

## [Banking and Finance Law Daily Wrap Up, BANK SECRECY ACT—FinCEN makes technical corrections to customer due diligence requirements for financial institutions, \(Sept. 27, 2017\)](#)

Banking and Finance Law Daily Wrap Up

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The Financial Crimes Enforcement Network has made technical corrections to a final rule published on May 11, 2016, relating to customer due diligence standards applicable to covered financial institutions, defined as banks, brokers or dealers in securities, mutual funds, and futures commission merchants and introducing brokers in commodities. The amendments are effective Sept. 28, 2017.

The final rule amends the Bank Secrecy Act regulations to include a new requirement for covered financial institutions to identify and verify the identity of beneficial owners of legal entity customers, subject to certain exclusions and exemptions. The final rule also amends the anti-money laundering (AML) program requirements for all covered institutions. The amendment makes technical corrections to the Certification Form located in appendix A to 31 CFR 1010.230 and adds a paragraph to 31 CFR 1024.210(b) that was inadvertently omitted in the final rule that takes effect May 11, 2018.

**Appendix.** According to the [notice](#), Appendix A inadvertently omitted the words ", Type," after "Name" in the heading of Section II.b. It also included the term "foreign persons" in lieu of the term "non-U.S. persons" in several places and omitted the term "Social Security number." Because the appendix was originally printed in the *Federal Register* from camera-ready copy rather than from typed text, the entire Appendix A, with the corrections, will be reprinted in the *Federal Register* from new camera-ready copy.

**Training element.** This document also makes a technical correction in 31 CFR 1024.210 by reinserting the training element of the AML program requirements for mutual funds, which was inadvertently omitted from the final rule. The training element appeared in the proposal amending the AML program requirements for mutual funds to add a new requirement relating to customer due diligence, but was inadvertently omitted from the final rule.

RegulatoryActivity: BankSecrecyAct