

# ABA Bank Compliance

## FEATURES

Volume 27, No. 4

### 8 Section 312 Final Regulation Reflects Top AML Priorities

BY JOHN J. BYRNE, CAMS, AND MICHAEL D. KELSEY

The long awaited and (except for the enhanced foreign bank due diligence provisions) final regulation under Section 312 of the USA PATRIOT Act arrived in early January 2006. The final regulation implements two of Congress's top anti-money laundering (AML) priorities: accounts maintained at U.S. financial institutions by foreign financial institutions, and accounts of government officials. This article fleshes out the final regulation and suggests strategies for compliance.

### 16 Insurance Disclosures Simplified

BY BARBARA A. MCGUIRE, CRCM

One of the gifts the Gramm-Leach-Bliley Act (GLBA) gave bankers with was a new set of disclosures for the sales of insurance and annuities. Some of the new disclosures were not new, but built upon disclosures already in place for sales of nondeposit products. This article will simplify and clarify the insurance disclosures picture.

### 20 Facts about FACTA: A 2006 Update

JENNIFER A. ETKIN

Many compliance professionals spent a good portion of the past few years immersed in implementing and fretting over the Fair and Accurate Credit Transaction Act of 2003 (FACTA). This act, which substantively amended the Fair Credit Reporting Act (FCRA), created many new consumer rights and financial institution responsibilities with regard to consumer information reporting and usage. This article examines where we are with respect to FACTA and what's on the horizon.

### 22 Acquiring AML Technology Requires Homework

BY JIM WILLS

The selection, purchase, implementation, and maintenance of AML technology does not lend itself to traditional return on investment (ROI) calculations. For financial institutions, the consequences of noncompliance range from a decline in market value to the loss of clients as they seek other financial providers. This article aims to provide a roadmap for compliance professionals to get a clearly definable "return" on their AML technology "investment."

### 26 A Practical Approach to Securities Offering Reform

BY RAMON GOMEZ

On July 19, 2005, the Securities and Exchange Commission (SEC) adopted numerous and comprehensive changes to the rules relating to the registration, communication, and offering processes under the Securities Act of 1933 and other federal securities laws. The new SEC rules significantly impacted well understood (some would say comfortable) operating procedures then existing under the SEC's integrated disclosure and shelf registration systems. This article examines the reforms and explains what banks need to know to comply.

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