

Memorandum of Understanding

Dated as of April 24, 1992

This Memorandum of Understanding, dated as of April 24, 1992 (the "Memorandum"), governs the exchange of information and related cooperation between the Financial Crimes Enforcement Network ("FinCEN"), an organization within the United States Department of the Treasury, established by Treasury Order 105-08 (April 25, 1990), and the Wisconsin Department of Justice, Division of Narcotics Enforcement (the "Division of Narcotics Enforcement"), an agency of the State of Wisconsin ("Wisconsin").

1. Purpose; Wisconsin and its Political Subdivisions.

Implementation of this Memorandum is intended to assist law enforcement agencies of Wisconsin in the enforcement of the laws of Wisconsin and of the United States, especially those relating to money laundering and other financial crimes. The Division of Narcotics Enforcement is a Wisconsin state law enforcement agency. FinCEN is an organization within the United States Department of the Treasury that is engaged in providing intelligence in support of, and identifying possible criminal targets in connection with, the detection, investigation, and prosecution of financial crimes. Any reference in this Memorandum to Wisconsin shall be deemed to include a reference both to the State of Wisconsin and to its political subdivisions, unless the context clearly indicates otherwise.

2. Provision of Information and Assistance by FinCEN to Wisconsin - General. Duly authorized employees of, or assigned to, FinCEN will provide information for authorized law enforcement and related purposes to duly authorized employees of the Division of Narcotics Enforcement and, through the Division of Narcotics Enforcement, to duly authorized employees of other law enforcement agencies of Wisconsin and will assist such employees in the investigation and analysis of financial and other data, as set forth herein, subject to resource constraints and the terms of applicable law and agreements to which FinCEN is subject. Inquiries made on behalf of Wisconsin shall generally be coordinated through and made by the Division of Narcotics Enforcement, but FinCEN may, in its discretion, deal directly with law enforcement agencies of Wisconsin other than the Division of Narcotics Enforcement, as well as with the Division of Narcotics Enforcement.

3. Identification of Wisconsin Inquiries. All inquiries made to FinCEN by authorized personnel of the Division of Narcotics Enforcement (whether for the Division of Narcotics Enforcement's use or on behalf of another agency), must be in writing (unless FinCEN specifies otherwise), must contain such identifying and background information as FinCEN shall require, by way of prescribed inquiry forms or otherwise, and must specify the agency on whose behalf the inquiry is made and by whom the information obtained will be used. Information identifying all such inquiries will be made a part of the internal data bases

maintained by FinCEN; such information will not be disseminated without the permission of the Division of Narcotics Enforcement, but FinCEN may, if permission is declined, inform the agency to which such information would have been given if permission had been granted, that such agency should contact the Division of Narcotics Enforcement directly to obtain possible additional information. If the Division of Narcotics Enforcement notifies FinCEN in writing that the law of Wisconsin requires the expunction from FinCEN's records of information relating to a certain person or persons previously given to FinCEN by the Division of Narcotics Enforcement or other agencies of Wisconsin, FinCEN will expunge such information from its records. The Division of Narcotics Enforcement understands that, both because of legal constraints and because FinCEN's general policy is not to disseminate information without the permission of the agency that it deems to own the information, FinCEN may not be permitted to share certain information available to it with employees of the Division of Narcotics Enforcement or other employees of Wisconsin.

4. Provision of Information and Assistance by Wisconsin to FinCEN - General. Authorized FinCEN personnel shall have access to law enforcement records maintained by the Division of Narcotics Enforcement and other agencies of Wisconsin that are relevant for particular FinCEN projects or inquiries; such access shall be subject to (i) the limitations imposed by applicable Privacy Law, as provided by paragraph 6 of this Memorandum and as

specified (in the case of the law of Wisconsin) by the Division of Narcotics Enforcement from time to time under paragraph 8 of this Memorandum, and (ii) such authorization procedures as the agency of Wisconsin having ownership or custody of such records shall generally impose on other law enforcement agencies seeking access to such records. The Division of Narcotics Enforcement will generally coordinate responses to FinCEN's requests for information from Wisconsin and will facilitate FinCEN's access to Wisconsin records.

