



Federal Deposit Insurance Corporation
550 17th Street NW, Washington, D.C. 20429-9990

Financial Institution Letter
FIL-17-2011
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BANK SECRECY ACT

Guidance on Accepting Accounts from Foreign Embassies, Consulates, and Missions

Summary: The FDIC, in conjunction with the other federal banking agencies and the Financial Crimes Enforcement Network (Agencies), is issuing supplemental guidance regarding account services for foreign embassies, consulates, and missions (foreign missions). This guidance applies to the limited number of FDIC-supervised financial institutions that already offer foreign mission account relationships and any FDIC-supervised financial institutions that are considering establishing such relationships. These financial institutions should consider this guidance when establishing or providing ongoing monitoring of foreign mission account relationships.

Distribution:

FDIC-Supervised Banks (Commercial and Savings)

Suggested Routing:

Chief Executive Officer
BSA Compliance Officer

Related Topics:

Bank Secrecy Act
Anti-Money Laundering
Counter-Terrorist Financing

Attachment:

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Note:

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Highlights:

- The guidance supplements the June 2004 *Guidance on Accepting Accounts from Foreign Governments, Foreign Embassies, and Foreign Political Figures*.
- The Agencies recognize that foreign mission accounts involve varying degrees of risk. Financial institutions may reduce risk by ensuring customers are aware of the requirements of U.S. banking laws and regulations, entering into a written agreement with the foreign mission, or offering limited purpose accounts.
- Financial institutions are expected to conduct appropriate risk assessments and implement requisite controls and oversight systems to effectively manage risks associated with the account relationship.
- The Agencies, consistent with their usual practice of risk-based supervision, will evaluate the risks associated with the account relationship and mitigating controls.
- Account monitoring to ensure compliance with established limitations and the terms of any service agreements is essential to mitigate risks.
- The Agencies will not direct or require financial institutions to close or refuse a particular account relationship, except in extraordinary circumstances.