

From: "Edward C. Ferraro" <Edward.Ferraro@fosterbank.com> on 02/14/2005 10:01:58 AM

Subject: EGRPRA (Currency Transaction Reports)

To Whom It May Concern:

The first thing I would like to say is that the opinions expressed in this document are my own and do reflect the opinions of any other individuals associated with Foster Bank.

I was a National Bank Examiner for the Office of the comptroller of the Currency for almost 31 years prior to "retiring" and taking on the role of the BSA/AML Officer here at Foster Bank. And over those 31 years I had never encountered such a misguided "supervisory" process as that which exists relative to BSA and AML. I will be the first to admit that the country needs to do something drastic to identify and suppress terrorist financing vehicles.

A portion of our bank's customers are involved with cash-intensive businesses, and the ethnic background contributes to the "cash is king" rule. Nonetheless, the extent to which banks are forced to prove themselves – and their customers – innocent of criminal activity diverts our limited resources away from the true intent of the regulations.

CIP, KYC, CTR, and SAR – which banks have generally performed reasonable well in the past – have not manifested into CYA.

In my opinion, this is not the way to run a nation.

Sincerely,

Edward C. Ferraro
BSA/AML Officer
Foster Bank
773-588-7700 x114