



Rural Development

May 12, 2021

Chad Parker
Acting Administrator

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Telephone: (202) 692-0268

TO: All State Directors
All RHS MFH National Office Directors
Rural Development

ATTN: Single Family Housing Program Directors
Multifamily Housing Regional Directors
Multifamily Field Operations Staff

FROM: Chad Parker /s/ *Jamal Habibi*
Acting Administrator
Rural Housing Service

SUBJECT: Supervised Bank Accounts

This Unnumbered Letter (UL) is reissued in response to questions on Supervised Bank Accounts (SBA) and the need for Rural Development employees to provide identification. This UL replaces any previous ULs on this subject. This guidance is only applicable to Single Family and Multifamily programs with Supervised Bank Accounts. Multifamily property owners no longer using *Form RD-402-1* "Deposit Agreement" do not require countersignature and thus do not have identification requirements.

Pursuant to the Customer Identification Program (CIP) regulations at 31 CFR 1020.220, financial institutions are required to obtain certain identification information from customers who are opening an account. However, financial institutions are not required to obtain CIP information from Federal agencies opening an account, because Federal agencies are not considered "customers" for the purpose of CIPs, in accordance with 31 CFR §1020.100(b)(2)(ii) and 31 CFR §1020.315(b)(2). Government officials with signature authority and acting in the course and scope of their official Government duties fall under this exemption.

To assist banks in complying with 31 CFR 1020.220, a copy of this UL may be provided to bank compliance officers documenting the exemption of providing social security numbers when an employee is set-up for countersignature authority on the borrower's SBA. It is recommended that Rural Development employees provide the bank with proof of being a Government employee, such as a copy of their Federal identification card.

If you have any questions regarding this UL, please contact the Single-Family Housing Direct Loan Division, at (202) 720-1474, or the Multi-Family Housing Asset Management Division, at (202) 205-8503.

EXPIRATION DATE:
April 30, 2022

FILING INSTRUCTIONS:
Housing Programs