



FINANCIAL INSTITUTIONS TODAY

News and topics of interest to financial institutions regulated by the Department of Banking and Finance

Monthly Bulletin #1

January 2009

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FDIC Issues Final Rule on Processing of Deposit Accounts in the Event of Depository Institution Failure

On January 27, 2009, the Federal Deposit Insurance Corporation (FDIC) issued a final rule on processing deposit accounts in the event of failure. The final rule applies to all FDIC-insured institutions and establishes the FDIC's practices for determining, for deposit insurance and receivership purposes, deposit and other account balances at a failed depository institution.

The final rule is effective July 1, 2009, and requires that insured depository institutions inform their sweep account customers of the nature of their swept funds and how those funds would be treated if the institution should fail. Excluded from the requirement are sweep arrangements where funds are moved between deposit accounts and the deposit insurance available to the customer is unchanged.

The final rule can be viewed on the FDIC's website at: http://www.fdic.gov/news/board/22Jan09_Rule_Claims.pdf

Financial Regulators Release Guidance on Risk Management of Remote Deposit Capture

On January 14, 2009, the Federal Financial Institutions Examination Council (FFIEC) issued guidance for examiners, financial institutions, and technology service providers to identify risks, evaluate controls, and assess risk management practices related to remote deposit capture (RDC) systems.

The guidance, [Risk Management of Remote Deposit Capture](#), addresses the essential elements of RDC risk management. Among other things, the guidance concludes that financial institutions offering RDC must:

- Have sound risk management and mitigation systems that addresses the potential legal, compliance, reputation, and occupational risks of an RDC system,
- Identify the related types and levels of risk exposure prior to implementing RDC and periodically thereafter,
- Identify the roles, responsibilities and liabilities of all parties through comprehensive contracts and customer agreements,
- Require adequate risk management at their customers' locations,
- Implement appropriate technology and process controls at both the financial institution and the customer's locations, and
- In coordination with customers, implement risk measurement and monitoring systems.

You may access the FFIEC press release at: <http://www.ffiec.gov/press/pr011409.htm>

For a copy of the FFIEC RDC Guidance, go to: http://www.ffiec.gov/pdf/pr011409_rdc_guidance.pdf

"Safeguarding Georgia's Financial Services"

FinCEN Releases Money Services Businesses BSA/AML Examination Manual

On December 9th, the Financial Crimes Enforcement Network (FinCEN) announced the release of a manual to provide guidance to officials examining money services businesses (MSBs) for compliance with the requirements of the Bank Secrecy Act (BSA). Several organizations collaborated on this manual to ensure consistency in the application of BSA requirements, including: the Internal Revenue Service, state agencies responsible for MSB regulation, the Money Transmitter Regulators Association (MTRA), the Conference of State Bank Supervisors (CSBS), and FinCEN.

The "[Bank Secrecy Act / Anti-Money Laundering Examination Manual for Money Services Businesses](#)" describes in detail the common framework to be used when examining MSBs. The new manual contains an overview of AML program requirements, BSA/AML risks and risk management expectations, sound industry practices, and examination procedures. The manual also contains an industry overview section, developed in collaboration with industry representatives.

Key aspects of the approach concern the risk assessment process - both by the MSB in establishing its policies and also by the regulator in determining the depth of review and transaction testing. MSBs should clearly document their risk and have risk based policies and procedures. It is then important for the MSB to closely follow their documented procedures. Oversight by the Principal MSB of any agents is also critical. Then, a detailed independent review by qualified persons will go a long way towards helping to understand and address risk.

Where risks are low or have been effectively mitigated, the regulators may perform less transaction testing. Entities at higher risk, who have not effectively mitigated risk, have not corrected identified issues, or are found not to be in compliance with the BSA and/or their own policies, will be subject to increased scrutiny.

