



Small Entity Compliance Guide for Beneficial Ownership Information Access and Safeguards Requirements

Version 1.0

Disclaimer: *This Small Entity Compliance Guide (Guide)¹ is intended to help small entities comply with the Beneficial Ownership Information Access and Safeguards Rule (Access Rule) promulgated by the U.S. Department of the Treasury’s Financial Crimes Enforcement Network (FinCEN). This Guide is explanatory only and does not supplement or modify any obligations imposed by statute or regulation. Additionally, this Guide does not supersede more recent guidance documents issued by FinCEN. FinCEN may also revise this Guide to clarify or update content. For the most recent information about beneficial ownership matters, consult www.fincen.gov/boi. For further assistance or to submit feedback about this Guide, contact FinCEN at www.fincen.gov/contact.*

Introduction

The U.S. Department of the Treasury’s Financial Crimes Enforcement Network (FinCEN) is publishing this Small Entity Compliance Guide (Guide) to provide an overview of the Beneficial Ownership Information Access and Safeguards Rule (Access Rule) requirements for small entities that obtain beneficial ownership information (BOI) from FinCEN.²

The [Access Rule](#),³ issued on December 22, 2023, implements the provisions of the Corporate Transparency Act (CTA), codified at 31 U.S.C. 5336, that authorize certain persons to obtain access to identifying information associated with reporting companies, their beneficial owners, and their company applicants. The Access Rule is found at 31 CFR 1010.955.

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- ¹ This Guide implements FinCEN’s obligations under Section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996, amended by Section 8302 of the Fair Minimum Wage Act of 2007. See Small Business Regulatory Enforcement Fairness Act of 1996, Pub. L. 104-121, § 212, 110 Stat. 857, 858 (1996), available at www.govinfo.gov/content/pkg/PLAW-104publ121/pdf/PLAW-104publ121.pdf; Fair Minimum Wage Act of 2007, Pub. L. 110-28, § 8302, 121 Stat. 112, 204 (2007), available at www.govinfo.gov/content/pkg/PLAW-110publ28/pdf/PLAW-110publ28.pdf.
 - ² This Guide only pertains to authorized access by financial institutions to BOI from FinCEN. To learn more about the BOI reporting requirements, please review FinCEN’s Small Entity Compliance Guide for the Beneficial Ownership Information Reporting Requirements, available at www.fincen.gov/boi/small-entity-compliance-guide.
 - ³ All hyperlinks are current as of the date of the Guide’s publication.

FinCEN intends to provide access to certain categories of financial institutions (as defined by 31 CFR 1010.100(t)) with obligations under the current Customer Due Diligence (CDD) Rule.⁴ Therefore, this Guide includes sections summarizing the Access Rule's requirements that pertain to these small financial institutions only.

Financial institutions do not have access to BOI at this time. FinCEN is taking a phased approach to providing access to BOI, and certain financial institutions will be part of the final group to be extended access.

In accordance with FinCEN's statements issued with the publication of the Access Rule, the issuance of the Access Rule (and therefore the issuance of this Guide) does not create a new regulatory requirement for [banks](#) or [non-bank financial institutions](#) to access BOI, nor does it create a supervisory expectation that they do so.

As directed by Section 6403(d)(1) of the CTA, FinCEN will revise the current CDD Rule. FinCEN intends to update this Guide to incorporate relevant requirements from the revised CDD Rule and to provide more comprehensive guidance on how financial institutions can access BOI from FinCEN.

Section 1 – Use of BOI

Financial institutions are subject to restrictions on how they may use BOI obtained from FinCEN and when they may re-disclose that BOI.

1.1 Authorized Use of BOI Obtained from FinCEN by Financial Institutions

Financial institutions may use BOI obtained from FinCEN to fulfill customer due diligence requirements under applicable law. This includes any legal requirement or prohibition designed to counter money laundering or the financing of terrorism, or to safeguard U.S. national security, if it is reasonably necessary for the financial institution to identify (and verify the identity of) beneficial owners of legal entity customers to comply with the requirement or the prohibition. Financial institutions should not use BOI obtained from FinCEN for their general business or commercial activities, such as to assess whether to extend credit to a legal entity, or for client development. Examples of permissible uses of BOI obtained from FinCEN include, but are not limited to:

- customer identification requirements (e.g., “KYC”);
- Enhanced Due Diligence (EDD) required under the BSA (e.g., 31 CFR 1010.610);
- Suspicious Activity Report (SAR) filing;
- uses that facilitate compliance with sanctions imposed by Treasury's Office of Foreign Assets Control (OFAC), such as for sanctions screening; and
- anti-money laundering/countering the financing of terrorism (AML/CFT)-related requests, reviews, and investigations.

