

Jordan, Sheron

From: _Regulatory Comments
Sent: Tuesday, August 29, 2006 9:37 AM
To: Jordan, Sheron
Subject: FW: Central Corporate Credit Union's Comments on Notice of Proposed Rulemaking: Suspicious Activity Reports

From: Dave Lambert [mailto:dlambert@cencorpcu.com]
Sent: Monday, August 28, 2006 10:18 AM
To: _Regulatory Comments
Subject: Central Corporate Credit Union's Comments on Notice of Proposed Rulemaking: Suspicious Activity Reports

To: Mary Rupp, Secretary of the Board
National Credit Union Administration

From: Dave Lambert, Compliance Coordinator
Central Corporate Credit Union

Date: August 28, 2006

RE: Proposed NCUA Filing Requirements for Suspicious Activity Reports

Thank you for giving Central Corporate Credit Union (CenCorp) the opportunity to provide input on the proposed filing requirements for Suspicious Activity Reports. CenCorp is a corporate credit union operated solely for the benefit of member credit unions and credit union affiliates. CenCorp is based in Southfield, Michigan and offers a comprehensive package of financial products and correspondent banking services to members. These products and services include: Overnight Accounts, Term Investments, Lending, Share Draft Processing, Deposit Processing, Wire Transfers and ACH Services.

The NCUA should be applauded for any attempt to simplify regulatory compliance. However, CenCorp is reluctant to fully embrace the proposed changes because they appear to duplicate Department of Treasury regulations.

CenCorp does not support the proposal that the board of directors be notified of every SAR filing. In nearly every instance, when CenCorp files a SAR it is for suspicion of structuring. There may be certain circumstances (e.g., terrorist financing) when providing SAR information to the board of directors is warranted. CenCorp believes the proposed change should state that board notification be at the discretion of the credit union's management.

Finally, CenCorp has reservations about the proposed "safe harbor" provision. CenCorp would support this proposed provision as long as the inclusion of language referencing "31 U.S.C. 5318 (g) (3)" does not undermine the intent of the safe harbor language to provide sufficient protection to credit union officials, employees, and agents.

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