

FINREG Focus

U.S. Financial Services Regulatory Center Update

November 16, 2026

Office of the Comptroller of the Currency (OCC) highlights emerging risk perspective.

Overview of Key Developments

OCC Highlights Key Risks in Fall 2026 Report

What Happened?

On November 12, the OCC released its Semiannual Risk Perspective, Fall 2026, identifying credit, market, compliance, and operational risks as key themes facing the federal banking system. The report reflects data as of June 30, 2026 and does not establish regulatory policy or interpret existing statutes or regulations.

The OCC characterized overall credit risk as modest and reported that bank profitability improved substantially during the first half of 2026. Profitability for the federal banking system and banks with less than $30 billion in assets reached levels not seen in more than two decades, supported by loan growth, modest net interest margin expansion, higher noninterest income, and lower credit loss provisioning. The OCC noted that the upward trend in medium- and long-term rates during the first half of the year could increase commercial refinancing risk and could affect both net interest margins and securities valuations. The agency also noted that the retail operating environment remains broadly supportive of credit quality, although continued inflation pressures could constrain some households.

The report also addresses AI, referred to by the OCC as “super intelligence,” noting banks of all sizes are exploring its use to improve efficiency, internal controls, and analytics. However, the agency warns of heightened cybersecurity and fraud risks as a result of threat actors.

Since its previous report, the OCC indicated it has continued to reset its risk tolerance and make its supervisory policies and practices more risk-based. Actions it cites include codifying unsafe or unsound practices and expanding eligibility for an 18-month exam cycle for community banks with up to $6 billion in assets. The agency notes these changes aim to focus supervision on material financial risk and reduce examination burdens, especially for community banks.

Why Does It Matter?

The OCC’s assessment suggests that relatively strong industry performance should not lessen attention to areas where risk could develop quickly. Institutions may want to consider how higher medium- and long-term rates could affect borrowers approaching refinancing, particularly where repayment capacity was established in a lower-rate environment. Portfolio reviews may also consider the combined effect of refinancing pressure, funding costs, securities valuations, and margin sensitivity rather than evaluating those risks independently.

The expansion of AI also presents considerations beyond a bank’s own use of the technology.

forvis mazars

Institutions involved in financing AI infrastructure may want to consider whether underwriting and ongoing monitoring sufficiently capture construction, power availability, technological obsolescence, contractual complexity, and refinancing risk. More broadly, institutions may find value in considering AI exposure across three dimensions: internal use, financing activity, and fraud or cybersecurity risk, rather than treating AI solely as a technology governance issue.

The OCC's continued shift toward risk-based supervision is also relevant. The agency describes recent changes as intended to focus supervision on material financial risks and reduce examination burden, particularly for community banks. Institutions may want to consider how these changes affect examination planning while recognizing that a more risk-based approach does not diminish the importance of effectively managing material credit, market, operational, and compliance risks.

The Bottom Line:

The OCC's assessment suggests institutions have an opportunity to address emerging vulnerabilities from a position of relative strength. Banks may want to use the current environment to evaluate whether risk appetite, portfolio monitoring, and scenario analysis remain appropriate as refinancing pressures, technology-related exposures, and the supervisory environment evolve.

Guarantor Support & Commercial Credit Risk Ratings

OCC Bulletin 2026-56: Credit Risk: Effect of Guarantor Support on Commercial Credit Risk Ratings clarifies how banks should consider personal and corporate guarantor support when assigning risk ratings to commercial credits. The bulletin emphasizes that the effect of guarantor support depends on the specific facts and circumstances of the credit and the extent to which the guarantee mitigates credit risk.

What Banks Should Know:

- **Guarantees do not automatically improve a risk rating.** The effect of guarantor support depends on the specific facts and circumstances of the credit and the extent to which the guarantee mitigates credit risk.
- **Capacity and willingness both matter.** A guarantor must demonstrate both the financial capacity and willingness to support the debt for the guarantee to enhance a credit's risk rating.
- **Current financial information is critical.** Capacity is demonstrated through analysis of current guarantor financial information and, in most cases, global cash flow analysis, including verification of liquid assets. Without current financial information, reliance on guarantor support as a potential risk-rating enhancement is generally precluded.
- **Guarantor support alone generally will not make a criticized credit pass.** For most credits with well-defined weaknesses, guarantor support alone is generally insufficient to warrant a pass rating. In certain circumstances, however, a strong guarantee may support a pass rating when prudent underwriting and a financially strong guarantor mitigate both default and loss risk.
- **Guarantee terms matter.** Banks should consider whether the guarantee mitigates default or loss risk, whether it is irrevocable and unconditional, the amount covered, and whether it is legally enforceable. An unconditional, irrevocable payment guarantee generally provides the strongest risk mitigation.

Banks relying on guarantor support in commercial credit risk ratings should have current financial analysis supporting the guarantor's capacity, consider the guarantor's willingness to perform, and evaluate the specific terms and enforceability of the guarantee.