⁴ [81 FR 29398 \(May 11, 2016\)](#).

See “Disclosure to facilitate compliance with customer due diligence requirements” at 31 CFR 1010.955(b)(4) and “Use of information by authorized recipients” at 31 CFR 1010.955(c)(1).

1.2 Limits on Re-Disclosure of BOI by Financial Institutions

Generally, a director, officer, employee, contractor, or agent of a financial institution may not disclose BOI received from FinCEN.

However, there are three limited scenarios in which a financial institution is permitted to re-disclose BOI it received from FinCEN. A director, officer, employee, contractor, or agent of a financial institution may re-disclose that BOI:

1. To another director, officer, employee, contractor, or agent⁵ of the same financial institution for the particular purpose or activity for which the BOI was requested, subject to security and confidentiality requirements. (For more information regarding security and confidentiality requirements see Section 2).
2. To the financial institution’s Federal functional regulator, a self-regulatory organization that is registered with or designated by a Federal functional regulator pursuant to Federal statute, or other appropriate regulatory agency, provided they: possess the authority to assess, supervise, enforce, or otherwise determine the compliance of the financial institution with customer due diligence requirements; will use the information solely for such purposes; and have a written agreement with FinCEN governing the safekeeping of the information.⁶
3. As authorized by FinCEN in prior written authorization, or by protocols or guidance that FinCEN issues.

See “Prohibition on disclosure” at 1010.955(a)(3), “Use of information by authorized recipients” at 31 CFR 1010.955(c)(1), and “Disclosure of information by authorized recipients” at 31 CFR 1010.955(c)(2)(ii), (iii), and (x).

Section 2 – Security and Confidentiality Requirements

In order to access BOI, financial institutions will be required to develop and implement administrative, technical, and physical safeguards that are designed to protect the security, confidentiality, and integrity of BOI. The following subsections provide more detail on specific security and confidentiality requirements.

2.1 Geographic Restrictions

Financial institutions may not store or disclose BOI they will receive from FinCEN to persons physically located in the People’s Republic of China, the Russian Federation, or any jurisdiction that:

1. Has been determined by the U.S. Department of State to be a state sponsor of terrorism⁷;

⁵ Contractors and agents may include any individual or entity providing services by contract, such as outside counsel, auditors, and providers of data analysis software tools.

⁶ A financial institution may rely on representations by Federal functional regulator, a self-regulatory organization, or other appropriate regulatory agency that it meets these requirements.

⁷ U.S. Department of State website, “State Sponsors of Terrorism”, available at www.state.gov/state-sponsors-of-terrorism/.

2. Is subject to comprehensive financial and economic sanctions under U.S. law; or
3. Would, in the determination of the Secretary of the Treasury, undermine the enforcement of financial institutions' BOI security and confidentiality requirements or U.S. national security.

See “*Geographic restrictions on information*” at 31 CFR 1010.955(d)(2)(i).

2.2 Information Procedures

To receive BOI from FinCEN, financial institutions subject to the Gramm–Leach–Bliley Act⁸ will be required to apply to BOI the procedures that the institution has established to protect customers' nonpublic personal information under section 501 of the Gramm–Leach–Bliley Act (and applicable regulations issued thereunder). Such procedures may be modified to account for any unique requirements of the Access Rule. Many financial institutions already have policies, procedures, and infrastructure in place that comply with these requirements. FinCEN expects that these financial institutions also have existing training for nonpublic customer personal information handling under the Gramm–Leach–Bliley Act that may be applied to BOI handling.

To receive BOI from FinCEN, financial institutions not subject to the Gramm–Leach–Bliley Act must implement procedures that are at least as protective of customer information as procedures that satisfy Gramm–Leach–Bliley Act standards. To do so, these financial institutions may refer to the Interagency Guidelines Establishing Interagency Security Standards,⁹ which establish standards for safeguarding customer information consistent with the Gramm–Leach–Bliley Act. These Guidelines provide a blueprint for establishing or benchmarking existing compliance systems to access BOI and manage BOI securely.

