1. Introduction

The Bank Secrecy Act (BSA) requires financial institutions to assist U.S. government agencies to detect and prevent money laundering. Regulations established under BSA mandate that banks and other financial institutions establish Customer identification programs (CIPs) to verify the identities of their customers. This guide is intended to make you aware of the requirements for opening a financial account as well as the kinds of companies that must comply with the CIP Rules.

2. About Customer Identification Programs (CIPs)

What companies must have CIPs?

CIPs must be established by a broad category of companies that fall under the BSA's definition of financial institution including:

- Banks and credit unions
- Investment companies
- Brokers and dealers in securities
- Insurance companies
- Travel agents
- Pawnbrokers
- Dealers in precious metals
- Check cashing companies
- Casinos

Will I receive notice about identity requirements before I open an account?

You must receive notice about the identity requirements. The notice may come in a variety of ways. The notice may be included in documents you receive when opening an account, may be posted online or at the financial institution's office. Here’s what the notice may look like:

**Important Information about Procedures for Opening a New Account**

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver’s license or other identifying documents.

What does the CIP Rule require financial institutions to do?

Banks and other financial institutions must adopt written procedures to ensure proper identification of new customers. Each institution may adopt procedures appropriate to its own size and customer base. This means the procedures may vary
significantly from one company to the next. You may be asked, for example, to submit only one item of identity at one company while another may ask for several pieces of identification.

3. Information Required to Open an Account: Proving You Are You

The CIP Rules establish the minimum identification information a financial institution must collect from you before opening a new account. Beyond this, financial institutions have flexibility to adopt procedures appropriate to their business operations.

Four data items are required for all new accounts. These are:

- Name
- Date of birth (for an individual)
- Address
- Identification number

**May I use a Post Office box number as my address?**

The CIP Rule requires a physical address. Either a home or business address will do. The only exception is for Army Post Office boxes (APO) or Fleet Post Office (FPO). The home or business address of a next of kin or other contact individual is also acceptable.

**The CIP Rule requires an identification number. What is my number?**

For an individual, the tax identification number is the Social Security number (SSN). For businesses, the tax identification number is the employer identification number (EIN) or taxpayer identification number for the business (TIN).

**What documents should I take to the bank?**

The CIP Rule requires financial institutions to verify your identity through documents. To do this, you will have to produce a current government-issued identification that shows:

- Your nationality or residence
- A photograph

For individuals, a driver’s license or passport are examples of acceptable documents.

For a business, documents verifying the business may include:

- Articles of incorporation
- A government-issued business license
- Partnership agreement
- Trust instrument

The CIP Rule encourages, although does not require, more than one identifying document.

4. Opening an Account without Documents

**Can I open an account online?**

Yes. Many new accounts are opened online (or by mail or phone). The CIP Rules recognize that many new accounts are opened when customers do not appear in person at the bank or other financial institution. Banks must still verify the customer’s identity, but procedures must be in place to verify identity without documents.

**How does a person with no current driver’s license or passport open an account?**

The CIP Rules favor an identity procedure based on documents, but they realize that it is not always possible to have document verification. The Rules say that financial institutions should incorporate such situations into written procedures.
How does the bank verify my identity without documents?

Suggested methods include:

- Contacting the customer after the account is opened
- Obtaining a financial statement, for example from a corporate customer
- Comparing the identifying information provided by the customer against fraud and bad-check databases
- Comparing identifying information with a trusted third party source such as a consumer reporting agency
- Checking references with other financial institutions


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