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## **NMTA Bulletin - Volume 25 - Friday, October 28, 2005**

Dear Readers:

Special thanks to New Jersey's Department of Banking and Insurance for holding a great conference last Monday. More such events could only be to the good.

It has been two weeks since the last Bulletin, so do note the datelines on some of the older stories, which I still included for the sake of completeness.

Regards,

-David

### **Industry News and Trends**

#### ***First Data Corp. Completes Acquisition of Vigo Remittance Corp. ...***

October 21, 2005... Finanzen.net - Germany...

[http://finanzen.net/news/news\\_detail.asp?NewsNr=344259](http://finanzen.net/news/news_detail.asp?NewsNr=344259)

#### ***MoneyGram International Announces Third Quarter Result... Money Transfer Volume Grows 39 Percent...***

October 19, 2005... Minneapolis--(Business Wire)--

[http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news\\_view&newsId=20051019005885&newsLang=en](http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news_view&newsId=20051019005885&newsLang=en)

*This Senate Banking Committee hearing was canceled due to Mr. Bernanke's nomination to succeed Alan Greenspan. Stay tuned. -ed.*

#### ***Issues Regarding the Sending of Remittances and the Role of Financial***

***Institutions*** The Committee will meet in OPEN SESSION to conduct a hearing on "Issues Regarding the Sending of Remittances and the Role of Financial Institutions."

<http://banking.senate.gov/index.cfm?Fuseaction=Hearings.Detail&HearingID=180>

#### ***Financing Terrorism***

October 20th 2005... Economist - UK... Hindering flows across international financial networks is costly and does not stop terrorists' primary activity...

[http://www.economist.com/finance/displayStory.cfm?story\\_id=5053373#footnote1](http://www.economist.com/finance/displayStory.cfm?story_id=5053373#footnote1)

#### ***Remittance Regulations Straining Users Says Lamont***

October 19, 2005... Banking Technology (subscription) - UK... In response to Lamont's comments, William Fox, director of the US Financial Crimes Enforcement Network (FinCEN), said that it was better to err on the side of...

<http://www.bankingtech.com/ipi/bankingtech/indextemplate.jsp?pageid=article&contentid=20017315899>

Also see:

**First International Conference on Money Transfers Praised by Lord ...**

October 19, 2005... WebWire (press release) - Atlanta, GA, USA...

<http://webwire.com/ViewPressRel.asp?SESSIONID=&aId=4841>

Here is the relevant quote from this article: "...current immigration laws are too divorced from economic reality to be enforceable. Washington now sets an unrealistically low cap on legal visas, forcing U.S. businesses to rely on a black market for labor." If you want banks to get comfortable with guest worker accounts (and guest worker remittances), you cannot post a 'No Trespassing' sign on the entire country, because that makes banks feel they are dealing with 'high-risk' accounts. -ed.

**Broken Border, Broken Record** (Registration required)

October 22, 2005... When it comes to immigration, President Bush is caught between his business allies and conservatives who want to close the border. His mistake is trying to appease both.

<http://www.latimes.com/news/opinion/editorials/la-ed-chertoff22oct22,0,6973578.story?track=tohtml>

**Tougher Talk on Illegal Immigration**

October 19, 2005... By Nicole Gaouette... Washington-Faced with deep divisions in its political base over immigration reform, the Bush administration said that it would press ahead with the president's plan to adopt tougher measures to control the borders and crack down on illegal residents, while also pushing to enact a guest worker program that would make it easier for foreigners to enter the United States legally.

<http://www.latimes.com/news/nationworld/nation/la-na-immig19oct19,0,5246682.story?track=tohtml>

Also see:

**Bush Renews Push for Immigrant-Worker Plan** (Subscription required)

October 19, 2005... By Elisabeth Bumiller and Eric Lipton...

The president vowed to get tough on illegal immigrants even as he endorsed a temporary-worker program that would allow some to remain in the U.S. for as long as six years.

