

MEMO# 14100

October 31, 2001

FORMATION OF MONEY LAUNDERING RULES WORKING GROUP; NOTICE OF FIRST MEETING

[14100] October 31, 2001 TO: COMPLIANCE ADVISORY COMMITTEE No. 52-01 INTERNAL AUDIT ADVISORY COMMITTEE No. 7-01 INTERNATIONAL COMMITTEE No. 58-01 INTERNATIONAL OPERATIONS ADVISORY COMMITTEE No. 13-01 SEC RULES COMMITTEE No. 86-01 SMALL FUNDS COMMITTEE No. 17-01 TRANSFER AGENT ADVISORY COMMITTEE No. 88-01 UNIT INVESTMENT TRUST COMMITTEE No. 23-01 RE: FORMATION OF MONEY LAUNDERING RULES WORKING GROUP; NOTICE OF FIRST MEETING As we recently informed you, comprehensive anti-terrorism legislation became law on October 26th.¹ The legislation includes significant new anti-money laundering provisions, several of which require the Secretary of the Treasury to adopt implementing regulations, in some cases jointly and in other cases in consultation with the Securities and Exchange Commission and other federal financial regulators. Given the various deadlines in the new law, it appears that this rulemaking will be on a very fast track. The Institute is forming a working group of members to consider possible recommendations to the Treasury and/or the SEC in advance of their anti-money laundering rulemaking efforts. We also expect to seek the working group's assistance when we draft comment letters on anti-money laundering rules once they are proposed. The purpose of this memorandum is to solicit interest in participation in the working group and to announce its first meeting, which will be held via conference call at 2:00 p.m. Eastern time on Thursday, November 15th. An agenda for that conference call will be circulated shortly before the meeting. ¹ See Memorandum No. 14085, "Congress Enacts Anti-Money Laundering Legislation; GAO Report on Anti-Money Laundering Efforts in the Securities Industry," dated October 26, 2001. ² Please use the attached response form to indicate whether you, or one of your colleagues, will participate in the working group and/or the conference call on November 15th. Frances M. Stadler Deputy Senior Counsel Robert C. Grohowski Associate Counsel Attachment (in .pdf format)