Federal Deposit Insurance Corporation

§ 326.3 Security program.

(a) The term banking office includes any branch of an insured nonmember bank, and, in the case of an insured state nonmember bank, it includes the main office of that bank.

(c) The term branch for a bank chartered under the laws of any state of the United States includes any branch bank, branch office, branch agency, additional office, or any branch place of business located in any state or territory of the United States, District of Columbia, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Northern Marianas Islands or the Virgin Islands at which deposits are received or checks paid or money lent. In the case of a foreign bank, as defined in §347.202 of this chapter, the term branch has the same meaning given in §347.202 of this chapter.

[56 FR 13881, Apr. 3, 1991, as amended at 63 FR 17075, Apr. 8, 1998]

§ 326.2 Designation of security officer.

Upon the issuance of federal deposit insurance, the board of directors of each insured nonmember bank shall designate a security officer who shall have the authority, subject to the approval of the board of directors, to develop, within a reasonable time, but no later than 180 days, and to administer a written security program for each banking office.

§ 326.3 Security program.

(a) Contents of security program. The security program shall:

(1) Establish procedures for opening and closing for business and for the safekeeping of all currency, negotiable securities, and similar valuables at all times;

(2) Establish procedures that will assist in identifying persons committing crimes against the bank and that will preserve evidence that may aid in their identification and prosecution; such procedures may include, but are not limited to:

(b) The term banking office includes any branch of an insured nonmember bank, and, in the case of an insured state nonmember bank, it includes the main office of that bank.

(c) The term branch for a bank chartered under the laws of any state of the United States includes any branch bank, branch office, branch agency, additional office, or any branch place of business located in any state or territory of the United States, District of Columbia, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Northern Marianas Islands or the Virgin Islands at which deposits are received or checks paid or money lent. In the case of a foreign bank, as defined in §347.202 of this chapter, the term branch has the same meaning given in §347.202 of this chapter.

[56 FR 13881, Apr. 3, 1991, as amended at 63 FR 17075, Apr. 8, 1998]
§ 326.4 Reports.

The security officer for each insured nonmember bank shall report at least annually to the bank’s board of directors on the implementation, administration, and effectiveness of the security program.

Subpart B—Procedures for Monitoring Bank Secrecy Act Compliance

§ 326.8 Bank Secrecy Act compliance.

(a) Purpose. This subpart is issued to assure that all insured nonmember banks as defined in §326.1 establish and maintain procedures reasonably designed to assure and monitor their compliance with the requirements of subchapter II of chapter 53 of title 31, United States Code, and the implementing regulations promulgated thereunder by the Department of Treasury at 31 CFR part 103.

(b) Compliance procedures—(1) Program requirement. Each bank shall develop and provide for the continued administration of a program reasonably designed to assure and monitor compliance with recordkeeping and reporting requirements set forth in subchapter II of chapter 53 of title 31, United States Code and the implementing regulations issued by the Department of the Treasury at 31 CFR part 103. The compliance program shall be written, approved by the bank’s board of directors, and noted in the minutes.

(2) Customer identification program. Each bank is subject to the requirements of 31 U.S.C. 5318(l) and the implementing regulation jointly promulgated by the FDIC and the Department of the Treasury at 31 CFR 103.121, which require a customer identification program to be implemented as part of the Bank Secrecy Act compliance program required under this section.

(c) Contents of compliance program. The compliance program shall, at a minimum:

(i) The incidence of crimes against financial institutions in the area;

(ii) The amount of currency or other valuables exposed to robbery, burglary, and larceny;

(iii) The distance of the banking office from the nearest responsible law enforcement officers;

(iv) The cost of the security devices;

(v) Other security measures in effect at the banking office; and

(vi) The physical characteristics of the structure of the banking office and its surroundings.

2In regard to foreign banks, the programs and procedures required by §326.8 need be instituted only at an insured branch as defined in §347.202 of this chapter which is a State branch as defined in §347.202 of this chapter.