<http://www.nytimes.com/2005/10/19/politics/19immig.html?th&emc=th>

**For Latinos, Money Transfers Home are a Lifeline**

October 23, 2005... By Missy Ryan... Boston Globe - United States... The money transfers, also known as "remittances," have been "hidden in plain view because... it's outside of the financial system, it's not easy to count,"...

[http://www.boston.com/news/local/articles/2005/10/23/for\\_latinos\\_money\\_transfers\\_home\\_are\\_a\\_lifeline/?page=1](http://www.boston.com/news/local/articles/2005/10/23/for_latinos_money_transfers_home_are_a_lifeline/?page=1)

**Immigrants Rally for Reform at Forum in Jackson Heights**

October 20, 2005... By Ron Brownlow... Queens Chronicle - Rego Park, NY, USA... In an interview on Wednesday, Assemblyman Jose Peralta, who represents part of Jackson Heights, said the government needs to examine alternatives. ...

[http://www.zwire.com/site/news.cfm?newsid=15423662&BRD=1865&PAG=461&dept\\_id=152944&rfi=6](http://www.zwire.com/site/news.cfm?newsid=15423662&BRD=1865&PAG=461&dept_id=152944&rfi=6)

**Two Studies Released**

**Immigrants From the Americas to Send \$50 Billion Home in 2005**

October 18, 2005... By Eric Green... Washington File - Washington, DC, USA... in the United

States and elsewhere abroad will send an estimated \$50 billion to their home countries in 2005, reports the Inter-American Development Bank (IDB...

<http://usinfo.state.gov/xarchives/display.html?p=washfile-english&y=2005&m=October&x=20051018140403AEnerG0.1782343&t=livefeeds/wf-latest.html>

Also see:

***\$50 Billion to be Sent Home by Immigrants in 2005 - IDB***

October 24, 2005... Hardbeatnews.com - Jackson Heights, NY, USA... An estimated \$50 billion in remittances will be sent home by Latin American and Caribbean immigrants working in the United States this year...

[http://www.hardbeatnews.com/editor/RTE/my\\_documents/my\\_files/details.asp?new\\_sid=5069&title=Top%20Stories](http://www.hardbeatnews.com/editor/RTE/my_documents/my_files/details.asp?new_sid=5069&title=Top%20Stories)

World Bank Study about the effect of migration and remittances, released 10/21/05

***International Migration, Remittances, and the Brain Drain, Vol. 1 of 1***

Report # 33988 This volume presents the results of a first set of studies carried out on the economic effects of migration, especially its impact on economic development.

[http://www-wds.worldbank.org/servlet/WDS\\_IBank\\_Servlet?pcont=details&eid=000012009\\_20051021094619](http://www-wds.worldbank.org/servlet/WDS_IBank_Servlet?pcont=details&eid=000012009_20051021094619)

And a spate of stories on the study:

***World Bank Focuses on Remittances to Developing Nations***

<http://usinfo.state.gov/xarchives/display.html?p=washfile-english&y=2005&m=October&x=20051025164438AEnerG0.2108271&t=livefeeds/wf-latest.html>

***Is There an Upside to the "Brain Drain"?***

<http://www.ipsnews.net/news.asp?idnews=30772>

***International Migration Reduces Poverty in Developing Countries ...***

<http://www.noticias.info/asp/aspComunicados.asp?nid=111737&src=0>

***Study Finds Small Developing Lands Hit Hardest by 'Brain Drain'***

<http://www.nytimes.com/2005/10/25/international/25brain.html?th&emc=th>

***Migrants Aid Economic Development at Home - Study***

<http://www.engineeringnews.co.za/eng/news/today/?show=76105>

***Poor Nations Seen Pinched by Skilled Worker Losses***

[http://in.today.reuters.com/news/newsArticle.aspx?type=businessNews&storyID=2005-10-25T072709Z\\_01\\_NOOTR\\_RTRJONC\\_0\\_India-220803-1.xml&archived=False](http://in.today.reuters.com/news/newsArticle.aspx?type=businessNews&storyID=2005-10-25T072709Z_01_NOOTR_RTRJONC_0_India-220803-1.xml&archived=False)

## **Related News Items**

*Denouement of old case...rather light compared to AmSouth. -ed*

***Bank of NY May Pay \$14 Mln in Money-Laundering Case***

October 20, 2005... Reuters - USA... on Thursday said it set aside \$14 million for an expected settlement of an investigation by federal prosecutors related to a Russian money-laundering conspiracy...