See “*Information procedures*” at 31 CFR 1010.955(d)(2)(ii)(A).

2.3 Notification of Information Demands

When a financial institution receives any foreign government subpoena or foreign legal demand to disclose BOI that the financial institution received from FinCEN, the financial institution must notify FinCEN within three business days of receipt of such request.

See “*Notification of information demand*” at 31 CFR 1010.955(d)(2)(ii)(B).

2.4 Customer Consent

In order to request customers' (reporting companies') BOI from FinCEN, financial institutions must first obtain and document those customers' consent to request such customers' BOI from FinCEN. Consent only needs to be obtained prior to an initial request for a customer's BOI. Financial institutions may rely on this consent to retrieve the same customer's BOI on subsequent occasions, including to open

⁸ [Pub. L. 106–102](#), 113 Stat. 1338, 1436–37 (1999).

⁹ See Interagency Guidelines Establishing Standards for Safeguarding Customer Information and Rescission of Year 2000 Standards for Safety and Soundness, [66 FR 8616](#) (Feb. 1, 2001).

additional accounts for the same reporting company, unless the consent is revoked. It is at the financial institution's discretion to determine appropriate procedures and mechanisms for revocation or expiration of customer consent.

Consent is not required specifically to be in writing. It is at the financial institution's discretion to determine the method of obtaining and documenting each customer's consent. The documentation of the customer's consent must be maintained for five years after it was last relied on to make a BOI request to FinCEN.

See "Consent to obtain information" at 31 CFR 1010.955(d)(2)(iii).

2.5 Certification

Once FinCEN makes BOI available to financial institutions, financial institutions must certify to FinCEN when requesting BOI via the Beneficial Ownership Information Technology (BO IT) system that:

1. They are requesting the information to facilitate their compliance with CDD requirements under applicable law;
2. They have obtained and documented the consent of the reporting company to request the information from FinCEN; and
3. They have fulfilled all other requirements of 31 CFR 1010.955(d)(2).

FinCEN will provide further guidance on the certification process in a future update to this Guide.

See "Certification" at 31 CFR 1010.955(d)(2)(iv).

Section 3 – Administration of Requests

FinCEN will reject any request by a financial institution if such request is not submitted in a form and manner prescribed by FinCEN. FinCEN may reject any request for BOI, as well as suspend or debar a financial institution's access from receiving or accessing BOI, if it finds:

- that the requester has failed to meet any of FinCEN's requirements to access BOI;
- that the information is being requested for an unlawful purpose; or
- other good cause exists to deny the request or suspend/debar the financial institution.

See "Administration of requests" at 31 CFR 1010.955(e).

Section 4 – Violations

Except as authorized by the CTA and implementing regulations, it is unlawful for any person to knowingly disclose, or knowingly use, BOI obtained by the person, directly or indirectly, through:

1. A report submitted to FinCEN under 31 CFR 1010.380; or
2. A disclosure made by FinCEN pursuant to the Access Rule.

Violations include accessing BOI obtained from FinCEN without authorization, or any violation of the security and confidentiality requirements described in 31 CFR 1010.955(d).

The CTA provides civil penalties for reporting violations in the amount of \$500¹⁰ for each day a violation continues or has not been remedied. Criminal penalties include fines not more than \$10,000, imprisonment for not more than 2 years, or both. Unauthorized disclosure or use violations carry civil penalties in the amount of \$500¹¹ for each day a violation continues or has not been remedied. Criminal penalties include fines not more than \$250,000, imprisonment for not more than five years, or both. The CTA also provides for enhanced criminal penalties, including a fine of up to \$500,000, imprisonment of not more than 10 years, or both, if a person commits a violation while violating another law of the United States or as part of a pattern of any illegal activity involving more than \$100,000 in a 12-month period.

See “Violations” at 31 CFR 1010.955(f) and 31 U.S.C. 5336(h)(3), “Criminal and Civil Penalties”.

¹⁰ The CTA originally provided for civil penalties of \$500, 31 U.S.C. 5336(h)(3), but these civil penalty amounts are adjusted annually for inflation. As of the time of publication, these amounts are \$591. See FinCEN, Inflation Adjustment of Civil Monetary Penalties, [89 FR 4820, 4821](#) (Jan. 25, 2024).

¹¹ See prior footnote.