

MEMO# 19943

April 10, 2006

Deadline for New FinCEN Rule Imposing "Special Measures" Against the Commercial Bank of Syria Will Not Be Extended

©2006 Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice. [19943] April 10, 2006 TO: AML COMPLIANCE WORKING GROUP No. 12-06 TRANSFER AGENT ADVISORY COMMITTEE No. 27-06 RE: DEADLINE FOR NEW FINCEN RULE IMPOSING "SPECIAL MEASURES" AGAINST THE COMMERCIAL BANK OF SYRIA WILL NOT BE EXTENDED The Financial Crimes Enforcement Network (FinCEN) has denied the ICI's request for a partial extension to the compliance deadline for the recently adopted rule imposing special measures against the Commercial Bank of Syria and its subsidiaries (collectively, CBS).¹ A copy of FinCEN's response is attached to this memorandum. Please note that the effective date of this rule remains April 14, 2006. The new rule requires mutual funds and other covered financial institutions, by April 14, 2006, to (1) terminate any correspondent account with CBS and (2) apply due diligence to correspondent accounts for foreign banks "reasonably designed to guard against their indirect use" by CBS.² Please contact Glen Guymon (202.326.5837 or gguymon@ici.org) or Bob Grohowski (202.371.5430 or rcg@ici.org) with any questions. Glen S. Guymon Assistant Counsel - International Affairs Attachment (in .pdf format) 1 See Memorandum No. 19885 dated March 27, 2006 for a description of the extension request and a copy of the letter sent to FinCEN. 2 See Memorandum No. 19876 dated March 22, 2006 or Memorandum 19880 dated March 23, 2006 for a more complete explanation of the new rule.