



**DEPARTMENT OF THE TREASURY
FINANCIAL CRIMES ENFORCEMENT NETWORK**

**SUBJECT: JOINT MEETING OF THE NONBANK FINANCIAL
INSTITUTIONS AND EXAMINATION SUBCOMMITTEES OF
THE BANK SECRECY ACT ADVISORY GROUP**

TOPIC: BANKING SERVICES FOR MONEY SERVICES BUSINESSES

DATE: FEBRUARY 18, 2005

There has been mounting concern among FinCEN, financial regulators, and the industry concerning the provision of banking services to money services businesses (MSBs) due to the varying degrees of risk associated with some of their accounts. Many banking organizations have stated that they are uncertain as to the appropriate steps they should be taking to manage potential risks in such a way as to be consistent with applicable anti-money laundering laws and regulations. At the same time, the MSB industry has expressed concern that misperceptions of risk may be leading to categories of MSBs becoming “unbankable.”

While banking organizations should bear in mind that the decision to accept or reject any account is theirs alone to make, FinCEN and the Federal Banking Agencies appreciate the concerns expressed by both the MSBs and banking organizations and believe it is critical to address them as soon as possible.

Therefore, on March 8, 2005, the Nonbank Financial Institutions and the Examination Subcommittees of FinCEN’s Bank Secrecy Act Advisory Group will host a meeting to solicit information on issues surrounding the provision of banking services to money services businesses.

All financial institutions subject to the Bank Secrecy Act that have a stake in the issues, their representatives, and trade associations, are invited to help the subcommittees gather factual information based on their knowledge of and experience with the issues presented. The subcommittees are not seeking consensus views or recommendations. **THIS MEETING IS SOLELY FOR FACT-FINDING PURPOSES ON THE FOLLOWING ISSUES:**

- Specific challenges and issues encountered by money services businesses in obtaining banking services. State, regional or sector-specific concerns should be addressed. (e.g., check cashers, money transmitters).
- Specific challenges and issues encountered by depository institutions seeking to provide banking services to money services businesses. State, regional, regulatory or sector-specific concerns should be addressed.
- Current understandings by depository institutions of various activities undertaken by MSBs and how they may present different levels of risk.
- Current understandings by depository institutions of what they are required to do to comply with regulatory obligations in providing banking services to money services businesses.

The meeting will be held on March 8, 2005 AT A LOCATION AND TIME TO BE ANNOUNCED.

Those persons wishing to make an oral presentation at the meeting must submit to FinCEN a written summary of their remarks by close of business on March 4, 2005. Written summaries may be submitted by e-mail (<mailto:BSAAG@fincen.gov>); fax (202/354-6411); or regular mail FinCEN, P.O. Box 39, Vienna, VA 22183. Written summaries and oral presentations must be restricted to addressing the factual issues presented; preferably describing concrete facts and circumstances rather than generic lists of problems and issues. The submission of a written summary does not guarantee that an oral presentation will be permitted. The Subcommittees are not seeking advice or recommendations, and any submission that does not conform to this requirement will be rejected.

Seating at the meeting forum is limited; therefore, preference will be given to participants who will be making presentations at the meeting. Other participants will be admitted on a first-come, first-served basis. FinCEN reserves the right to limit the amount of time allotted to speakers in the interest maximizing opportunities to participate.

Questions concerning the meeting should be directed to Shelley Waxman, FinCEN, at (202) 354-6387.