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From: **Federal Reserve System** <[no-reply@federalreserve.gov](mailto:no-reply@federalreserve.gov)>

Date: Wed, Aug 6, 2014 at 12:45 PM

Subject: Important Information Regarding Your Account

To:

## THIS IS AN OFFICIAL MESSAGE FROM FEDERAL RESERVE BANK

We have been receiving complaints from banks and individuals over unauthorized transactions on online accounts. The Reserve bank whose responsibility is to care deeply about the safety and security of banks and transactions within the states, have directed banks to ensure that all accounts opened with them are compliant with the KYC (Know Your Customer) norms.

### WHAT IS KYC?

KYC is an acronym for "Know your Customer", a term used for customer identification process. It involves making reasonable efforts to determine true identity and beneficial ownership of accounts, source of funds, the nature of customer's business, reasonableness of operations in the account in relation to the customer's business, etc which in turn helps the banks to manage their risks prudently. The objective of the KYC guidelines is to prevent banks being used, intentionally or unintentionally by criminal elements for money laundering.

### REASON FOR KYC

Banks create a customer profile based on details about the customer like social/financial status, nature of business activity, information about his clients' business and their location, the purpose and reason for opening the account, the expected origin of the funds to be used within the relationship and details of occupation/employment, sources of wealth or income, expected monthly remittance, expected monthly withdrawals etc. When the transactions in the account are observed not consistent with the profile, bank may ask for any additional details / documents as required. This is just to confirm that the account is not being used for any Money Laundering/Terrorist/Criminal activities.

We want as much help as account owners can give us in protecting themselves and steps which can be taken to help lower the risk of unauthorized activities on accounts.

Your online safety is our shared responsibility and this update will help us protect your personal information and also help shield yourself from activity you didn't authorize

especially, from unknown IP we are not familiar with. With this effect, Reserve bank in conjunction with all banks and credit unions are closing accounts of customers who ignore this update believing them to be one of illegal account owners.

**If I refuse to give information on KYC asked for by the bank, what action the bank can take against me?**

Where the bank is unable to apply appropriate KYC measures due to non-furnishing of information and /or non-cooperation by the account holder, the bank can consider closing the account or terminating the banking/business relationship.

Kindly click on the update link below and update your account.

[Update Account Now](#)

**NOTE:** Reserve bank is working immensely with all financial institutions in United states and law enforcement to pursue this matter to stamp out spoofing and unauthorized transactions across the country, and we have implemented measures that will significantly limit or stop its future occurrence.

Sincerely,  
Federal Reserve Bank.

**FRAUDULENT**