DATE, 2021

**VIA Electronic Delivery Only**

Michael Mosier, Acting Director

Financial Crimes Enforcement Network

P.O. Box 39

Vienna, Virginia 22183

administrative.rulings@fincen.gov

**Re: Request for an Administrative Ruling for the bank’s filing of currency transaction reports on an Armored Car Service also serving as a money transmitter.**

Dear Acting Director Mosier:

The bank entered into a 3rd party agreement with Thillens, Inc. [Thillens] on XXXXXXX. They are not a customer of XXXXXXXXXXXX. The agreement is for the delivery of services that includes cash and coin delivery/pick-up and armed guard escort. The bank has not been filing reports on the currency transactions conducted with Thillens because the bank understood that transactions with an Armored Car Service [ACS] were exempt for the purpose of filing Currency Transaction Reports [CTRs]. However recently, after reading the available guidance [including FIN-2013-R001, FIN-2014-R008 and FIN-2014-R010] and consulting with an attorney and an FDIC examiner, it was determined that, as written, the law requires us to file CTRs on our transactions with Thillens because they are a registered Money Service Business (MSB) and we buy and sell our currency directly through them and not through the Fed. The bank’s relationship with Thillens is outlined below:

* **Monday** – A drawdown wire request is initiated by Thillens at which time XXXXXXX Bank sends an outgoing wire to a Thillens account at US Bank (with Thillens as beneficiary), for currency to be delivered to the bank on Tuesday.
* **Tuesday** – XXXXXXX of our branches receive their currency shipments from Thillens (from funds the bank wired on Monday). Thillens picks up outgoing currency shipments from these branches (they initiate an ACH credit to the bank for these funds on Thursday). An ACH debit is originated by Thillens and posted to a XXXXXXX Bank GL account for the value of currency to be delivered by Thillens on Wednesday to our 3rd party ATM vendor. The ATMs are owned by XXXXXXXXX, another 3rd party vendor. XXXXXXXXXX Bank only supplies the cash (bought from and delivered by Thillens).
* **Wednesday** – Thillens delivers currency to ATMs (owned by XXXXXXXX) located at each branch.
* **Thursday** – A drawdown request is initiated by Thillens and XXXXXXXXX Bank then sends an outgoing ACH to a Thillens account at 5th/3rd Bank (with Thillens as beneficiary), for currency to be delivered on Friday.
* **Friday** – XXXXXXX of our branches receive their currency shipments from Thillens (from funds the bank wired on Thursday). Thillens also picks up outgoing currency shipments from these branches (they initiate an ACH credit to the bank for these funds on Tuesday).

As noted above, the bank purchases its cash from Thillens and not from the Fed or a correspondent bank. In fact, Thillens’ contract states, *“Customer does not need to make funds available at the Fed or Correspondent. No vaulting is required.”* For this reason, we made the determination to file CTRs for the currency transactions taking place on Tuesdays and Fridays. This began on XXXXXXXXXX. We believe there are no cash transactions that occur on Wednesdays since Thillens delivers cash directly to the ATMs owned by XXXXXXX, a 3rd party. At no point does XXXXXXX Bank employees touch this cash.

When we contacted FinCEN’s Regulatory Helpline in XXXXXXXX for guidance, we were advised to request an administrative ruling. This letter is to formally request an administrative ruling on the following;

* 1. Can you confirm our decision, based on current, written guidance, to file CTRs when transacting with Thillens, Inc. to buy/sell money two times each week?
	2. If we are correct in the assumption that the law, as written, requires us to file, the bank would like to formally request an exemption from this requirement. Continually filing on these weekly transactions places an unreasonable burden on the bank that does not appear to assist law enforcement in combatting illegal activity. In addition, as a registered money service business, Thillens is also required to file CTRs on the same transactions which only serves to flood the system with reports that hold little value for the purpose they were intended.

Furthermore, in the event that an exemption is not granted and the bank is required to file ongoing CTRs on these transactions, we seek answers to the following two questions:

* 1. Can you please provide guidance to all financial institutions on completing the CTR in the scenario described above, specifically for the benefactor and transactor fields? We have been using the courier name and the name of the employee accepting the cash in these fields but as stated above, this doesn’t seem beneficial if the goal is to aid law enforcement.
	2. Is the bank required to back-file CTRs for the time our agreement with Thillens began on XXXXXXX, to XXXXXXXX when we began to file?

We certify that to the best of our knowledge and belief, that the questions to be answered are not applicable to any ongoing state or Federal investigation, litigation, grand jury proceeding, or proceeding before any other governmental body involving either XXXXXXXX Bank, any other party to the subject transactions, or any other party with whom XXXXXXXX Bank has an agency relationship.

Finally, I would consider the information contained in the gray box above to be exempt from disclosure under the Freedom of Information Act, 5 U.S.C. 552 for the reason that it is proprietary to the bank and if published, may serve to put the bank and its employees, at risk.

Please let me know if any other information is needed. Thank you so much for your consideration of this matter. We look forward to your reply.

# Sincerely,