# KENNEBEC SAVINGS BANK, DAVID J. ROY

## Proposal and Comment Information

**Title:** Anti-Money Laundering and Countering the Financing of Terrorism Programs, R-1835

**Comment ID:** FR-0000-0133-02-C36

## Submitter Information

**Organization Name:** Kennebec Savings Bank

**Organization Type:** State

**Name:** David J.  Roy

**Submitted Date:** 09/08/2026

Please see attached letter. Thank you for allowing us to provide comments on this important rulemaking proposal.

Kennebec Savings Bank

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September 8, 2026

Benjamin W. McDonnough, Secretary
Board of Governors
Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

Subject: Docket No. R-1835 and RIN 7100-AG78

Dear M. McDonnough:

Thank you for allowing financial institutions to comment on the above-mentioned proposed rulemaking regarding Anti-Money Laundering and Countering the Financing of Terrorism Programs. We believe that these regulations are important to projection of the United States and its banking systems.

After reviewing the proposed rulemaking, it became clear that much of what is included is performed by out Bank. However, while we understand the intentions of the proposal, I am concerned that there remains much ambiguity when it comes to implementation and examination by regulators. We have found over the years that examiners tend to require their perceived best practice recommendations despite the Bank having a solid AML program in place. Please see several specific comments below for your consideration:

• There are no specific guidelines and the general language leaves each bank's programs very subjective. While allowing banks to develop policies and procedures that are commensurate with their risk profile, this allows regulators to impose recommendations that are not outlined in the regulations and which cause additional burden to the banks being examined.

•While the intent of the proposed rule states that it is to improve clarity for banks, much of the language remains ambiguous which will continue to lead examiners to recommend processes that are time consuming and costly.
•We feel that the rule should more clearly define what constitutes a "significant of systematic failure" when implementing an AML/CFT program.
•The definition of "any written communication" should be better defined or removed.
•The definition of "significant AML/CFT supervisory action" should be better defined.
•As previously stated, the rule should be revised to tailor program requirements to the size, complexity, and risk profile of each bank. This leaves much ambiguity.

In summary, while we very much appreciate the intent of this rule to help in clarifying the regulatory requirements, we find that while we already have the four required components, there is ambiguity in the proposed language that will lead to confusion and a multitude of examiner regulations, depending on each regulator.

Thank you for your time and for requesting input on this important proposal.

Sincerely,

David J. Roy
Senior Vice President and CRO
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