DBF Outreach AND UPCOMING SPEAKING ENGAGEMENTS

- ❖ Commissioner Rob Braswell will be participating in a panel during the UGA Terry College of Business's Annual Southeast Management and Directors College being held on **February 12th** at the Gwinnett Center.
- ❖ Deputy Commissioner for Non-Depository Financial Institutions Rod Carnes will be giving a "Law & Rule" update on **February 12th** to the Mortgage Brokers Association.
- ❖ Commissioner Rob Braswell and Deputy Commissioner for Non-Depository Financial Institutions Rod Carnes will be speaking to the Mortgage Bankers at the State Capitol on **February 17th** at 8:00 a.m.
- ❖ Deputy Commissioner for Supervision Kevin Hagler will be speaking on **February 5th** at the CBA Tax & Regulatory meeting. He will also be speaking on **February 11th** to the State Bar - Institute of Continuing Legal Education in Georgia and on **February 26th** at the CBA Directors' College, Pine Mountain, GA (Callaway Gardens).
- ❖ Various Department staff members will be attending the 5th Annual GREFPAC Conference being held on **February 20th** at the Cobb Galleria Convention Centre. For more information, go to GREFPAC's website at http://www.grefpac.org/conf_info.html.
- ❖ District Director Lori Binford will be speaking at a meeting of the Georgia Appraiser's Coalition being held on **March 5th** at The Blue Room of the Georgia Freight Depot.

Action on Applications for the Month of January:

The following is a summary of official action taken on applications by State Financial Institutions under Chapter 7-1 of the Code of Georgia and petitions for Certificate of Incorporation of Financial Institutions and other matters of interest during the month of January 2009.

APPLICATIONS FOR NEW FINANCIAL INSTITUTION

<u>FINANCIAL INSTITUTION</u>	<u>CAPITALIZATION</u>	<u>APPROVAL</u>	<u>BEGIN BUSINESS</u>
North Metro Bank Highway 9 & Bethelview Drive Cumming, GA 30040 Forsyth County	\$ 22,000,000	Withdrawn 01-06-2009	

APPLICATIONS TO ESTABLISH A BRANCH OFFICE

<u>FINANCIAL INSTITUTION</u>	<u>BRANCH OFFICE</u>	<u>APPROVAL</u>	<u>BEGIN BUSINESS</u>
Citizens Trust Bank Atlanta	Stone Mountain Street Branch Office 3065 Stone Mountain Street Lithonia, GA 30058 DeKalb County	Pending	
SunTrust Bank Atlanta	Clint Moore Road Branch Office 6653 Jog Road Boca Raton, FL 33496 Palm Beach County	01-26-2009	
SunTrust Bank Atlanta	The Forum Branch Office 3330 Forum Boulevard Fort Myers, FL 33905 Lee County	01-26-2009	
Columbus Bank and Trust Company Columbus	Buena Vista Branch Office 4505 Buena Vista Road Columbus, GA 31907 Muscookee County	01-13-2009	
Ameris Bank Moultrie	West Main Street Branch Office 707 West Main Street Lexington, SC 29072 Lexington County	02-15-2008	01-12-2009
Southwest Georgia Bank Moultrie	Valdosta Branch Office 3400 North Valdosta Road Valdosta, GA 31602 Lowndes County	Pending	

APPLICATIONS TO CHANGE LOCATION

<u>FINANCIAL INSTITUTION</u>	<u>CHANGE LOCATION OF</u>	<u>APPROVAL</u>	<u>EFFECTIVE</u>
SunTrust Bank Atlanta	Great Falls Branch Office From: 9883 Georgetown Pike Great Falls, VA Fairfax County To: 9912 Georgetown Pike Great Falls, VA 22066 Fairfax County	01-20-2009	

APPLICATIONS FOR RESERVATION OF A NAME

<u>PROPOSED NAME</u>	<u>COUNTY</u>	<u>APPLICANT</u>
SB&T Bank	Dougherty County	Mr. Michael J. Shumaker Bryan Cave Powell Goldstein One Atlantic Center, Fourteenth Floor 1201 West Peachtree Street, NW Atlanta, GA 30309-3488
Security Bank of Georgia	Bibb County	Mr. Michael N. White Martin Snow, LLP Post Office Box 1606 Macon, GA 31202-1606
SunCoast Credit Union	Glynn County	Mr. B R. Gibson President/CEO Sea Island Credit Union 4401 Altama Avenue Brunswick, GA 31520-3006

