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June 8, 2015

VIA ELECTRONIC TRANSMISSION

Ms. Jennifer Shasky Calvery
Director
Financial Crimes Enforcement Network
U.S. Department of the Treasury
P.O. Box 39
Vienna, VA 22183

RE: Docket No. FINCEN-2014-001; (RIN) 1506-AB25
Customer Due Diligence Requirements for Financial Institutions

Dear Director Shasky Calvery:

I write to express my support for FinCen's efforts to address gaps in the customer due diligence (CDD) requirement for financial institutions through the above referenced Notice of Proposed Rulemaking (NPRM). I agree that banks should be required under the Bank Secrecy Act (BSA) to identify the beneficial owners of legal entity customers (i.e., corporations, partnerships, and limited liability companies) and this proposed rule would go a long way towards enhancing financial transparency and safeguarding our financial system against illicit use.

Current BSA regulations are helpful to enforcement efforts. They ensure that banks know their customers and mandate the reporting of suspicious activity to law enforcement. But certain gaps exist in the current regulatory framework. In particular, it is unclear to me how banks and other financial institutions can ever truly "know" a legal entity customer if they cannot identify the natural person who ultimately controls it (or otherwise benefits from it). White collar criminals, drug traffickers, and even terrorists can at this very moment exploit our financial system and shield their illicit activities behind these anonymous legal entity customers. This NPRM would close the loophole and require banks to identify the natural person who is the beneficial owner of such an entity.

As you may be aware, I have been working with my Senate colleagues for a number of years – on both sides of the aisle – to develop legislation that would strengthen our anti-money laundering laws, combat terrorist financing, and mandate the disclosure of corporate beneficiary

information to increase transparency and help our law enforcement and regulatory agencies protect our financial system. But until these efforts bear fruit, FinCen's NPRM offers one of the most realistic and effective means of advancing these goals.

I would like to thank you for your efforts to ensure the integrity of our financial system. Please direct any inquiries on this issue to Jeffrey Snyder of my committee staff at (202) 224-5225.

Sincerely,



Charles E. Grassley
Chairman