



BULLETIN

Colorado Division of Financial Services

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Colorado
Department
of
Regulatory
Agencies

Issued to: State-Chartered Credit Unions and Savings and Loan Associations

**Subject: Financial Institution Responsibilities Regarding
Terrorist Financing**

Date Issued: October 18, 2001

In recent weeks, all federally-insured financial institutions have received communications from the appropriate federal financial regulatory agency regarding the President's Executive Order on terrorist financing and the role of the federal Office of Foreign Assets Control (OFAC) in administering and enforcing the sanctions outlined in the Executive Order.

The purpose of this bulletin is to underscore the critical importance of full compliance with the OFAC requirements imposed on financial institutions regulated by this office. There are severe penalties for noncompliance, and the imposition of these penalties could have a material impact on a financial institution's safety and soundness.

I will not repeat the details of the communications on this subject that you have already received. However, I do ask that the chief executive officer carefully review all information in your possession regarding our country's response to terrorist financing, in particular the following:

For Credit Unions

National Credit Union Administration (NCUA) Letter to Credit Unions No. 01-CU-15

NCUA Regulatory Alert No. 01-RA-10

NCUA Letter to Credit Unions No. 01-CU-18

For Savings and Loan Associations

Office of Thrift Supervision (OTS) CEO Memo 148

OTS CEO Memo 149

OTS CEO Memo 151

I further request that each state-chartered credit union and savings and loan association develop and implement a plan for OFAC compliance and that the chief executive officer delegate responsibility for oversight of OFAC compliance only to a highly responsible staff member.

You should be alert to further communications on this subject from the appropriate federal financial regulatory agency or this office. In addition, you are advised to use the OFAC web site (www.treas.gov/ofac) and/or telephone hot line (1-800-540-6322) for questions and updated information.

David L. Paul
Commissioner of Financial Services