FINANCIAL INSTITUTION MERGERS

<u>FINANCIAL INSTITUTION (SURVIVOR)</u>	<u>MERGED INSTITUTION</u>	<u>APPROVAL</u>	<u>EFFECTIVE</u>
Security Bank and Trust Company of Albany Albany, GA	Sumter Bank and Trust Company Americus, GA	Pending	
IBM Southeast Employees' Federal Credit Union Boca Raton, FL	CMAR Credit Union Marietta, GA	01-30-2009	
Security Bank of Bibb County Macon, GA	Security Bank of North Fulton Alpharetta, GA	Pending	
Security Bank of Bibb County Macon, GA	Security Bank of Jones County Gray, GA	Pending	
Security Bank of Bibb County Macon, GA	Security Bank of Houston County Perry, GA	Pending	
Security Bank of Bibb County Macon, GA	Security Bank of Gwinnett County Suwanee, GA	Pending	
Security Bank of Bibb County Macon, GA	Security Bank of North Metro Woodstock, GA	Pending	
First Gulf Bank, National Association Pensacola, FL	RBC Bank (Georgia) Atlanta, GA	Pending	

**NOTIFICATION OF APPROVAL OF APPLICATION TO
SERVE A RESIDENTIAL GROUP COMMON BOND**

CREDIT UNIONCredit Union of Georgia
Woodstock**RESIDENTIAL GROUP COMMON BOND**

Cherokee County, GA

APPROVAL

01-20-2009

LGE Community Credit Union
Marietta

Paulding County, GA

01-22-2009

CHECK CASHER LICENSES ISSUED

<u>CITY</u>	<u>APPLICANT NAME</u>	<u>TRADE NAME</u>
Riverdale	* Akshay, Inc.	Citgo Food Mart
Cairo	* Blough Tech, Inc.	
Jasper	BuckAtlanta Investments, Inc.	
Marietta	Charlie's Beer & Wine, Inc.	Charlie's Beer & Wine
Atlanta	* Enlighten Enterprise, Inc.	One Stop Shop
Chatsworth	* Gallons 2 Go, Inc.	
Decatur	Golden Forest Spirits, Inc.	Hal's Beer and Wine
Cedartown	* Humza, Inc.	Super Grand's
Pooler	Jack in the Box Check Cashing, Inc.	Jack in the Box Check Cashing
Macon	* KBAP Inc.	Shurlington Food Mart
Dalton	* La Michoacana Enterprises, Inc.	La Michoacana
Columbus	* MJ's Bill Pay & Tax Services, LLC	
Cartersville	* Mee-Jays, Inc.	Citgo Express
Lawrenceville	Neighborhood Financial Center Inc.	
Dublin	* Robert Lee Bailey	Robert Lee Bailey
Woodstock	* Sahithi, LLC	S & J Food Mart
Lilburn	Secure Investments Inc.	

* =Registered (O.C.G.A. 7-1-700 et al)

MONEY TRANSMITTER LICENSES ISSUED

MONEY TRANSMITTERBraxUSA, LLC
Kennesaw, GA**APPROVAL**

01-21-2009

**GEORGIA
DEPARTMENT OF
BANKING AND FINANCE**

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The Department is the state agency that regulates and examines banks, credit unions, and trust companies chartered by the State of Georgia. The Department also has regulatory and/or licensing authority over mortgage brokers, lenders, and processors, money service businesses, international banking organizations, and bank holding companies conducting business in Georgia.

Our **Mission** is to promote safe, sound, competitive financial services in Georgia through innovative, responsive regulation and supervision.

Our **Vision** is to be the best financial services industry regulator in the country – Progressive. Proactive. Service-Oriented.

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