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William J. Fox, Director FinCEN
U.S. Department of Treasury
PO Box 39
Vienna, VA 22183

Via email to: BSAAG@fincen.gov
By fax to: (202) 354-6411

Re: Advance Notice of Proposed Rulemaking
Pursuant to 31 CFR Part 103 and Response by MSB
To Issues for Comment Contained In Section II

Dear Director Fox:

Please be advised that I serve as counsel to Trans-Fast Remittance, Inc., a licensed money transmitter and money service business ("MSB"). This letter serves as a response to the seven (7) issues set forth in Section II, Issues for Comment of FinCEN's Advance Notice of Proposed Rulemaking (the "ANPR") relating to MSBs:

By way of background, Trans-Fast Remittance, Inc. ("Trans-Fast" or the "company"), commenced business in 1988 as a money transmitter licensed by the New York State Banking Department, serving the needs of the Brazilian community in New York by assisting new immigrants to this country in sending money back home to their families. Presently, the company is licensed to operate as a money transmitter by banking departments in 27 states, and serves the money remittance needs of immigrant families throughout the United States who have migrated here primarily from South America and Latin American. In order to conduct its business, Trans-Fast relies on a network of banking relationships to facilitate its foreign remittance business.

Below is a response to each of the seven (7) issues set forth in the ANPR as follows:

ISSUE ONE:

Since the issuance of the joint guidance by FinCEN and Federal Banking Agencies in April of 2005, the banking institutions have requested the following documentation and imposed the following requirements on Trans-Fast: (1) Articles of Incorporation, (2) Owner Identification, (3) Fincen Registration, (4) Copies of all licenses (5) Audited Financial Statement,

(6) Quarter Financial Statement (Interim), (7) Fincen List with all active agencies, including name, code, address, owner, type of services, open date, FEIN# and the total sales amount for the preceding 12 months, (8) Manual of Policies and Procedures, (9) Anti-Money Laundering Program, (10) Training Certificates, (11) Report of Independent Examination, (12) Monthly reports with the actual list of agents and sales for each agent in the previous month, and (13) Updates for the licenses or Fincen Registration.

ISSUE TWO:

Trans-Fast has provided all banking institutions with which it had a banking relationship as of April 2005 with all of the information requested as set forth in Issue 1 above. However, despite providing all of the information requested from said banking institutions, since April 2005, Trans-Fast has received notification from by several banks with which it had a banking relationship that its accounts would be closed. Specifically, since April 2005, JP Morgan Chase, Commerce Bank, North Fork Bank, Penn Federal Savings Bank, HSBC Bank, Wachovia Bank, and Bank of America have all either closed Trans-Fast accounts, or have provided Trans-Fast with notice of their intention to do so. In each instance, the reasons provided for the closing of the accounts was based solely on the fact that Trans-Fast is designated an MSB, and had nothing whatsoever to do with the manner in which Trans-Fast either provided (or did not provide) any information requested from the particular banking institution. Of particular note is the closing of accounts by JP Morgan Chase. Trans-Fast began a banking relationship with JP Morgan Chase back in 1988 and over a period of 18 years fostered a strong and mutually beneficial business relations with JP Morgan Chase. In June 2005, JP Morgan Chase chose to end its long standing relationship with Trans-Fast for the simple reason that Trans-Fast was an MSB (and that federal regulation was too burdensome for the bank to maintain any MSB accounts).

ISSUE THREE:

Yes. In fact, Bank Secrecy Act related grounds have been the exclusive reason cited by each and every bank which has notified Trans-Fast of its decision to discontinue a banking relationship with the company.

ISSUE FOUR:

I am not sure additional guidance will be enough to stop the tide of blanket closings of MSB accounts by banking institutions. It was hoped that after the issuance of the guidance by FinCEN and the Federal Banking Agencies in April 2005, blanket closings of MSB accounts would, at the very least, slow down. To the contrary, the closings have only increased and even the larger national banks such as Bank of America (which was thought to have an advanced system in place to meet the regulatory and compliance demands) have decided to terminate all MSB accounts, despite the April 2005 guidance. In March 2006, Trans-Fast was notified by

Bank of America that all of its accounts will be closed as of June 2006. Bank of America recently agreed to extend that date to August 2006, but has informed Trans-Fast there will be no further extensions. Trans-Fast utilized its accounts at Bank of America to facilitate its money transmitter business in several states up and down the East Coast from Florida to Massachusetts. The account closings by Bank of America will have devastating effect on Trans-Fast and its ability to conduct its businesses throughout the country.

ISSUE FIVE:

We believe that the only guidance that will address the problem of blanket MSB account closings is a statement by FinCEN and Federal Banking Agencies that banking institutions should endeavor not close MSB accounts solely on the grounds that the account holder is an MSB and that such action threatens the existence of the entire industry. If the MSB is in compliance with the banking institutions reporting and compliance requirements, then banking institutions should endeavor to maintain banking relationships with MSBs.

ISSUE SIX:

The best way to regulate and oversee the money service business is to ensure that it remains "above ground" through the use of formal banking channels. People will find a way to send money back home to their families. Without a network on banks to facilitate the remittances, the money transmitter cannot exist. Without the money transmitter, individuals will have no choice but to resort to a black market system for transferring money abroad. This will lead to no oversight nor any type of controlled regulation of foreign remittances. By keeping the flow of remittances moving through the nation's banking system, it can best be regulated by federal and state regulators to ensure compliance and reduce perceived risk.

ISSUE SEVEN:

Since March 2005, Trans-Fast has noticed a steady decrease in the provisions of banking services to MSBs. In other words, there has been an increase in the number of account closings by banking institutions - large and small. One can only speculate that the amount of regulatory and compliance demands placed on the banking institutions by federal regulators has only increased to the point where it has become nearly impossible for banking institutions to meet the regulatory mandates (with the risk of noncompliance being too great to be offset by the business generated from these accounts).

Sincerely,

George J. Nader

GJN/ms
cc: Francisco DeMatos, President