

REGULATORY ALERT

NATIONAL CREDIT UNION ADMINISTRATION
1775 DUKE STREET, ALEXANDRIA, VA 22314

DATE: February 2005

NO.: 05-RA-04

TO: All Credit Unions

SUBJECT: Web-based 314(a) Secure Communication System

Dear Board of Directors:

The purpose of this Regulatory Alert is to notify you that the Financial Crimes Enforcement Network (FinCEN) is changing its process for email delivery of 314(a) information. Receipt and timely response to 314(a) requests is required by the U.S.A. Patriot Act.

If your credit union receives 314(a) transmissions via fax, your credit union will continue to receive fax transmissions. No change will occur in the process for fax transmission of 314(a) information.

For credit unions receiving 314(a) transmissions via email, FinCEN will change to a web-based system on March 1, 2005. All credit unions currently receiving email transmissions must register at <https://www.fincen.gov/314a/> to be provided with access to FinCEN's web-based 314(a) secure communication system.

Once registered, credit unions will access and report on 314(a) information using the web-based 314(a) secure communication system. Emails with attached lists of 314(a) information will no longer be sent to credit unions. Therefore, to comply with 314(a) provisions, credit unions must either use the web-based system or receive 314(a) requests via fax.

All credit unions receiving email transmissions should register on the web-based 314a secure communication system before March 1, 2005.

Information about the registration process was provided via email to credit union primary points of contact by FinCEN on January 28, 2005. Subsequent guidance on the upcoming conversion to a web-based system and the establishment of user accounts may be found on FinCEN's Web site, <http://www.fincen.gov/fininstnotice02042005.pdf>

On February 22, 2005, NCUA will provide both the primary and secondary U.S.A. Patriot Act contacts reported on the December 2004 call report to FinCEN. Currently, only primary points of contact are provided. Starting the week of February 28, 2005, credit unions should be able to establish user accounts for both primary and secondary points of contact reported on the December 2004 call report.

NCUA is providing the attached list of questions and answers. These questions reflect common inquiries by credit union staff members, involved with the receipt and review of 314(a) information.

If you have questions, please contact FinCEN, the appropriate NCUA regional office, or your state regulator.

Sincerely,

/s/

JoAnn Johnson
Chairman

Enclosure

Questions and Answers: 314(a) information, February 2005

After registration on the 314(a) web-based system, will it still be necessary to report U.S.A. Patriot Act point of contact information on the quarterly call report?

Yes, credit unions must continue to report U.S.A. Patriot Act points of contact on the quarterly call reports. As a control over access, FinCEN will periodically match call report point of contact information to user information. If a user email address does not correspond to a call report point of contact email address, the user will be denied access to the web-based system.

Can we have more than two user accounts for the 314(a) web-based system?

No. A credit union can only report two (primary and secondary) points of contact on the call report. Authorized points of contact must be reported to FinCEN through call report data submitted by NCUA or state regulators. NCUA uses an automated system to capture and report point of contact information to FinCEN for federally insured credit unions; only data contained on a call report is reported.

Credit unions that need to provide FinCEN 314(a) information to multiple users may provide a non-personal email address, which can be accessed by multiple staff members, for one of the points of contact reported on the call report. This non-personal email address may then be used to establish an account for the web-based system. If a credit union chooses to establish this type of account for the web-based system, there must be strong controls over the account. A list of authorized users should be maintained for the account, and the password for the account should be changed on a regular basis and when a user is no longer authorized to review 314(a) information.

FinCEN will only discuss specifics about requests and access to the web-based system with individuals named as a point of contact within the call report. If a non-personal user account is established, one individual must be named as point of contact for communication with FinCEN.

How does a credit union change 314(a) point of contact information between call report filings?

Federal credit unions should contact their district examiner or NCUA regional office. A list of regional office contact information is available on the NCUA web site at <http://www.ncua.gov/AboutNCUA/org/OrgChart.htm>. Select the regional office that oversees the state where the main branch of the credit union is located. Upon being provided with updated point of contact information, NCUA will upload a revised call report. Then, the revised point of contact information will be provided to FinCEN with the next report to FinCEN.

State chartered credit unions should contact their state regulator. State regulators can upload a revised call report to the NCUA host system at any time. The revised call report point of contact will be included with NCUA's next report to FinCEN.

NCUA reports point of contact data to FinCEN every two weeks. Depending on when revised data is provided to NCUA, there may be a two week lag in its report to FinCEN. NCUA reports new call report data after validation. For example, NCUA anticipates reporting December 2004 call report data to FinCEN during the week of February 21, 2005. After the report, it takes several days for FinCEN to test and load the data.

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