5. Conditions for Inquiries. Inquiries may be made by FinCEN and the Division of Narcotics Enforcement to each other only for authorized law enforcement (or additionally in the case of FinCEN, regulatory and related) purposes. Each agency will supply the other with the names of all employees of the first agency who are permitted to make inquiries to the second, together with such identifying data for such individuals as the other agency may require for purposes of controlling and auditing access to its files. All such employees shall have been the subject of a satisfactory background investigation completed in accordance with the policies of the United States Department of the Treasury or otherwise acceptable to the agency involved. Each agency may issue passwords or other identifiers to each individual included on the list of authorized personnel of the other, and such identifiers may not be transferred or shared.

6. Limitations on Use and Disclosure of Information - General. No information may be transferred by either agency to the other pursuant hereto or may be used or disclosed by the party to whom such information is transferred (or by any agency on whose behalf it is acting) except in accordance with applicable provisions of the Privacy Act of 1974, 5 U.S.C. section 552a (the "Privacy Act") and other federal or Wisconsin laws, regulations, or policies applicable to the sources, use, disclosure, or dissemination of such information in the hands of either the transferor or transferee agency (collectively, to encompass both the Privacy Act and such other laws, regulations, or policies, "Privacy Law"), as in effect from time to time, including, without limitation, any applicable rules relating to information provided by either agency to the other that contains identifiable records from a third agency of federal, state, or local government.

7. Redissemination.

(a) Wisconsin. Information furnished to Wisconsin by FinCEN may not be redisseminated by the requesting agency (except to the extent that the Division of Narcotics Enforcement transmits such information to the agency on whose behalf the information was requested) or used for any purpose other than that for which it was requested, without the written permission of FinCEN.

(b) FinCEN. FinCEN must obtain the approval of the Division of Narcotics Enforcement (except to the limited extent provided by paragraph 3 of this Memorandum), in order to inform any third person of any information derived from the Division of Narcotics Enforcement, including, without limitation, the fact that a case exists, the name of an individual within the Division of Narcotics Enforcement who may be contacted by such party to obtain additional information about such case, or any additional information about such case.

8. Compliance with Privacy Law. The Division of Narcotics Enforcement, as representative of Wisconsin, represents and warrants that the Division of Narcotics Enforcement and Wisconsin are permitted by Privacy Law in force on the date hereof to permit FinCEN to have access to Wisconsin information on the terms provided in this Memorandum, and that Privacy Law in effect on the date hereof imposes no limitations, other than those, if any, specified in Exhibit A attached by Wisconsin hereto, on FinCEN's ability to use or disclose information obtained hereunder. Each party hereto will notify the other as soon as possible, but in no event later than 10 business days, following the effective date of any change in Privacy Law applicable to the terms hereof or to the use or disclosure by the latter party of information obtained from the notifying party hereunder.

9. Verification; Retention of Records. FinCEN and the Division of Narcotics Enforcement recognize the need to maintain a strict system of control with respect to access to shared information, and they agree to cooperate as necessary to verify that the restrictions imposed on use or disclosure by FinCEN or Wisconsin of information obtained under this Memorandum have been observed by the relevant agency and its employees.

10. Agency Contact Points; Notices. The individuals responsible for the implementation of this Memorandum and the resolution of issues hereunder shall be:

FinCEN:

a. General Implementation:

Director, or  
Special Assistant to the Director

b. Case Specific Issues or Project Requests:

Assistant Director (Tactical Support)  
  
Financial Crimes Enforcement Network  
U.S. Department of the Treasury  
3833 N. Fairfax Drive  
Arlington, Virginia 22203

Wisconsin Division of Narcotics Enforcement:

a. General Implementation:

Director

b. Case Specific Issues or Project Requests:

FinCEN Coordinator  
  
Wisconsin Department of Justice  
Division of Narcotics Enforcement  
P.O. Box 2188  
Madison, Wisconsin 53701

Any notices required to be provided by one agency to the other hereunder shall be deemed provided when delivered (or deposited in the United States mail with first class postage, return receipt requested, for mailing) to the responsible individuals designated above, with copies to, in the case of FinCEN:

Director  
Financial Crimes Enforcement Network  
U.S. Department of the Treasury  
3833 N. Fairfax Drive  
Arlington, Virginia 22203

and in the case of the Division of Narcotics Enforcement:

Director  
Wisconsin Division of Narcotics Enforcement  
P.O. Box 2188  
Madison, Wisconsin 53701

11. Amendment. This Memorandum may be amended by written agreement between FinCEN and the Division of Narcotics Enforcement, acting for Wisconsin.

