

## NATIONAL CREDIT UNION ADMINISTRATION Washington, D.C. 20456

Office of General Counsel

GC/HMU:bhs SSIC 3247

September 28, 1989

Ms. Amy G. Rudnick Director, Office of Financial Enforcement Department of the Treasury Room 4320 1500 Pennsylvania Avenue, NW Washington, DC 20220

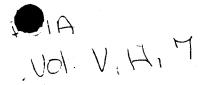
Re: Proposed Regulations - Bank Secrecy Act (54 Fed. Reg. 34791, 8/22/89)

Dear Ms. Rudnick:

This is in response to your request for public comments on the proposed rules relating to the Bank Secrecy Act identification requirements to purchase bank checks and drafts, cashier's checks, money orders, and traveler's checks.

The proposed regulation sets forth two sets of identification requirements that sellers of bank checks and similar instruments (financial institutions) must maintain. The first set is for those purchasers who maintain transaction accounts with the financial institution seller, the second more stringent set is for those purchasers who do not maintain transaction accounts at the seller financial institution.

The National Credit Union Administration supervises and insures federally-chartered credit unions (FCU's). Among other things, FCU's are authorized to establish accounts for and sell traveler's checks, money orders, and other similar instruments to their members. Nonmembers are not permitted



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to open accounts at or purchase traveler's checks, money orders, or other instruments from an FCU. Not all FCU's offer transaction accounts. Some only offer regular share (savings type) accounts. We recommend that FCU's only be required to keep the first set of requirements for member purchasers of traveler's checks and similar instruments since FCU's can only sell such instruments to their members; all FCU members have some type of account with the FCU; and some FCU's do not offer transaction accounts.

Sincerely,

HATTIE M. ULAN

Assistant General Counsel