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# FinCEN Issues Frequently Asked Questions Regarding Its Customer Due Diligence Rule

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On April 3, 2018, the Financial Crimes Enforcement Network issued 37 Frequently Asked Questions (the "**FAQs**") pertaining to the agency's Customer Due Diligence rule ("**CDD Rule**"). Covered financial institutions must comply with the CDD Rule by May 11, 2018. As we **previously reported** , the CDD Rule clarified and enhanced CDD requirements for financial institutions under the Bank Secrecy Act, and added a new requirement for covered financial institutions to identify and verify the identity of the "beneficial owners" of certain of their legal entity customers. Significantly, the new FAQs describe circumstances where covered financial institutions can leverage previously collected beneficial ownership information about current customers to meet the CDD Rule's requirements, which should reduce the burden of complying with the rule.

**If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.**


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