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**From:** Yvonne Zeminski [Yvonne.Zeminski@farmersandmerchantsbk.com]  
**Sent:** Tuesday, May 09, 2006 11:19 AM  
**To:** Comments, Regulation  
**Subject:** RIN 1506-AA85

Dear Sir or Madam,

I would like to take this opportunity to comment on the availability of banking services for money services businesses (MSBs).

As a BSA Officer of our bank, I must let you know that the regulatory requirements for MSBs are truly a burden to a community bank such as ours. The resources of my time required to assess the risk and monitor high risk accounts on a monthly basis, stretches my ability beyond my capacity to be effective in my position of supervising 6 branches, develop policy and procedures for the retail branches, and maintaining a compliant BSA and CIP program.

Our bank currently provides services to 3 MSB accounts and 10 high risk accounts. Last week one of our branch managers contacted me with regard to a potential new customer who was an MSB. He was located in Baltimore City and lived in Owings Mills. He was looking for a new bank as he was tired of being assessed fees by his present bank. After reviewing his cash and deposited check requirements and the time requirement to maintain the on-going review requirements of an MSB, we declined his request. Frankly, servicing another MSB and/or high risk account, becomes too burdensome due to the constant monitoring requirements.

Bankers are overwhelmed with developing the risk assessment program for MSBs. In fact, while recently attending an MBA BSA seminar on 4/26/06 to be updated in my training, I sent a follow up email to 20 banks asking if they were still overwhelmed with the risk assessment process, I would be willing to share how I had approached the risk assessment process, including MSBs, as our bank just had an FDIC exam and our BSA program was met with satisfactory results with the examiners. I had 10 banks respond requesting the information!

While everyone defines the risk assessment and ongoing monitoring as "burdensome", I would like to identify exactly what that means. It is using time resources of 1 person dedicated to the risk assessment and monitoring process. It means it is a financial expense to obtain software licensing and maintenance agreements. It means adding the expense of another position to assist with the monitoring process. Larger banks may be a better fit for MSBs as they have whole departments dedicated to BSA and monitoring requirements. We have 2 people dedicated to BSA, both in officer positions, and of the 2, 1 person (and that would be me) does the ongoing monitoring requirements of 1300+ business accounts, not including commercial loans or other high-risk consumer customers identified by their

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occupation.

What I think would be more helpful to banks in general, since it is a federal regulatory requirement, is for the MSBs, when identified by the bank as a high risk account based on the number of high risk services used, is to submit copies of their statements for review and ongoing monitoring to a federal agency such as FinCEN, and allow them to determine what is suspicious. The onus should be on the MSB and FinCEN or any other regulatory agency that wants to step up to the plate. Government agencies continue to come up with plans and ideas and require implementation without regard to the impact of the regulation on the industry. In essence, the federal agencies need this information, we'll have the banks do it. Bankers should be bankers and service the community with quality products and take pride in their ability to provide excellent customer service. This concept is slowly becoming a thing of the past as the burden of the scope of the regulatory requirements continue to escalate with each passing moment.

Thank you for the opportunity to comment.

Yvonne G. Zeminski, VP Branch Administration  
Farmers & Merchants Bank  
15226 Hanover Pike  
Upperco MD 21155  
410-833-6600

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