

BCG Monthly Telephone Briefing

August 2016

BSA/AML Beneficial Ownership Rule & New Frequently Asked Questions (FAQs)

On May 11, 2016, FinCEN published the customer due diligence final rule (Final Rule) under the Bank Secrecy Act (BSA) intended to clarify and strengthen customer due diligence requirements for financial institutions. The Final Rule contains explicit requirements for institutions to identify both the beneficial owners of a legal entity customer as well as the individual or individuals who control that customer. In addition to beneficial ownership information, the Final Rule would incorporate current customer due diligence elements on the nature and purpose and ongoing monitoring of customers into the anti-money laundering (AML) program requirements. The Final Rule adds new 31 CFR Section 1010.230 for all financial institutions, and revises Section 1020.210 which applies to “banks” as defined by BSA. To further clarify the Final Rule, FinCEN released Frequently Asked Questions Regarding Customer Due Diligence Requirements For Financial Institutions on July 19, 2016.

In this Monthly Telephone Briefing we will discuss the scope and impact of the Final Rule and the special requirements that apply.

Interagency Guidance: Deposit Account Discrepancies

On May 18, 2016, the CFPB, along with four other regulators, issued new guidance describing how financial institutions should handle consumer deposit discrepancies. The agencies were concerned that, even though financial institutions may have policies and procedures that address making funds available within prescribed time limits, discrepancies in those amounts may leave consumers without timely access to the correct amount of their funds.

In part, the interagency guidance highlights how the agencies expect a financial institution to comply with Regulation CC and UDAP/UDAAP restrictions, so that consumers are not disadvantaged by deposit discrepancies. Among other things, the agencies expect financial institutions to “adopt deposit reconciliation policies and practices that are designed to avoid or reconcile discrepancies, or designed to resolve discrepancies such that customers are not disadvantaged.” In addition, institutions are expected to manage their deposit reconciliation practices, provide accurate information about the institution’s deposit reconciliation program to consumers, and manage an effective compliance management system related to deposit discrepancies.

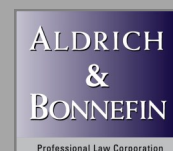
In this Monthly Telephone Briefing we will discuss the scope and impact of the Interagency Guidance.



BCG Monthly Telephone Briefing

Friday, August 19
12:00 –1:30 p.m.
(with live Q&A)

Presented by
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Aldrich & Bonnefin is hosting a Monthly Telephone Briefing for Bankers' Compliance Group[®] Members on **Friday, August 19, 2016**. This meeting will be presented live and will include a question and answer session. Members can ask questions by telephone or email. Each member that registers for the Monthly Telephone Briefing will be given a password and instructions to call in to the Briefing.

ORGANIZE YOUR PARTICIPANTS

BCG Main or Registration Contacts are encouraged to organize multiple attendees to participate at one location or several locations concurrently. In this manner, several attendees can be accommodated in one conference room with a speakerphone. All Briefing connections are included in your BCG Membership.

REGISTRATION

To register, please contact your institution's BCG Main or Registration Contact or, if authorized, log in at <http://register.bankerscompliancegroup.com/subadmin> and select "Register for Events." Registration closes at noon **one business day** prior to the Briefing date. On the day before the Briefing, registrants will receive an email with call-in instructions and single-use PIN.

CD-Rom: Members can also register to receive a CD-Rom package. This package, which includes any Handouts, is mailed to registrants approximately 2-3 weeks after the Briefing.

DOWNLOAD THE HANDOUTS

The Handouts are *generally* posted on the BCG Website by noon on the business day before the Briefing. All registrants will receive an email notification when the Handouts are posted. To download a Handout, go to www.bankerscompliancegroup.com/monthly-telephone-briefing.php and click on the "*Download Handout Here*" link at the end of each Briefing description.

CANCELLATION

It is not necessary for registrants to contact BCG if they cannot attend a Briefing and need to cancel their registration.

SIGN UP ANNUALLY

Make the BCG Monthly Telephone Briefing a standing event at your office by registering once for the entire year. To sign up annually, **click here** and email the completed form to info@bankerscompliancegroup.com. Or your BCG Registration Contact can sign you up in the Online Event Registration System.

MISSED THE BRIEFING?

Should you or others at your institution miss the briefing, you can tune into our streaming audio available on the BCG website one week after the Briefing, at www.bankerscompliancegroup.com/listen-while-you-work.php.