



September 9, 2022

Policy Division, Financial Crimes Enforcement Network
P.O. Box 39
Vienna, VA 22183

RE: Renewal Without Change on Information Sharing Between Government Agencies and Financial Institutions
Docket Number: FINCEN-2022-0008 and OMB Control Number 1506-0049

Mr. Das,

Coastal Federal Credit Union is headquartered in Raleigh, NC with \$4.7 billion in assets serving over 300,000 members. We appreciate the opportunity to comment on FinCEN's proposed renewal of the Bank Secrecy Act regulation regarding information sharing between government agencies and financial institutions. We support the proposed renewal to continue sharing information between government agencies and financial institutions to prevent terrorist funding and money laundering. We support the renewal based on the non-burdensome nature of the regulation and the estimated time spent investigating a subject. Action requirements are limited to financial institutions who've interacted with named suspects within the last 12 months. Additionally, advancements in software capabilities expedite the search process for confirmation of a positive match. Below please find the responses to specific questions posed by FinCEN:

1. To what extent can a financial institution rely on existing software to conduct its 314(a) search?

Approximately 80% of searches are conducted via software. Potential matches are reviewed manually, which becomes laborious when a common name is involved, or key information is unavailable (i.e., DOB).

2. On average, how long does it take your financial institution to perform a search for a particular subject of a 314(a) request ("314(a) subject")?

With fraud detection and anti-money laundering system, it takes only a few minutes to search for a subject. The estimated time of 4 minutes, as stated in the proposal, is reasonable.

3. How often does your financial institution generate a positive match to a 314(a) subject that requires additional research to confirm if the account or transaction is in fact connected to that subject?

Files are received every other week, and the system identifies potential matches with every file run.

4. What steps does your financial institution take once your automated system generates a match to a 314(a) subject to determine if it is an actual match or false positive? What type of record does your financial institution maintain to document the results of this type of research?

Account information is manually reviewed to confirm a positive match to a 314(a) subject. The review process is documented within the software.

5. How frequently does your financial institution's automated system identify matches to a 314(a) subject that ultimately result in a false positive?

The system identifies false positive matches every time the files are downloaded from FinCEN are identified with Files from FinCEN are downloaded every other week and uploaded into our system to verify all files are false positive matches.

6. What type of records does your financial institution maintain to document that a 314(a) search has been conducted?

All system-generated reports (i.e., Synergy, Verafin, WITS report), wire records, and reviews of potential matches are retained to document every search conducted.



7. What is the role of the individual at your financial institution that acts as the point of contact for 314(a) search has been conducted?

The BSA Officer and AML Manager are the points of contact for 314(a) searches.

8. Is more than one employee at your financial institution involved in conducting the biweekly 314(a) searches?


One person is responsible for conducting the 314(a) searches, employees are cross trained within the department for coverage.

9. Does senior management play a role in reviewing the results of your financial institution's biweekly search for subject of 314(a) requests?

Senior management doesn't have a role in reviewing or processing the 314(a) searches.

We would like to thank FinCEN for the opportunity to comment on the regulation renewal regarding information sharing between government agencies and financial institutions.

Sincerely,

DocuSigned by:

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Arlene Babwah
Chief Risk Officer
Coastal Federal Credit Union