

Press Releases

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OTS 07-061 - OTS Director Reich Cites Interagency Successes Against Terrorist Financing and Money Laundering

Office of Thrift Supervision

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Contact: William Ruberry

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OTS Director Reich Cites Interagency Successes Against Terrorist Financing and Money Laundering

Washington, D.C. -- Office of Thrift Supervision (OTS) Director John Reich today cited close cooperation among federal bank regulators as a key ingredient in the successes in safeguarding the nation's financial system from money laundering and terrorist financing.

During a speech at a conference sponsored by the Federal Financial Institutions Examination Council (FFIEC), Reich highlighted several examples of the collaboration between the OTS and the other federal bank agencies in ensuring compliance with the Bank Secrecy Act and anti-money laundering (BSA/AML) rules.

"The FFIEC agencies have a long history of working together to safeguard the soundness and integrity of our financial system, but the teamwork and spirit of cooperation have gone beyond even our lofty standard," Reich told the audience of federal and state BSA/AML experts. "This high-level of coordination between the agencies has been an essential ingredient of FFIEC's approach to BSA/AML compliance and has contributed significantly to the many accomplishments in this area over the past two years."

As examples of the interagency teamwork, the Director mentioned the recently released third edition of the BSA/AML Examination Manual, the establishment of uniform examination procedures and interagency guidance on BSA/AML enforcement. Reich also noted wide-ranging outreach initiatives on an interagency basis to educate examiners, institutions, institution directors and other key parties about BSA/AML compliance.

Reich cited evidence that reports by financial institutions of certain currency transactions and suspicious activities are proving valuable to law enforcement investigations. He also pointed to signs that BSA compliance, which was new and little understood just a few short years ago, is becoming ingrained in the operations of federally regulated financial institutions.

In thanking the group of BSA/AML experts for their important work in the fight against terrorism, Reich stated, "As examiners and anti-money laundering specialists for the federal banking agencies, you are positioned on the front lines of our country's historic battle against

terrorism. I don't think it's an overstatement to say that your unique ability to detect and evaluate vulnerabilities in BSA/AML compliance is critically important to the future of our country."

Director Reich's prepared remarks are available on the OTS website at <http://www.ots.treas.gov>.

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The Office of Thrift Supervision, an office of the Department of the Treasury, regulates and supervises the nation's thrift industry. OTS's mission is to ensure the safety and soundness of, and compliance with consumer protection laws by, thrift institutions, and to support their role as home mortgage lenders and providers of other community credit and financial services. OTS also oversees the activities and operations of thrift holding companies that own or control thrift institutions. Copies of OTS news releases and other documents are available at the OTS web page at www.ots.treas.gov.