[http://today.reuters.com/investing/financeArticle.aspx?type=governmentFilingsNews&storyID=URI:urn:newsml:reuters.com:20051020:MTFH67091\\_2005-10-20\\_12-40-37\\_N20620539:1](http://today.reuters.com/investing/financeArticle.aspx?type=governmentFilingsNews&storyID=URI:urn:newsml:reuters.com:20051020:MTFH67091_2005-10-20_12-40-37_N20620539:1)

***Agreement Between AmSouth, Justice Department Expires***

October 14, 2005... Tampa Bay Business Journal - Tampa, FL, USA... The agreement

stemmed from an investigation into AmSouth's compliance with the Bank Secrecy Act, an anti-money laundering measure. ...  
[http://tampabay.bizjournals.com/tampabay/stories/2005/10/10/daily53.html?jst=b\\_in\\_hl](http://tampabay.bizjournals.com/tampabay/stories/2005/10/10/daily53.html?jst=b_in_hl)

Also see:

***AmSouth Expansion Restricted:***

October 15, 2005... Sherri C. Goodman... Birmingham News - Birmingham, AL, USA...

<http://www.al.com/business/birminghamnews/index.ssf?/base/business/1129367756135230.xml&coll=2>

***Advisory Body Calls for More Secure Internet Banking***

October 18, 2005...By Ellen Messmer... ComputerWorld - USA... Federal Reserve System, the Federal Deposit Insurance Corp., the National Credit Union Administration, the Office of the Comptroller of the Currency, and the...

<http://www.computerworld.com/securitytopics/security/story/0,10801,105519,00.html>

Also see:

***Banks Told to Strengthen Web Security***

October 18, 2005... By Ed Oswald... BetaNews - USA... luck, the new policies could reduce the occurrences of online identity theft, known as phishing, and prevent money laundering and terrorist funding, the group...

[http://www.betanews.com/article/Banks\\_Told\\_to\\_Strengthen\\_Web\\_Security/1129645712](http://www.betanews.com/article/Banks_Told_to_Strengthen_Web_Security/1129645712)

***More ID may be Required for Online Banking***

October 21, 2005... By Jonathan Krim... Washington Post - United States... an umbrella group for regulators at the Federal Deposit Insurance Corp., the Federal Reserve, the Office of the Comptroller of the Currency, the Office of...

<http://www.washingtonpost.com/wp-dyn/content/article/2005/10/20/AR2005102002035.html>

***District Court Holds Attorney General Fair Lending Inquiry... (Registration required)***

October 19, 2005... Mondaq News Alerts – World In two related decisions, the US District Court for the Southern District of New York (the "District Court") held that the OCC's rule on visitorial powers ...

[http://www.mondaq.com/i\\_article.asp\\_Q\\_articleid\\_E\\_35560](http://www.mondaq.com/i_article.asp_Q_articleid_E_35560)

## **International News**

***Warning Over Money Laundering***

October 26, 2005... By The Journal... ic Teesside.co.uk - Middlesbrough, England, UK... The Money Laundering Regulations 2003, enacted last month, require firms working within regulated sectors to carry out stringent identity checks on all new...

[http://icteesside.icnetwork.co.uk/0400business/commercialproperty/tm\\_objectid=16294799&method=full&siteid=50081&headline=warning-over-money-laundering-name\\_page.html](http://icteesside.icnetwork.co.uk/0400business/commercialproperty/tm_objectid=16294799&method=full&siteid=50081&headline=warning-over-money-laundering-name_page.html)

***Portuguese Banks Being Probed for Money Laundering, Tax Evasion***

October 19, 2005... Forbes – USA... Lisbon (AFX) - Several Portuguese banks are being investigated for possible money laundering and tax evasion, Ricardo Salgado, chairman of one of the banks...