12. Effective Date; Termination. This Memorandum shall become effective as of April 24, 1992, and may be terminated by either party upon 60 days written notice to the other.

13. Electronic Data Bases. FinCEN may request electronic access to any law enforcement records of the Division of Narcotics Enforcement. Each request shall be evaluated by the Division of Narcotics Enforcement to determine whether the requested electronic access may be made available to FinCEN consistent with Wisconsin law. The Division of Narcotics Enforcement has no control over, or authority to enter into, any agreement to furnish electronically any information from any other governmental or law enforcement agency, but it shall use its best efforts

to facilitate agreements with FinCEN with respect to electronic access to law enforcement records of other Wisconsin agencies, to the extent consistent with Wisconsin law.

14. Costs. Each party hereto will generally bear its own costs, except that FinCEN shall be entitled to reimbursement from Wisconsin (including the appropriate political subdivision thereof), to the extent such reimbursement is not prohibited by the laws of Wisconsin or such subdivision, for any extra or extraordinary costs that it incurs as a result of its provision of information to Wisconsin (or a subdivision thereof) hereunder, including, without limitation, costs incidental to any litigation or proceeding in which FinCEN is a party or in which an employee of FinCEN is a witness (except to the extent that the costs of a litigation are attributable to a violation of law by FinCEN found to have occurred by such litigation). The Division of Narcotics Enforcement will immediately advise FinCEN of any litigation in which FinCEN or the United States Department of the Treasury has been or may be named as a party by virtue of FinCEN's provision of information hereunder.

15. Authorization; No Private Right Created; etc. This Memorandum is an internal agreement between the United States Department of the Treasury, acting through the Director of FinCEN, and Wisconsin, acting through the Division of Narcotics Enforcement, and each party by its execution hereof warrants its authority to enter into this Memorandum. Neither the execution nor the implementation of this Memorandum shall create or confer

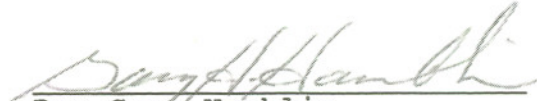
any right or benefit upon any other person or party, private or public.

FINANCIAL CRIMES ENFORCEMENT  
NETWORK

  
By: Brian M. Bruh  
Director

Date: 4/23/92

WISCONSIN DIVISION OF NARCOTICS  
ENFORCEMENT

  
By: Gary Hamblin  
Acting Director

Date: 4/20/92



FINANCIAL CRIMES  
ENFORCEMENT NETWORK

2070 Chain Bridge Road, Suite 200, Vienna, VA 22182, Telephone (703) 905-3520



Ronald H. Ninneman  
Administrator  
Division of Narcotics Enforcement  
Wisconsin Department of Justice  
123 West Washington Avenue  
Madison, Wisconsin 53702

FEB 27 1995

Participation in Project Gateway

Dear Mr. Ninneman:

The State of Wisconsin ("Wisconsin") and the Financial Crimes Enforcement Network ("FinCEN") have previously entered into a Memorandum of Understanding, dated as of April 24, 1992 (the "Memorandum of Understanding"), that governs the exchange of information and related cooperation between FinCEN and Wisconsin. Wisconsin has now asked to participate in a FinCEN program ("Project Gateway") that permits each eligible state to obtain electronic access, through the state-level law enforcement agency (the "FinCEN State Coordinator") named in each state's memorandum of understanding with FinCEN, to information ("BSA Information") collected by the United States Department of the Treasury under the provisions of Subchapter II of Chapter 53 of Title 31 of the United States Code, 31 U.S.C. section 5311 et seq.

