



In response to banks requesting clarification regarding Customer Due Diligence (CDD) for Politically Exposed Persons (PEPs), the FRB, FDIC, FinCEN, NCUA, and the OCC issued a joint statement clarifying the Bank Secrecy Act (BSA) due diligence requirements for customers who may be considered PEPs.

You can access the statement here:

https://www.fincen.gov/sites/default/files/shared/PEP%20Interagency%20Statement_FINAL%20508.pdf

The statement clarifies that, although banks must have appropriate risk-based CDD procedures, the CDD rule does not create a regulatory requirement, and there is no supervisory expectation for banks to have unique, additional due diligence steps for customers who are considered PEPs.