Recent Key Regulatory Developments

Legislative

Date	Topic	Summary
11/11	House Passes *Retirement Fairness for Charities and Educational Institutions Act*	H.R. 1013 would expand investment options for 403(b) retirement plans by permitting investments in collective investment trusts and insurance company separate accounts, options already available to 401(k) plans. The measure now awaits Senate consideration.
11/13	House Oversight Committee Recommends Congress Consider Prediction Market Insider Trading Reforms	The House Committee on Oversight and Government Reform said Congress should consider restricting federal personnel, members of Congress, and congressional staff from trading certain event contracts, including those tied to government actions or political outcomes, and enhancing information sharing between prediction-market platforms and regulators.

Federal Reserve Board

Date	Topic	Summary
11/12	Fed Adjusts Federal Reserve Bank Capital Stock Threshold	The Federal Reserve Bank Capital Stock final rule increases the total consolidated asset threshold under Regulation I by $530 million, from $13.182 billion to $13.712 billion, reflecting the required annual adjustment based on changes in the Gross Domestic Product Price Index; the adjusted threshold applies January 1, 2027 and determines the dividend rate applicable to Federal Reserve Bank stock held by member banks.
11/12	Federal Reserve Announces 2027 Payment Services Pricing and Check Service Changes	The Fed announced 2027 pricing for Federal Reserve Bank payment services, effective January 1, including an estimated 1.4% average price increase for established, mature services, and changes to check services that include higher processing fees and adjustments to processing windows and other operations.

Office of the Comptroller of the Currency

Date	Topic	Summary
11/10	OCC Clarifies Effect of Guarantor Support on Commercial Credit Risk Ratings	The OCC clarified that the effect of personal and corporate guarantees on commercial credit risk ratings depends on the specific facts and circumstances of the credit, including the guarantor's capacity and willingness to support the debt and the terms and enforceability of the guarantee.
11/12	OCC Highlights Key Risks Facing the Federal Banking System	The OCC released its Fall 2026 Semiannual Risk Perspective, highlighting interest rate and commercial refinancing risk, opportunities and risks associated with super intelligence, and heightened cybersecurity and fraud concerns, while noting that overall credit risk remains modest.

Recent Key Regulatory Developments

National Credit Union Administration

Date	Topic	Summary
11/12	NCUA Reports August Share Insurance Fund Financial Results	The NCUA reported $107.9 million in year-to-date provisions for insurance losses, up from $18.3 million a year earlier, with the increase occurring amid the failure of Jackson Area Federal Credit Union, where a roughly $95 million alleged fraud contributed to losses that ultimately led the NCUA to determine the credit union was insolvent.
11/13	NCUA Finalizes Four Deregulatory Changes	The NCUA finalized four rules eliminating or simplifying requirements related to nondiscrimination, advertising, consumer financial privacy, and mortgage loan originator registration, including removal of the requirement for federally insured credit unions to use the official NCUA advertising statement while retaining existing insured-sign and accurate-advertising requirements.

Securities and Exchange Commission

Date	Topic	Summary
11/5	FINRA Exempts Specified Collective Trust Funds (CTFs) From IPO Allocation Restrictions	FINRA amended Rules 5130 and 5131 to exempt specified CTFs from certain initial public offering (IPO) purchase and allocation restrictions, expanding access to new issues through pooled investment vehicles, including those offered through employer-sponsored retirement plans, provided the funds are not structured to circumvent the rules.
11/10	SEC Announces FY 2026 Enforcement Results	The SEC reported 348 enforcement actions and $1.095 billion in monetary relief for fiscal year 2026, while emphasizing consequential misconduct, individual accountability, investor protection, and modernization of its enforcement capabilities.
11/12	SEC Chairman Discusses FASB and PCAOB Priorities at Corporate Financial Reporting Insights Conference	Chairman Paul Atkins called for FASB and PCAOB to focus on material issues, rigorous cost-benefit analysis, and meaningful stakeholder engagement, while highlighting emerging accounting issues including data infrastructure investments, nontraditional lending, semiannual reporting, and private credit disclosures.
11/13	SEC Trading and Markets Director Discusses Evolving Market Structure	The SEC Division of Trading and Markets director discussed evolving market structure, including 24x7 trading, tokenized securities, perpetual futures, upcoming Treasury market central clearing, potential National Market System reforms, and the growing use of super intelligence in market research.

Recent Key Regulatory Developments

Financial Crimes Enforcement Network

Date	Topic	Summary
11/9	FinCEN Hosts Exchange on Overseas Scam Centers	FinCEN convened financial institutions, digital asset firms, law enforcement, and other government partners to address illicit financial activity associated with transnational scam centers and urged financial institutions to remain vigilant and review recent agency guidance on identifying and reporting suspicious activity.

Financial Accounting Standards Board

Date	Topic	Summary
11/11	FASB Removes Goodwill Impairment Testing Project From Technical Agenda	FASB decided not to pursue testing goodwill for impairment at the operating segment level or eliminating annual impairment testing and, based on stakeholder feedback, removed the targeted improvements project from its technical agenda.

