

STATE OF NEBRASKA



Dave Heineman
Governor

DEPARTMENT OF BANKING AND FINANCE

John Munn

Director

Suite 400, Commerce Court
1230 'O' Street
Lincoln, Nebraska 68508-1402

DATE: June 9, 2005

CONTACT: Nora Tallmon
Public Information Officer
Nebraska Department of Banking & Finance

FOR IMMEDIATE RELEASE

PHONE: 402-471-2171

Nebraska Department of Banking and Finance Signs Agreement to Improve Bank Secrecy Act Enforcement

John Munn, Director of the Nebraska Department of Banking and Finance, signed an agreement outlining a standard procedure for sharing information with the Financial Crimes Enforcement Network (FinCEN) of the U.S. Department of Treasury. The agreement will streamline enforcement of the Bank Secrecy Act (BSA).

Munn said, "The agreement provides for the sharing of relevant bank secrecy information with FinCEN—this is unprecedented. It recognizes the vital role that Nebraska plays in preventing money laundering and terrorist financing through both banks and money service businesses (MSBs)." Munn signed the agreement June 1, at the Conference of State Banking Supervisors' Annual meeting in San Antonio, TX, along with directors and commissioners from 30 other States and Puerto Rico.

Munn said, "The agreement is a two-way information sharing arrangement between Nebraska and FinCEN. It will help us better utilize resources and ensure that the financial companies we supervise are fulfilling the anti-money laundering requirements of the BSA. The agreement provides the mechanism for increased communication, coordination and enforcement, leading to more effective compliance for Nebraska banks and MSBs."

According to Conference of State Bank Supervisors (CSBS) Chairman John Allison, CSBS, along with the Money Transmitter Regulators Association (MTRA) and the National Association of State Credit Union Supervisors (NASCUS), has been working diligently over the past several months with FinCEN to achieve a coordinated approach to meet BSA objectives. Besides the memoranda, CSBS and federal banking agencies have drafted a letter of agreement providing for more efficient and effective processing of jointly-held information to FinCEN.

Allison commented that CSBS's goal is to obtain signatures from all 50 states and the U.S. territories to cement and begin this working relationship with FinCEN.



Director John Munn (right), Nebraska Department of Banking and Finance, and Financial Crimes Enforcement Network Director William J. Fox (left), signed an information sharing agreement June 1. FinCEN administers the Bank Secrecy Act, which authorizes the collection, analysis and dissemination of financial information important to the prevention of money laundering and terrorist financing. Fox was born and raised in Nebraska. He is a Creighton University graduate. His great-grandfather, Jim Fox, started Albion National Bank in central Nebraska in 1890.

“We commend the Nebraska Department of Banking and Finance for joining this vital state-federal partnership,” he said. “Not only will this agreement provide specific analysis reports to State regulators, but also FinCEN will be receiving and analyzing additional data provided by the States. As each agency will be receiving more information through this process, BSA examinations should be more efficient and supervisory agencies will have the ability to provide better guidance to the industry.”

Nebraskans are encouraged to call the NDBF toll free at (877) 471-3445, or visit www.ndbf.org, with questions or concerns about the banking, securities and finance industry in Nebraska.

#