This letter agreement and its attachment, together with applicable portions of the Memorandum of Understanding, set forth the terms for participation by Wisconsin in Project Gateway. As in the Memorandum of Understanding, references to Wisconsin shall

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include references both to Wisconsin and to its political subdivisions, unless the context clearly indicates otherwise.

1. Gateway Access to BSA Information. The Wisconsin Department of Justice (the "Department of Justice") is the FinCEN State Coordinator for Wisconsin. Authorized employees of the Department of Justice may make direct electronic queries of the files of BSA Information contained in the Currency and Banking Retrieval System ("CBRS") maintained at the Detroit Computing Center (the "DCC") of the Internal Revenue Service. Unless FinCEN otherwise agrees in advance and in writing, such direct queries must be related to potential or actual violations of a law enforced by the Department of Justice or by another law enforcement agency of Wisconsin on whose behalf the Department of Justice is acting under the Memorandum of Understanding.

2. Terms for Access.

(a) All queries to CBRS under the authority granted in this letter agreement may be made only on a name- or other identifier-specific basis and must seek information about particular transactions or currency movements that are related to potential or actual violations of law. Such queries must begin with full electronic completion of the Gateway computer access screens (the "Gateway Screens"), to provide FinCEN and the DCC with the information required by such screens; BSA Information about any person or entity shall not be obtained or withdrawn from CBRS without completion of the Gateway Screens as to each such person or entity.

(b) Prior to conducting particular queries, the Department of Justice shall collect and apply, in completing the Gateway Screens and framing its CBRS inquiry, as much identifying information as is available to Wisconsin; inquiries shall be framed as narrowly as is reasonably possible under the circumstances.

(c) In all cases, completion of the Gateway Screens shall be deemed to constitute (i) a specific request to FinCEN and the DCC for BSA Information pertaining to the person or entity indicated on the Gateway Screens, and (ii) a representation and warranty by the Department of Justice, on behalf of Wisconsin, of the law enforcement activity for which such Information is sought.

3. Use of Information. No information obtained from CBRS, including, without limitation, the fact that no record relating to a particular subject was found in CBRS, (i) may be used by the Department of Justice, or by any agency on whose behalf such information was requested by the Department of Justice, for any purpose other than that for which it was requested, as indicated on the Gateway Screens for the request, or (ii) may be disseminated to any person by the Department of Justice (except to the extent that the Department of Justice transmits such information to the agency on whose behalf the information was requested) or by any such agency, without the written permission of FinCEN in each case. Without limiting the generality of the foregoing, any agency on whose behalf an

inquiry is made takes any information it receives subject to all of the restrictions of this letter agreement (and shall be so notified in writing by the Department of Justice); such restrictions apply not only to case-related information, but also to statistical information generated by CBRS.

4. Responsibilities of the Department of Justice. The Department of Justice shall ensure (i) that inquiries it makes to CBRS, whether on its own behalf or on behalf of other agencies of Wisconsin, are based upon written requests to or by the Department of Justice that contain the information required by the Gateway Screens, and (ii) that such inquiries, and the dissemination and any permitted redissemination of information obtained from CBRS in response to such inquiries, fully satisfy the requirements of this letter and the Memorandum of Understanding. All written requests relating to all CBRS inquiries hereunder shall be retained in the files of the Department of Justice.

5. Information about Wisconsin Inquiries.

(a) Information entered by the Department of Justice on the Gateway Screens (and a record of the information in CBRS searched for each query) will be made a part of the internal data bases maintained by FinCEN.

(b) If a subject queried by the Department of Justice is subsequently queried by an agency of another state that is participating in Project Gateway, FinCEN may, without prior permission, concurrently notify the agency of such other state

and the Department of Justice of the match of information about the two queries, provided that no concurrent notification will take place in situations in which the summary record on the Gateway Screens completed by the Department of Justice is specially marked to indicate the sensitive nature of the inquiry involved.

