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**From:** Rozanne Pebbles [rpebbles@pioneerfed.com]  
**Sent:** Thursday, May 04, 2006 11:43 AM  
**To:** Comments, Regulation  
**Subject:** RIN 1506-AA85

You have requested comments regarding the impact of BSA regulations on the ability of money services businesses to open and maintain accounts. Well, based on my experience with our recent OTS exam, we will not open accounts that might have even the suggestion of a MSB.

We are located in rural Montana. We had a customer who owns an restaurant. She is Hispanic and is a leader in the Hispanic community. We have a large population of seasonal migrant workers. Our customer acts as an agent for SIGUE. The workers cash their pay checks, bring her cash, she deposited the funds with us which were then swept by SIGUE. These are the only transactions she does. She doesn't transfer money for anyone else. She only receives cash. She was very open with us when she opened the account. We knew exactly what she was doing and who she was doing it for. She was aware that anytime her deposits exceeded \$10,000 we would file a CTR. It didn't matter. She was serving her community.

On our side, we filed all of the required reports. We filed CTRs, we filed an SAR when the account first opened. SIGUE appeared on the FinCEN list and we made the appropriate follow-up. We were told by FinCen there was no problem. We never had a response from the many CTRs filed. OTS was aware of the account in previous exams and had no problem. BUT, this year with the increased focus on BSA and MSBs in particular, it was as if we were dealing with a major money launderer. Because we didn't treat this customer as a high risk entity we were penalized. Because of the steps OTS required, our customer closed her account, and reminded us that she was a leader in the Hispanic community and as such had referred business to us.

There is a MAJOR difference from rural Montana to Urban Las Angeles or New York or Dallas or where ever. We know the people we deal with. We know where they live and what they do for a living. They are our neighbors and our community. We know when someone moves into our community what they do and where they come from. Our customer was providing a needed service to the migrant community. Because of the many requirements, (beyond just the filing of reports) and the content of the requirements, we feel that it is beyond our scope and capabilities to provide banking services to any MSB no matter how well we know their business, and that's too bad because in our community, this is the only MSB to serve the Hispanic community with (1) someone they know and trust and (2) at a cost they can afford.

Sincerely,

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5/10/2006