

1 **First Regional Bank**

1801 Century Park East
Century City, California 90067
Telephone (310) 552-1776

May 2, 2006

FinCEN
P.O. Box 39
Vienna, Virginia 22183

RE: RIN 1506-AA85

Dear Sirs:

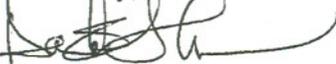
It is not surprising that all parties, MSB's and Financial institutions are complaining about this issue. Until you change the regulatory community and its requirements of a financial institution, this issue will not change.

We are a financial institution with close to 2 billion in assets and we have two (2) MSB's. We would prefer to have none. We just recently had our safety and soundness exam. These MSB's were examined with a fine tooth comb. We were criticized for not having a copy of their state issued check cashing license. We received a copy of another state license (pay day loan), we are not an expert with what licenses there are. We were further criticized for not having a better understanding of their cash activity requirements. The other MSB, we were criticized for not monitoring the re-registration with FinCEN. It had expired at the end of 2005. It seems that the financial institution is responsible for being the de-facto regulator for MSB's.

Financial institutions are geared toward a Risk Based Approach to doing business. The majority of Financial Institutions believe the risks out weigh the rewards in dealing with MSB's. It has recently been advised by the legal community, not to accept the BSA/AML policy of a MSB. Having one in your possession is considered to sanction their policies.

As the regulatory community continues to focus on MSB's in their examinations, you will see less cooperation with Financial Institutions to deal with MSB's.

Sincerely,



Dexter J. Kodama
Executive Vice President
And Cashier
And Bank BSA Officer