



May 4, 2006

FinCEN
Comments on Advance Notice Proposed Rules -Money Service Businesses

Issue 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 us 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 money service businesses.

Comments: Some of our customers are money transmitters. They all have met the information specified in your guidance, yet their accounts have been closed or are being closed. One specific money transmitter is an excellent example:

The owners of a money transmitting company contacted us early 2000 because they wanted to protect the good reputation of their business and avoid any intent to launder funds through their company. Since then, this MSB has contracted our company to oversee its policies, procedures, sound internal controls and to provide training to its personnel. Filtering through OFAC was implemented early 2001 on a voluntary basis. The owners have spent thousands of dollars purchasing programs and implementing very strong monitoring controls. CTRs and SARs have been timely filed.

The IRS and the State of Florida have examined the company more than once, with satisfactory results and very favorable comments. Because it has many agencies, examiners from other States have audited the company with equal satisfactory results.

The aggregated monthly volume is approximately \$30 millions. Many employees depend on this company and its agencies to earn an honest salary. Yet, the financial institution where this business has been banking for many years has already sent them written notice that the account is being closed. No reason was provided. Several approaches have been made at other financial institutions, receiving negative responses. The owners are facing the closure of the business due to lack of banking facilities. They refuse to go underground.

We believe that something should be done to protect those MSBs that are in full compliance. Prohibiting the closure of an account or the refusal to open one should be subject to restrictions.

- 1) Unfavorable examination results from the IRS or the State where the MSBs are located;
- 2) Failure to provide all required information according to your guidelines.
- 3) Corrective enforcement actions and CMPs should be imposed on those institutions that either close or refuse to open an account without solid regulatory grounds.

Respectfully submitted,

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