

DATE: August 1, 2006

SUBJECT: Imposition of Special Measures Against VEF Banka (SR 06-10)

HIGHLIGHTS: The Board of Governors of the Federal Reserve System is issuing this SR letter to advise banking organizations under its supervision of new obligations relating to joint stock company VEF Banka imposed by the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN). On July 12, 2006, FinCEN issued a final rule that imposes special measures under section 311 of the USA PATRIOT Act (31 U.S.C. 5318A) against VEF Banka. These special measures apply to VEF Banka and any of its branches, offices and subsidiaries operating in the Republic of Latvia or in any other jurisdiction. One such subsidiary, Veiksmes lizings, is specifically identified in the rule. This final rule is effective on August 14, 2006; it can be found at (http://www.fincen.gov/vef_final_rule_070706.pdf).

**DOCUMENT
LOCATION:**

<http://www.federalreserve.gov/boarddocs/srletters/2006/SR0610.htm>

**FURTHER
INFORMATION:**

Timothy A. Bosch, Vice President
Banking Supervision and Regulation Department
(314) 444-8440, or 1-800-333-0810, ext. 448440