<http://www.forbes.com/markets/feeds/afx/2005/10/19/afx2285536.html>

### **Govt Fails on Money Laundering: Labor**

October 18, 2005...The Age (subscription) - Melbourne, Victoria, Australia...

The federal government has let Australia become a safe haven for money laundering, Labor says. A report by the independent, Paris...

<http://www.theage.com.au/news/National/Govt-fails-on-money-laundering-Labor/2005/10/18/1129401233034.html>

Also see:

### **The ABA Counters International Non-Compliance Findings**

October 19, 2005... The Financial Standard - Australia

[http://www.financialstandard.com.au/index.php?id=6664#Scene\\_1](http://www.financialstandard.com.au/index.php?id=6664#Scene_1)

### **Lifting the Curtain on Australia's Compliance Culture**

October 19, 2005... IDM.net.au - Strawberry Hills, NSW, Australia

<http://www.idm.net.au/story.asp?id=6781>

### **Macau Pledges Money Laundering Crackdown**

October 26, 2005... Forbes – USA... A top US Treasury official said Wednesday Macau's leader pledged to combat money laundering after the United States placed a Macau bank last month on a...

<http://www.forbes.com/work/feeds/ap/2005/10/26/ap2299611.html>

### **Foreign Currencies can be Freely Transferred Abroad**

October 27, 2005... Hong Phuc... VietNamNet Bridge - Hanoi, Vietnam... The decree also stipulates that in Vietnam, payments and remittances under the current transactions will be freely able to be carried out. ...

<http://english.vietnamnet.vn/biz/2005/10/504704/>

Also see:

### **Viet Kieu Sending More Money Home**

October 26, 2005... Viet Nam News - Hanoi, Vietnam... East Asia Bank, an agent of more than 40 overseas and domestic remittance services, currently accounts for 25 per cent of remittances to Viet Nam. ...

<http://vietnamnews.vnagency.com.vn/showarticle.php?num=01BAN261005>

### **Overseas Remittance Volume at Least US\$3.8bil**

October 20, 2005... Hong Phuc... VietNamNet Bridge - Hanoi, Vietnam... There are about 80 foreign organizations providing remittance services to Vietnam, based in Australia, Canada, France, and Germany. ...

<http://english.vietnamnet.vn/biz/2005/10/501839/>

### **OFW Remittances Expected to Surge to \$11.3 B Next Year**

By Lee C. Chipongian... Manila Bulletin – Philippines... Filipino migrant workers' cash remittances are expected to surge to \$11.3 billion next year, central bank forecasting gurus said. ...

<http://www.mb.com.ph/BSNS2005102447419.html>

Also see:

### **Central Bank Says Peso has Room to Strengthen Further**

October 26, 2005... By Erik de la Cruz... INQ7 Interactive, Inc. - Philippines... the peso, now trading at four-month highs against the US dollar, is likely to strengthen further on the back of increased dollar remittances from Filipinos...

[http://money.inq7.net/breakingnews/view\\_breakingnews.php?yyyy=2005&mon=10&dd=26&file=13](http://money.inq7.net/breakingnews/view_breakingnews.php?yyyy=2005&mon=10&dd=26&file=13)

### **Peso Surges to 4-Month High**

October 26, 2005... By Doris C. Dumlao... INQ7 Interactive, Inc. – Philippines... The Peso surged Tuesday to a four-month high of 55.26 to the dollar, lifted by remittances from overseas Filipino workers (OFWs) and the strengthening of the...  
[http://money.inq7.net/topstories/view\\_topstories.php?yyyy=2005&mon=10&dd=26&file=1](http://money.inq7.net/topstories/view_topstories.php?yyyy=2005&mon=10&dd=26&file=1)

