

REGULATORY ALERT

NATIONAL CREDIT UNION ADMINISTRATION
1775 DUKE STREET, ALEXANDRIA, VA 22314

DATE: February 2010 **NO:** 10-RA-06

TO: Federally Insured Credit Unions

SUBJ: Exception for Customer Identification Program (CIP) requirements to protect victims of domestic abuse

Dear Board of Directors,

The Financial Crimes Enforcement Network (FinCEN) recently issued guidance on customer identification program (CIP) requirements as they relate to members who are issued a post office box address as part of their participation in an address confidentiality program (ACP).

This guidance addresses an apparent conflict between state laws establishing an ACP designed to protect victims of domestic abuse and the CIP requirements. ACP participants are provided a post office box address where mail is received on their behalf. The mail is then sent on to the participant's actual address, which is maintained by the authorized state entity. Participants in ACPs have experienced difficulty in establishing new accounts with financial institutions who will not accept a post office box address as they believe it would violate the CIP regulations.

The CIP regulation requires that a credit union obtain a residential or business street address at account opening.¹ If the individual member does not have a residential or business street address, the rules permit the member to provide a "residential or business street address of next of kin or of *another contact individual*."² A credit union would not be in compliance with the CIP rules if it accepts the ACP post office box address to fulfill CIP requirements.

In an effort to support participants in an ACP, FinCEN authorized an exception to the CIP requirement that a credit union obtain a member's residential or business street address for participants of an ACP. A participant in a state-created ACP shall be treated as not having a residential or business street address and **the state entity serving as a designated agent of the participant will act as *another contact individual* for the purpose of complying with FinCEN's rules. Therefore, a credit union should collect**

¹ See 31 C.F.R. §103.121(b)(2)(i)(3)(i)

² See 31 C.F.R. §103.121(b)(2)(i)(3)(ii)

the street address of the ACP sponsoring agency for purposes of meeting its CIP address requirement.

A complete copy of FIN-2009-G003 may be obtained at http://www.fincen.gov/statutes_regs/guidance/pdf/fin-2009-r003.pdf.

If you have any questions regarding this guidance, please contact your district examiner, regional office, or state supervisory authority.

Sincerely,

/s/

Debbie Matz
Chairman