



March 6, 2006

Via e-mail: regcomments@fincen.treas.gov

Financial Crimes Enforcement Network
P.O. Box 39
Vienna, Virginia 22183

Re: Regulatory Information Number 1506 – AA29
Special Due Diligence Programs for Certain Foreign Accounts

Ladies and Gentlemen:

National Futures Association appreciates the opportunity to comment on the proposed rules relating to special due diligence programs for certain foreign accounts that were issued by the Financial Crimes Enforcement Network. NFA is a registered futures association under the Commodity Exchange Act and a self-regulatory organization for the United States futures industry. NFA is responsible for overseeing the regulatory requirements (including AML requirements) of futures commission merchants and introducing brokers.

NFA fully supports the risk-based approach set forth in the proposed rule. Although FinCEN has provided guidance on how to assess those risks, the financial institutions are in the best position to determine the areas of vulnerability in their business. The risk-based approach allows FCMs and IBs to implement a program that focuses on those customers, accounts and transactions that present the most risk of involving money laundering and terrorist financing.

In the proposed rule, FinCEN acknowledges that the term correspondent account does not have an established meaning outside the banking industry. NFA believes that this is a very important point. As a result, FCMs and IBs may have difficulty applying some of the concepts in the proposed rule. NFA encourages FinCEN to give careful consideration to industry comment on this overall issue and to the specific areas that raise difficulties.



Finally, NFA supports the positions set forth in the comment letter filed by the Associations and we urge FinCEN to incorporate their comments in the final rule.

Very truly yours,

Carol A. Wooding
Assistant General Counsel

(caw:312comment)