### **News Affecting OFW's**

October 25, 2005... Balita.org – Philippines  
<http://ofw.balita.ph/html/article.php/20051025012302489>

### **Remittances from Fiji Workers Said to Exceed Revenues from Tourism**

October 17, 2005... Radio New Zealand International – Wellington, New Zealand... He says personal remittances increased to 180-million US dollars last year, compared with just 30-million in 1999. He says it is...  
<http://www.rnzi.com/pages/news.php?op=read&id=19963>

### **Country Receives Over \$1b as Workers' Remittances**

October 17, 2005... PakTribune.com - Pakistan  
Karachi: Pakistan received an amount of \$1002.65 million as workers' remittances during the first quarter of the current fiscal year as against \$983.15 million...  
[http://www.dailytimes.com.pk/default.asp?page=2005\10\18\story\\_18-10-2005\\_pg5\\_2](http://www.dailytimes.com.pk/default.asp?page=2005\10\18\story_18-10-2005_pg5_2)

## **Crimes & Cases**

### **OCC Release:**

October 18, 2005... OCC Issues Consent Order against KeyBank, Cleveland, OH...  
<http://www.occ.gov/ftp/EAs/ea2005-141.pdf>

### **OCC Announces 17 Enforcement Actions and Three Terminations (OCC NR-2005-102):**

October 17, 2005... Washington -- The Office of the Comptroller of the Currency (OCC)  
<http://www.occ.gov/ftp/release/2005-102.htm>

### **Chile Court Strips Pinochet Immunity in Tax Case**

October 19, 2005.... Reuters - USA... Washington, DC-based Riggs Bank pleaded guilty to a criminal violation of the US Bank Secrecy Act, an anti-money-laundering law, and agreed to pay \$16 million...  
[http://today.reuters.com/news/newsArticle.aspx?type=worldNews&storyID=2005-10-19T160807Z\\_01\\_ROB953397\\_RTRUKOC\\_0\\_US-PINOCHET-CHILE.xml&archived=False](http://today.reuters.com/news/newsArticle.aspx?type=worldNews&storyID=2005-10-19T160807Z_01_ROB953397_RTRUKOC_0_US-PINOCHET-CHILE.xml&archived=False)

### **DeLay Appears in Court in Money Laundering Case** (Registration required)

October 22, 2005... By Philip Shenon... New York Times - United States... a criminal courtroom on Friday to face for the first time his nemesis, the Texas county prosecutor who has charged him with money laundering and conspiracy...  
<http://www.nytimes.com/2005/10/22/politics/22delay.html?hp&ex=1129953600&en=2c2e3f82c6422ca5&ei=5094&partner=homepage>

### **Hip-Hop Money Laundering Trial Delayed**

October 26, 2005... NewKerala.com - Ernakulam, Kerala ,India...New York: The New York

money laundering trial of Murder Inc. recording label founders Irv and Christopher Lorenzo has been postponed until mid-November. ...

<http://www.newkerala.com/news.php?action=fullnews&id=41879>

***Four Indicted in Money Transfer Case***

October 22, 2005... By David Reynolds...Harrisonburg Daily News Record - Harrisonburg, VA, USA... A federal grand jury indicted four men from Harrisonburg on charges they transferred almost \$3 million overseas...

[http://www.dnronline.com/news\\_details.php?AID=1214&CHID=1](http://www.dnronline.com/news_details.php?AID=1214&CHID=1)

***Jury Convicts Virginia Man in Money Transmitting Case***

Wavy-TV - Portsmouth, VA, USA... Thirty-nine-year-old Mohammad Bajwa was convicted in US District Court of operating an unlicensed money transmitting business. ...

<http://www.wavy.com/Global/story.asp?S=4012898&nav=23ii>

***Companies and Banks Face Charges of Money Laundering***

October 25, 2005... RosBusinessConsulting - Moscow, Russia  
These cases relate to large companies, including banks, suspected of money laundering, head of the economic security department of the Russian Interior...

<http://www.rbcnews.com/free/20051025174539.shtml>