(c) In all other cases, no information entered on the Gateway Screens will be disseminated by FinCEN without the permission of the Department of Justice, but FinCEN may, if permission is declined, inform the agency to which such information would have been given if permission had been granted, that such agency should contact the Department of Justice directly to obtain possible additional information.

6. Reports. The Department of Justice will supply FinCEN regularly with a report or reports of the status or results of cases in which Gateway inquiries are made and such other statistical information about Wisconsin's participation in Project Gateway as FinCEN may reasonably require. Each such report, which, at FinCEN's request, may be made either manually or electronically, shall include the status of the investigation or prosecution involved and the contribution, if any, that the information supplied by the Gateway inquiry made to the building or success of the matter.

7. Security; Authorized Employees.

(a) In implementing Paragraph 9 of the Memorandum of Understanding, the Department of Justice agrees to follow the

steps outlined in or pursuant to the Gateway Security Plan attached to this letter agreement. The Department of Justice will supply FinCEN with the names of all employees of the Department of Justice who are authorized to become Gateway users, together with such identifying data for such individuals as FinCEN and the DCC shall require for the purpose of controlling and auditing access to CBRS and observance of the terms of this letter agreement. All such employees shall have been the subject of a satisfactory background investigation completed in accordance with the policies outlined in the Gateway Security Plan. Only after such employees have been trained by FinCEN on the use of CBRS and the terms of Project Gateway shall such employees be eligible for access to CBRS through Project Gateway.

(b) Wisconsin shall notify FinCEN immediately in the event that the Department of Justice or any other agency of Wisconsin either imposes sanctions upon, or revokes the access of, one of its employees who has been given CBRS access through Project Gateway, or discovers any unauthorized use of BSA Information.

8. Training. FinCEN and the DCC will train two representatives of Wisconsin in the use of CBRS at FinCEN's expense. Additional training may be undertaken for other Wisconsin employees, as FinCEN's resources permit and at Wisconsin's expense.

9. Costs. At the outset, Wisconsin's access to CBRS through Project Gateway will be provided free of charge (other

than for telephone charges, which must be paid by Wisconsin), without prejudice to FinCEN's ability at a later date to condition such access to CBRS in the future on equitable cost-sharing arrangements, to apply the provisions of Paragraph 14 of the Memorandum of Understanding to extraordinary costs arising from the provision of BSA Information to Wisconsin under Project Gateway, or both.

10. Ownership of Records. BSA Information in the custody of Wisconsin will be deemed to constitute a record of FinCEN, and FinCEN will be deemed to have retained control of such BSA Information for purposes of the application of the provisions of the Freedom of Information Act, 5 U.S.C. section 552, the Privacy Act, 5 U.S.C. section 552a, any Wisconsin statutes of a similar nature, or any requests or demands for information made by judicial or administrative process to any agency of Wisconsin. Wisconsin agrees to notify the FinCEN contact point identified in the Memorandum of Understanding in the event that Wisconsin is served with a subpoena or other request for BSA Information retrieved from CBRS through Project Gateway.

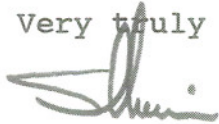
11. Effective Date; Termination. This letter agreement shall become effective as of the first Monday immediately following the date on which it is signed on behalf of Wisconsin, and may be terminated by either party upon 30 days' written notice to the other, provided that FinCEN and the DCC may without notice suspend temporarily the access of Wisconsin to

CBRS if such suspension is required, in the judgment of FinCEN or the DCC, for reasons of security or failure to observe the terms of this letter.

12. Status of Memorandum of Understanding. Wisconsin's electronic access to CBRS through Project Gateway is being granted as a method of increasing the efficiency of the assistance of FinCEN to Wisconsin contemplated by the Memorandum of Understanding. All of the terms of the Memorandum of Understanding, as modified by this letter agreement, apply to Project Gateway.

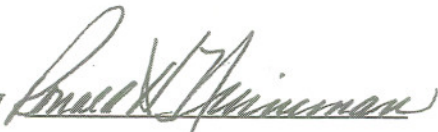
Kindly acknowledge the agreement of Wisconsin to the terms stated above, and your authorization to make such agreement on its behalf, by signing the enclosed copy of this letter agreement in the space indicated below and returning it to FinCEN, whereupon Wisconsin will be authorized to participate in Project Gateway.

