

May 9, 2006

Financial Crimes Enforcement Network  
PO BOX 39  
Vienna, VA 22183

Re: RIN 1506-AA85, Advanced Notice of Proposed Rulemaking; Provision of Banking Services to Money Services Businesses

Dear Director Werner:

These comments are being filed by Anthony Luis Rodriguez, CPA, CAMS, Chief Global Compliance Officer of Continental Exchange Solutions, Inc. DBA RIA Financial Services; Associated Foreign Exchange ("CES"). I appreciate the opportunity to comment on the availability of banking services for Money Services Businesses ("MSBs").

I am the Chief Global Compliance Officer for Continental Exchange Solutions DBA RIA Financial Services; Associated Foreign Exchange ("CES"). CES is a leader in the money service industry, with a network of company owned locations, more than 41,000 agent locations in 85 countries, and foreign currency trading relationships in over 40 countries to service a diverse corporate client base representing every industry. I have extensive experience that spans over 10 years; I have held positions with JPMorgan Chase as a Vice President of Compliance, and Envios R.D./Pronto Envios as their Chief Compliance Officer.

CES is one of the world's largest privately owned money transfer companies. Since 1987, RIA Financial Services has successfully endeavored to provide a cost effective, secure and fast alternative to send money to the families and loved ones of their customers worldwide. Now serving more than 85 countries, RIA Financial Services has emerged as a global leader in remittances. As their already extensive network of agents and correspondents continues to grow they will remain steadfast in their commitment to the customer and will remain ingrained within the communities in which they live. Since 1979, Associated Foreign Exchange has provided a better level of service to corporations and individuals who need to send money internationally. Since then, Associated Foreign Exchange has grown from a single office in San Francisco to a multi-national firm with trading relationships in over 40 countries and a diverse client base representing every industry.

**I. Requirements imposed on Money Services Businesses to open or maintain account relationships since April 2005**

As Chief Compliance Officer of CES, I have found that the requirements imposed to open or maintain an account relationship have been fairly applied and have followed the

joint guidance issued by the Financial Crimes Enforcement Network and the Federal Banking Agencies in April 2005.

**II. Circumstances under which Money Services Businesses have provided or have been willing to provide the information specified in the guidance and yet have had banking institutions decline to open or continue account relationships**

CES has provided and has been willing to provide the information specified in the joint guidance and yet has had the below list of 67 banking institutions decline to open or continue account relationships. Please be advised that this is not an all inclusive list.

1. Branch Banking and Trust
2. Harris Bank
3. RBC Centura
4. Carolina First Bank
5. Key Bank
6. City National Bank
7. PNC Bank
8. Guaranty Bank
9. Regions Bank
10. Valley National Bank
11. Cathay Bank
12. Astoria Federal Saving
13. Banco Popular North America
14. Provident Bank of Maryland
15. Fifth Third Bank
16. Union Bank and Trust Company
17. Wachovia
18. Eastern Bank
19. Relationship Manager
20. RockLand Bank
21. Cash Management Officer
22. Webster Bank
23. Citizen Bank / Charter One
24. New Alliance Bank
25. Commerce Bank
26. United Savings Bank
27. Sovereign Bank
28. Sky Bank
29. Manufacturers & Traders Bank
30. Sharon Savings Bank
31. North Fork Bank
32. First Penn Bank
33. Washington Mutual
34. Royal Asian Bank
35. Bank of New York
36. First Niagara Bank
37. First Citizens Bank
38. Merchantile Bank
39. AmSouth Bank
40. Bank Atlantic
41. Regions Bank
42. Apple Bank
43. TD Bank North
44. United Community Bank
45. Huntington NB
46. Intrust Bank
47. First Tennessee Bank
48. East Boston Saving Bank
49. Farmers & Merchants Bank
50. Chelsea Provident
51. PNC Bank
52. Bank of America
53. Compass Bank
54. LaSalle Bank
55. New York Community Bank
56. JPMorgan Chase
57. Colonial Bank
58. Hudson United Bank
59. Chevy Chase Bank
60. Continental Bank
61. The Provident Bank
62. Domestic Bank

63. Arvest Bank  
65. Bank of Oklahoma  
67. TCF Bank

64. First Citizens Bank and Trust  
66. BancFirst

**III. Why have banking institutions decided not to open, or have decided not to continue to maintain account relationships for money service services businesses?**

Not one of the above mentioned banks have cited Bank Secrecy Act - related grounds as the reason they decided not to open or have decided not to continue to maintain our account relationships. But banks have stated regulators have indicated that they expect banks to substantially increase their due diligence and monitoring of clients that are money service businesses and that these enhanced regulatory expectations carry cost and regulatory risks.

**IV. Would additional guidance be beneficial to the banking industry?**

Additional guidance would not be beneficial. The problem is not in the guidance but in the banking regulators approach to banks with MSBs. Regulatory risks are unpredictable and banks feel that even if they follow the guidance and something goes wrong with a MSB they bank the regulator will look at them retrospectively and say the bank should have done more and levy fines against them. MSBs should be treated like all other financial industry customers. Regulators should not subject banks to examinations of just their MSB customers. In addition, Banks should not be expected to determine the adequacy of a MSB's anti-money laundering program or policies.

**V. Would additional guidance be beneficial to the money service businesses?**

Additional guidance to the money service businesses would not be beneficial. The guidance provided is clear.

**VI. Steps that could operate to reduce perceived risks presented by money services businesses**

Reconsidering the definition of an MSB may assist the smaller mom and pop businesses. Despite the size of the MSB the same requirements are being demanded. A clear and concise explanation of what constitutes an acceptable amount of due diligence should also be in black and white.

**VII. Since March 2005 has there been an overall increase or decrease in the provision of banking services to money services businesses**

There has definitely been a decrease in the provision of banking services to money services businesses. It has nothing to do with the additional costs of the warranted due diligence in the guidance. It has everything to do with the unpredictability of the regulatory risks. As long as the bank has taken all reasonable measures to perform a reasonable amount of due diligence on its MSB accounts, banks should be assured that if

they follow the guidance and something goes wrong, they will not be punitively and publicly punished based on a retrospective point of view.

Thank you for the opportunity to comment. If you have any questions or would like any additional information, please contact me at 562-345-2119 or by email at [arodriguez@riafinancial.com](mailto:arodriguez@riafinancial.com).

Sincerely,

Anthony Luis Rodriguez