



**STATE OF NEW YORK
INSURANCE DEPARTMENT**

AGENCY BUILDING ONE
EMPIRE STATE PLAZA
ALBANY, NEW YORK 12257

**Supplement No. 1 to
Circular Letter No. 10 (2002)
April 24, 2002**

TO: All New York Domestic Insurers

RE: USA PATRIOT ACT OF 2001 - Treasury Department Update

The Insurance Department's [Circular Letter No. 10](#) called all New York domestic insurers' attention to the enactment of the USA PATRIOT Act of 2001 and noted that insurance companies were required to be in compliance with the Act by April 24, 2002.

However, by its release dated April 23, 2002, the Treasury Department has now informed the public that Treasury has exercised its authority under Bank Secrecy Act Section 5318(a)(6) to exempt insurance companies and certain other specified financial institutions, for a period of no more than six months, from the requirement in 31 U.S.C 5318(h)(1) that they establish anti-money laundering programs. The deferral will allow the Treasury Department time to study various financial institution industry sectors and develop regulations applicable to them.

Treasury has also advised that it has formed additional working groups devoted to specific industry sectors that will be responsible for drafting regulations tailored to each one, and that forthcoming regulations will be issued by Treasury on a rolling basis as they are completed.

Questions regarding the Act may be directed to Linda L. Duzick, Office of Thrift Supervision, serving as insurance industry liaison for the U.S. Department of the Treasury, at (202) 906-6565 or linda.duzick@ots.treas.gov.

Very truly yours,

Gregory V. Serio
Superintendent of Insurance