Very truly yours,



Stanley E. Morris  
Director

Accepted and agreed to  
this 20<sup>th</sup> day of March 1995,  
State of Wisconsin,

by 

Ronald H. Ninneman  
Administrator, Division of Narcotics Enforcement  
Wisconsin Department of Justice



FINANCIAL CRIMES  
ENFORCEMENT NETWORK

2070 Chain Bridge Road, Suite 200, Vienna, VA 22182, Telephone (703) 905-3520



Ronald H. Ninneman  
Administrator  
Wisconsin Department of Justice  
Post Office Box 2188  
Madison, Wisconsin 53701-3701

Suspicious Activity Report Access  
for Wisconsin Department of Justice

Dear Mr. Ninneman:

This letter states the terms under which the Wisconsin Department of Justice (the "Department of Justice") may use the Suspicious Activity Reporting System (the "SAR System") maintained by the Financial Crimes Enforcement Network ("FinCEN") of the United States Department of the Treasury, on behalf of the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, the National Credit Union Administration (collectively, the "Federal Supervisory Agencies"), and FinCEN itself.

1. Suspicious Activity Reports. The Federal Supervisory Agencies and FinCEN have published final rules to create an integrated system for the reporting by banks of suspicious activity and known or suspected crimes relating to the operation of such institutions. The system is based on a single uniform Suspicious Activity Report (a "SAR"), filed with FinCEN.

2. The SAR System. The SAR System has been created for the retention, retrieval, and dissemination of information contained on SARs ("SAR Information"). The SAR System, and

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access thereto, is maintained by FinCEN under an agreement among FinCEN and the Federal Supervisory Agencies and is housed at the Detroit Computing Center (the "DCC") of the Internal Revenue Service.

3. Wisconsin FinCEN Coordinator. The Department of Justice is the FinCEN State Coordinator for Wisconsin, under the terms of a Memorandum of Understanding, dated as of April 24, 1992, that governs generally the exchange of information and related cooperation between FinCEN and Wisconsin. On March 20, 1995, the Administrator of the Department of Justice signed a letter agreement with FinCEN (the "Gateway Agreement"), governing Wisconsin's access to information ("BSA Information") collected by the United States Department of the Treasury under Subchapter II of Chapter 53 of Title 31 of the United States Code, 31 U.S.C. section 5311, et seq. (the "Bank Secrecy Act"). BSA Information and the Currency Banking and Retrieval System ("CBRS") are available through Project Gateway and are housed at the DCC.

4. Gateway Access to SAR Information. Authorized employees of the Department of Justice may make direct electronic queries of the files of SAR Information contained in the SAR System through the Gateway access system described in the Gateway Agreement. In so doing they shall be subject to all of the terms of the Gateway Agreement, as if SAR Information and the SAR System were explicitly described in that Agreement as components of BSA Information and CBRS respectively.

5. Special Coordination Requirements. Federal law enforcement agencies have primary jurisdiction to investigate violations of federal law reported on SARs. Accordingly, in addition to the requirements of the Gateway Agreement, the Department of Justice, as an additional condition for access to the SAR System, agrees to fully coordinate any investigative or enforcement activity related to SAR Information with any federal law enforcement or federal bank supervisory agency that is conducting an investigative or enforcement activity with respect to the same SAR Information.

Kindly acknowledge your agreement to the terms stated above, and your authorization to make such agreement on Wisconsin's behalf, by signing this letter in the space indicated below and returning it to FinCEN, whereupon this letter shall become an agreement between the Department of Justice and the United States Department of the Treasury, and the Department of Justice will be authorized to use the SAR System.

Very truly yours,



Stanley E. Morris  
Director

Accepted and agreed to  
this 18<sup>th</sup> day of June, 1996,  
State of Wisconsin,

by 

Ronald H. Ninneman  
Administrator  
Wisconsin Department of Justice