFMA's done-away clearing documents and the impacts on Treasury clearing compliance.



[FFIEC Proposes Sweeping Overhaul of CAMELS Framework](#)

Discover proposed CAMELS overhaul linking ratings to material risk and transparency.

Contact



Ashley Ensley

National Sector Leader, Financial Services
ashley.ensley@us.forvismazars.com



William Rogers

Financial Services Risk & Regulatory Practice Leader
william.rogers@us.forvismazars.com

U.S. Financial Services Regulatory Center



Bobby Bean

U.S. Financial Services Regulatory Center Leader
US_Reg_Center@us.forvismazars.com



Desmond Lites

Senior Manager, Financial Services
Risk & Regulatory Consulting



Zach Kindbom

Manager, Financial Services Risk &
Regulatory Consulting

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