



March 2, 2005

Office of Chief Counsel
Financial Crimes Enforcement Network
U.S. Department of the Treasury
P.O. Box 39, Vienna, VA 22183

Submitted VIA: regcomments@fincen.treas.gov
Attention: PRA Comments—Designation of Exempt Person form.

Dear Sir:

The Florida FCUL League (FCUL), representing almost 200 of Florida's credit unions, appreciates the opportunity to offer our comments on the FinCEN's notice and request for comments on the proposal to adopt FinCen Form 110, Designation of Exempt Person form. The notice was published in the Federal Register, Vol. 69, Number 247 on Monday, December 27, 2004.

The Florida Credit Union League offers compliance assistance to our member credit unions and provides a 24-hour online assistance on our web site. The Florida Credit Union League (FCUL) Compliance Department surveyed our affiliated credit unions on this matter in order to gain the input of the end user's of this form and have integrated their concerns with our comments.

The Florida Credit Union League supports FinCEN's decision to amend the Designation of Exempt Person form and FinCEN's efforts to simplify the form and clarify its instructions. However, like the old adage says "It's a simple task to make things complex, but a complex task to make things simple". We believe that there are areas that could be improved and assist in the clarification of the form to make it easier for financial institution management and employees to better understand the requirements, more accurately identify exempt persons and properly complete the request for exemption. Areas of noted concern include the following:

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- The use of the use of the term "Bank", as defined to include credit unions and other financial institutions concerned our respondents. We are aware that the term "Bank" as defined in 31CFR, 103.11 includes banks, credit unions, thrift institutions and savings and loan associations, and, as such, was used on the form. We suggested that the form use the term "Financial Institution" and define "Financial Institutions" to include banks, credit unions, thrift institutions and saving and loan associations. We would also suggest that in the event of a future proposal to amend 31 CFR 103.11, that a similar revision be adopted. Credit unions strongly object to inclusion in the generic term "Bank".
- We believe that "Designation of Exempt Person" form should continue to contain the designations for an exempt person, as did the previous edition. We believe that simply citing the source, 31CFR 103.22, for the definition is insufficient. The credit union and other financial institution personnel using the form should not be required to search for source material.
- We also suggest that the form contain the definitions of an ineligible business, as did the prior edition.
- 31 CFR 103.22 (d)(6)(ix) limits the type of account that that may be exempted for a non-listed business or payroll account member. Since this is the primary accounts for which credit unions would seek exemption, we suggest that his information be included on the form as did the previous edition.
- One of our respondent's thought that the two-year (biennial) requirement for repeat filing of the exemption was burdensome and suggested that a change only be required if there was a change in the organization or exempt person. However, we do not fully support this concern. We realize that this is a requirement of 31 CFR 103.22 (d)(5). However, we would suggest that in the event of a future proposal to amend 31 CFR 103.22 (d)(5) that FinCEN support an expansion in the filing requirement to a more reasonable period of three-years between required filings.

Thank you for allowing us to share our comments. We appreciate FinCEN's decision to give financial institutions, associations and others an opportunity to participate in the regulatory process. We hope the Board finds our comments and support useful in evaluating their action on this proposal.

Sincerely Yours,



Guy M. Hood, President/CEO
Florida FCU League, Inc.

cc: Mary Dunn, Associate General Counsel CUNA