



**IDAHO**  
DEPARTMENT OF FINANCE

C. L. "BUTCH" OTTER  
Governor

GAVIN M. GEE  
Director

May 17, 2012

Re:

Dear M

In response to your letter of April 26, 2012 we provide the following.

The Idaho Money Transmitter Act provides an exemption from licensing for "banks, credit unions, savings and loan associations, savings banks or mutual banks organized under the laws of any state or the United States."

Given the above, it appears that the \_\_\_\_\_ will need to obtain a money transmitters license in the state of Idaho in order to continue to provide money remittance services to Idaho-based entities and individuals.

On a secondary note, your letter requested confidential treatment. Unfortunately, we cannot guarantee the confidentiality of your letter, although it is possible that portions of your letter might be deemed confidential in the context of Idaho's public record laws.

If you have any questions or need to discuss this matter directly, please feel free to contact the undersigned directly at (208) 332-8080. If you would like further information regarding licensing or need an application package, these materials are available on our website at <http://finance.idaho.gov> or we can mail you an application package if you would prefer delivery in that medium.

Sincerely,

A handwritten signature in black ink, appearing to read "James A. Burns".

James A. Burns  
Investigations Chief

SECURITIES BUREAU

800 Park Blvd., Suite 200, Boise, ID 83712  
Mail To: P.O. Box 83720, Boise ID 83720-0031  
Phone: (208) 332-8004 Fax: (208) 332-8099  
<http://finance.idaho.gov>

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STATE OF IDAHO  
DEPT OF FINANCE

Idaho Financial Institutions Bureau  
800 Park Blvd, Suite 200  
P.O. Box 83720  
Boise, ID 83720-0031

Re: - Internet Based Home Remittance Service.

Dear Sir/Madam,

provides an internet-based money transfer remittance service named to persons who wish to transfer money from their accounts at any bank in the United States to any bank in or U.S. dollars for purpose of family maintenance in is the largest Commercial Bank in and has a Foreign Branch Office in New York and also a Branch Office in Washington D.C and a Representative Office in Chicago. At present, pursuant to a services agreement (the "Service Provider Agreement") between and N.A. (" ") a number of functions for the service are performed by . These functions include regulatory compliance with BSA/AML/OFAC obligations, ACH/credit card collection of funds, acceptance and monitoring of remitters, website hosting, and settlement, reconciliation and customer services. is the "Payor of Record" or "Corresponding Bank" for and handles all money transfers that take place on www. The service has been operational since 2005.

Recently, informed that it plans to exit the global remittance services business. Representatives of New York Branch (the "New York Branch") have discussed with the best ways to continue the service while meeting all applicable regulatory and compliance requirements.

The New York Branch is currently in the process of assuming full responsibility for performing the functions now provided by under the Service Provider Agreement. The New York Branch will become the Payor of Record and will become responsible for all other operational aspects of the service, including all BSA/AML/OFAC requirements. Because it will need the ability to debit customer accounts in the United States, the New York Branch is becoming a member of the Automated Clearing House ("ACH"). The New York Branch will enter into a Services Agreement with a specialized Vendor to perform technical functions and monitor the website. The Vendor will provide interfaces for www, including: registration, login and authentication, profile maintenance, establishment of transaction limits, identity verification and KYC interface, transaction initiation and status and ACH interface.

Currently, the service processes each year approximately 50 transactions for money transmission from Idaho residents who wish to transfer money from a bank located in the United States to a bank located in . Further, information about the program is available upon request.

We wish to inform you that operates a New York State-licensed branch (the "Branch") through which it conducts commercial banking business. will be operating its money transmission business within the Branch as an activity closely related to banking and subject to the supervision of the New York State Department of Financial Services ("NYDFS").

We request that all information contained in this letter (the "Confidential Material") be maintained in confidence and exempt from disclosure by the DFI and its staff. Accordingly, this letter has been marked "Confidential Treatment Requested."

The Confidential Material concerns the conduct of business and is proprietary and maintained in confidence by and the Branch. The Confidential Material also relates to confidential business plans for the conduct of money transmission business through the Branch. Release of the Confidential Material to the public, including competitors, could provide competitors with knowledge of business plans and activities, and result in substantial harm to its competitive position.

Accordingly, this Confidential Material is submitted to the DFI with our request that it be kept in a non-public file and that only DFI staff have access to it. If any person not a member of the DFI's staff (including, without limitation, any governmental employee) should request an opportunity to inspect or copy the Confidential Material, or if any member of the DFI's staff contemplates disclosure of the Confidential Material to any other person, requests that the undersigned immediately be notified of such request, be furnished a copy of all written materials pertaining to such request (including but not limited to the request itself) and be given advance notice of any intended disclosure so that may, if deemed necessary or appropriate, request that such information not be disclosed and pursue any available remedies.

\* \* \*

If you have any questions concerning the above, please do not hesitate to contact the undersigned.

Sincerely,

Executive Vice President & General Manager