

To: Robert Werner, Director
Financial Crimes Enforcement Network (FinCEN)
Department of the Treasury
PO Box 39
Vienna VA 22183

From: Kevin Wilson
President; KWC Inc. a registered MSB and payday advance lender in Tennessee
2001 N Broadway
Knoxville TN 37917
865-971-3272

Re: Memorandum about FinCEN's Advance Notice of Proposed Rulemaking

1. What requirements have banking institutions imposed on money services businesses to open or maintain account relationships since the issuance of the joint guidance by FinCEN and the Federal Banking Agencies in April 2005?

RESPONSE:

One bank has required me to register as a MSB and has required me to give them copies of all relevant documents. This is the only bank that hasn't simply closed my account and said, "The regulatory hassles of maintaining your account simply don't make your business worthwhile. Sorry." Nobody seems to know exactly what the requirements are for maintaining our accounts, but it is clear that there is a problem because I've had accounts closed at 3 local banks.

2. Describe any circumstances under which money services businesses have provided or have been willing to provide the information specified in the guidance issued by FinCEN to money services businesses in April 2005, concerning their obligations under the Bank Secrecy Act, and yet have had banking institutions decline to open or continue account relationships for the money services businesses.

RESPONSE:

After reading those regulations I realized that I must register as an MSB. Until I read those guidelines I had no idea of any such requirement. I believe that these regulations need major publicity to get them out to the many small businesses that are operating without any knowledge of these regulations. Even after explaining to my banker that I had registered, had done the paperwork required, and had it with me to provide to the bank, they said, "We have made the blanket decision not to continue with any of these businesses. We are not open to considering a case by case basis."

3. Have Bank Secrecy Act-related grounds been cited for why banking institutions have decided not to open, or have decided not to continue to maintain, account relationships for money services businesses since the issuance of the guidance to money services businesses and to banking institutions in April 20005?

RESPONSE:

Yes. This is the reason cited for closing my accounts.

4. Would additional guidance (including, if applicable, clarification of existing guidance) to the banking industry regarding the opening and maintenance of accounts for money services businesses within the Bank Secrecy Act regulatory framework be beneficial? If so, what specifically should such guidance address?

RESPONSE:

Yes. This question is the major reason I am responding. There needs to be exact guidelines as to what a MSB is supposed to provide the financial institution and exactly how often the information is to be updated. This is where there seems to be a major lack of guidance. I believe that it would be fantastic for FinCEN to provide via the Internet or another means the yearly training or a test that an employer could provide each of his employees that would fulfill the requirements set out by FinCEN. This could include anti-tying, anti-money laundering, and anything else where FinCEN recognizes a problem. This is where the problem for many MSBs exists. I don't know exactly how to train, how to prepare, or how to test my employees on these important issues. It is difficult to know what satisfies the rules that exist.

5. Would additional guidance (including, if applicable, clarification of existing guidance) to money services businesses regarding their responsibilities under the Bank Secrecy Act as it pertains to obtaining banking services be beneficial? If so, what specifically should guidance address?

RESPONSE:

There should be a downloadable test and possible training packet for each requirement that FinCEN wants to require. This way a MSB would know that his training was adequate for fulfilling the requirements AND a MSB could keep this paperwork on file for anyone to see. These files could be documented easily by a bank or financial institution to show FinCEN that that institution was also fulfilling their obligations regarding MSB accounts held.

6. Are there steps that could be taken with regard to regulation and oversight under the Bank Secrecy Act that could operate to reduce perceived risks presented by money services businesses?

RESPONSE:

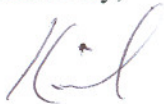
I wonder if Check Cashing Outlets are really responsible for any money laundering. I find it hard to believe but I guess that decision is not mine to make. Perhaps rules could be made forbidding transactions over a certain amount and then it would be much less likely that an MSB could do transactions that FinCEN considered a problem.

7. Since the March, 2005, hearing and the issuance of guidance in April 2005, to banks and to money services businesses, has there been an overall increase or decrease in the provision of banking services to money services businesses? Please offer any thoughts as to why this has occurred.

RESPONSE:

There has been a HUGE decrease in a MSB's access to bank accounts. Banks are simply closing our accounts at such an alarming rate that we fear we may not be able to have an account anywhere. This problem must be addressed or we will all be put out of business because we won't be able to have checking accounts. The ultimate problem that this will lead to is MSBs deceiving banks about the nature of their business to get and maintain an account. I think this potential issue would wreak havoc on what FinCEN is trying to do. If FinCEN not only spells out the requirements but also provides some type of standardized documentation for both sides, the bank and the MSB, then everyone can meet their obligations.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Kevin Wilson', with a stylized flourish at the end.

Kevin Wilson