



Federal Deposit Insurance Corporation
550 17th Street NW, Washington, D.C. 20429-9990

Financial Institution Letter
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ANTI-MONEY LAUNDERING GUIDANCE

Interpretive Guidance on Providing Banking Services to Money Services Businesses Operating in the United States

Summary: The federal banking, thrift and credit union regulatory agencies and the Financial Crimes Enforcement Network have jointly issued the attached interpretive guidance on "Providing Banking Services to Money Services Businesses Operating in the United States."

Distribution:

FDIC-Supervised Banks (Commercial and Savings)

Suggested Routing:

Chief Executive Officer
BSA Compliance Officer
Internal Auditor

Related Topics:

Bank Secrecy Act

Attachment:

[Guidance on Providing Banking Services to Money Services Businesses Operating in the United States](#)

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Note:

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Highlights:

- The federal banking agencies, together with the Financial Crimes Enforcement Network (FinCEN), have issued the attached interpretive guidance to financial institutions for providing banking services to money services businesses operating within the United States.
- The money services business industry is subject to multiple Bank Secrecy Act regulations, including the anti-money laundering rule, suspicious activity and currency transaction reporting rules, and various other identification and recordkeeping rules.
- As a follow-up to the joint statement issued on March 30, 2005, this guidance sets forth the minimum steps that banking organizations should take when providing banking services to money services businesses.
- This guidance is intended to provide clarity regarding existing anti-money laundering program expectations for banks.
- FinCEN will issue concurrent guidance to the money services business industry outlining their compliance obligations under the Bank Secrecy Act.

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The Federal Deposit Insurance Corporation (FDIC), in conjunction with the Board of Governors of the Federal Reserve System, the Office of the Comptroller of Currency, the Office of Thrift Supervision, and the National Credit Union Administration (referred to collectively as the Federal Banking Agencies), and the Financial Crimes Enforcement Network (FinCEN), is issuing the attached interpretive guidance to financial institutions for providing banking services to money services businesses operating in the United States, such as check cashers and money transmitters. The interpretive guidance is intended to clarify compliance expectations of the Federal Banking Agencies and FinCEN regarding Bank Secrecy Act requirements and supervisory expectations as applied to accounts opened or maintained for money services businesses.

With limited exception, money services businesses are subject to the full range of Bank Secrecy Act regulations. Section 103.125 of the Department of Treasury's Financial Recordkeeping and Reporting Regulations (also called the Bank Secrecy Act) requires money services businesses to establish and maintain an anti-money laundering program. Money services businesses are also expected to file suspicious activity reports (31 CFR 103.22); verify the identity of the customer (31 CFR 103.121); create and maintain certain records if they sell money orders, traveler's checks or other instruments (31 CFR 103.29); and follow certain rules regarding transmittals of funds (31 CFR.103.33).

Concurrent with this document, FinCEN is also issuing guidance to the money services businesses industry to emphasize the industry's Bank Secrecy Act regulatory obligations and to notify the industry of the type of information that it may be expected to provide to a banking organization in the course of opening or maintaining an account relationship. FinCEN and the Federal Banking Agencies will continue to provide guidance to assist banking organizations on issues related to money services businesses that will help in identifying entities that may be operating as money services businesses when those entities have not disclosed the nature of their business to the banking organization, and guidance on appropriate due diligence when maintaining accounts for foreign providers of money services.

Michael J. Zamorski
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