Basel Committee on Banking Supervision

Date	Topic	Summary
11/9	Basel Committee Proposes Additional Pillar 2 Guidance on Interest Rate Risk in the Banking Book	The Basel Committee on Banking Supervision proposed additional Pillar 2 guidance that would strengthen banks' management and supervisory oversight of interest rate risk in the banking book, including model risk management and validation, stress testing, controls, the treatment of embedded gains and losses in securities portfolios, earnings indicators, and supervisory information.

International Organization of Securities Commissions

Date	Topic	Summary
11/12	IOSCO Restructures Committees and Discusses 2027 Priorities	IOSCO announced a new committee structure and discussed its 2027 Work Program, with Board discussions addressing the regulatory and supervisory implications of AI, tokenization, and quantum computing, as well as increasingly sophisticated fraud schemes affecting market intermediaries and private equity investment in audit firms.
11/13	IOSCO Develops Supervisory Technology (SupTech) Solutions for Digital Asset Supervision	IOSCO reported results from its first SupTech Sprint, where multidisciplinary teams developed two supervisory technology solutions aimed at improving visibility across fragmented digital asset markets and strengthening identification and prioritization of AML/CFT risks within complex digital asset ecosystems.

forvis mazars

Deadlines & Compliance Calendar

Agency	Requirement	Due Date
Joint Agency	Comments due on third-party risk management guidance	Dec 16, 2026
	Comment due on Call Report Revisions for Reciprocal Deposits	Dec 28, 2026
FRB	Comments due on third-party risk management guide for community banks	Nov 16, 2026
	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 merger transactions	Nov 23, 2026
	Comments due on state bank parity	Nov 23, 2026
	Comments due on large bank deposit insurance modernization	Jan 4, 2027
NCUA	Comments due on proposed Form 5300 stablecoin reporting changes	Dec 8, 2026
	Comments due on powers of FCUs	Dec 14, 2026
	Comments due on Central Liquidity Facility	Dec 14, 2026
	Comments due on corporate credit unions; fidelity bond and insurance coverage for FCUs	Dec 14, 2026
	Comments due on proposal to rescind special reserve for nonconforming investments	Dec 21, 2026
	Comments due on proposal to remove outdated share insurance conversion provision	Dec 21, 2026
	Comments due on proposal to modernize share insurance member notification	Dec 21, 2026
	Comments due on commercial lending transitional provision interim final rule	Jan 4, 2027
SEC	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
	Comments due on investment adviser performance-based compensation modernization	Dec 7, 2026
	Comments due on advisor and regulated fund custody rules; crypto custody rules	Dec 7, 2026
	Comments due on investment company cross trading	Dec 14, 2026

Deadlines & Compliance Calendar

Agency	Requirement	Due Date
CFTC	Comments due on proposal to further define the term “swap"	Nov 18, 2026
	Comments due on proposal to exclude casino-style gambling products from the definition of "swap"	Nov 18, 2026
	Comments due on Regulation Crypto Asset Transactions and Regulation Crypto Asset Markets	Dec 14, 2026
FASB	Comments due on Codification improvements	Nov 19, 2026
	Comments due on ASU Subtopic 815-40	Jan 4, 2027
BCBS	Comments due on consequential amendments to the basel framework	Dec 21, 2026

Effective Rule Compliance Dates

Agency	Requirement	Compliance Date
Joint Agency	Unsafe or unsound practices, matters requiring attention	Nov 2, 2026
FRB	Enhanced transparency and public accountability of supervisory stress test models and scenarios	Nov 2, 2026
	Modifications to the capital plan rule and stress capital buffer requirement	Dec 1, 2026
	Federal Reserve Bank Capital Stock	Dec 14, 2026
OCC	Final Rule to Implement GENIUS Act	Jan 18, 2027
FDIC	FDIC official signs and advertisement of membership	Apr 1, 2027
NCUA	Treatment of PPP Loans	Nov 4, 2026
	Commercial Lending Transitional Provision Interim Final Rule	Nov 4, 2026
	Simplification of share insurance rules	Dec 1, 2026
	Final rule removing paragraph (a)(1) of 12 CFR 701.39	Dec 4, 2026
SEC	FINRA Adopts New Rule 3290 (Outside Activities Requirements)	Oct 25, 2027
	Form N-PORT and N-CEN reporting requirements[1]	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.

forvis mazars

Agencies Without Recent Key Developments

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

- Financial Stability Oversight Council
- Federal Financial Institutions Examination Council
- Joint Banking Agencies
- Federal Deposit Insurance Corporation
- Consumer Financial Protection Bureau
- Commodity Futures Trading Commission
- Financial Stability Board



forvis mazars

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 Q3 2026

Download our Q3 2026 insights featuring major regulatory and supervisory developments.



OCC AI Framework: Consequences Not Sophistication, Drive Scrutiny

The AI framework tells examiners to scale scrutiny to the consequences of a failure.



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.

forvis mazars

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

This publication is provided for general educational and informational purposes only and does not constitute legal, investment, securities, tax, or other professional advice. This publication should not be relied upon as a substitute for advice from qualified professional advisors and should not be construed as a legal analysis of any compliance requirements.

© 2026 Forvis Mazars, LLP. All rights reserved.

forvismazars.us

forvis mazars