

U.S. Department of the Treasury
Financial Crimes Enforcement Network

FinCENnews

FinCEN's web site is located at: <http://www.fincen.gov>



FOR IMMEDIATE RELEASE
July 20, 2006

(703) 905-3770

FinCEN Assesses \$25,000 in Civil Money Penalty Against Kentucky MSB

The Financial Crimes Enforcement Network (FinCEN) announced today that Deprez's Quality Jewelry and Loans, Inc. consented to the assessment of a civil money penalty in the amount of \$25,000 for violations of the Bank Secrecy Act (BSA). Deprez Jewelry is a money services business (MSB) located in Louisville, Kentucky.

Based on evidence provided by the IRS's Small Business/Self Employed Division (SB/SE) and other information, FinCEN determined that Deprez Jewelry failed to register as an MSB in a timely manner and failed to establish and implement an adequate anti-money laundering program. The BSA and its implementing regulations required MSBs to register with FinCEN by December 31, 2001. Deprez Jewelry filed its initial registration in April 2004, after being instructed to do so by the IRS in 2001 and 2003.

In addition, Deprez Jewelry "structured" financial transactions to avoid the requirement to file Currency Transaction Reports for cash transactions greater than \$10,000. At certain times, when a customer presented a check for more than \$10,000, Deprez Jewelry would give the customer approximately \$9,000 in cash and write a business check drawn on its business account for the remainder of the check to avoid a cash transaction in excess of \$10,000.

"To protect the integrity of our financial system, it is vital that MSBs register with FinCEN and play by the rules," said FinCEN Director Robert W. Werner. "The very few MSBs that recklessly disregard the law cast a shadow of illegitimacy over similar, law-abiding businesses and such conduct will earn them severe penalties."

"This case is a good illustration of the way our Bank Secrecy Act (BSA) enforcement partnership with FinCEN is working as we intended it to," said SB/SE Commissioner Kevin Brown. "Our IRS examiners did the field work in this case by examining the business' books and records. We concluded the business was not in compliance with all BSA regulations and referred the case to FinCEN. They made the final determination agreeing with the examiners and imposed the penalties."

[Assessment of Civil Money Penalty in the Matter of Deprez's Quality Jewelry and Loans, Inc. Louisville, Kentucky](#)

