

**Development of Internet Gambling Regulations
Conference call with SunTrust**

- Call Date:** February 26, 2008, 1:00 p.m. EST.
- SunTrust:** John P. Ehrensperger, Senior Vice President, Corporate Compliance Manager; Kimberly N. Rhodes, Director of Anti-Money Laundering Compliance.
- FRB:** Joseph Baressi, Financial Services Project Leader, and Joshua Hart, Financial Services Analyst, Division of Reserve Bank Operations and Payment Systems.
- Treasury:** Charles Klingman, Director, Office of Critical Infrastructure Protection and Compliance Policy.

On February 26, 2008, at 1:00 p.m. EST, staff of the Federal Reserve Board and the Department of the Treasury (the Agencies) participated in a conference call with staff of SunTrust to obtain clarifying information from SunTrust regarding the comment letter it submitted in response to the Agencies' proposed rule.¹ Specifically, the purpose of the call was for the Agencies to obtain clarifying information regarding the resources associated with a large bank, such as SunTrust, conducting risk-based due diligence inquiries into the business lines of its existing commercial customer base pursuant to a rule implementing UIGEA.

SunTrust stated that it generally maintains records pertaining to the nature of its commercial customers' businesses as part of the bank's customer identification program (CIP), implemented pursuant to section 326 of the USA PATRIOT Act. Because the Act's CIP requirements were only made applicable prospectively, however, the bank would not have such records for all of its commercial customers. Also, a significant portion of the bank's records pertaining to its commercial customers' lines of business are not centralized or electronically accessible. SunTrust further noted that any commercial customer records obtained in the course of the bank's CIP would not be directly relevant to assessing the risk that a commercial customer might be engaged in Internet gambling.

¹ The Agencies published a proposed rule to implement UIGEA on October 4, 2007. See 72 FR 56680. In response to the proposed rule, SunTrust submitted a comment letter dated December 12, 2007, which is also part of the public record in this matter.