



Suspicious Activity Reports

FIL-69-95
October 10, 1995

TO: CHIEF EXECUTIVE OFFICER

SUBJECT: *New Form for Reporting Suspicious Criminal Activity*

The federal regulators, working with federal law enforcement authorities and the U.S. Treasury Department, have developed a prototype of a new form for reporting suspected criminal activity to the government. The Suspicious Activity Report (SAR) will replace the agencies' various criminal referral forms along with the reporting of suspicious transactions on the Currency Transaction Report (CTR). It is expected that the use of a single uniform reporting form sent to a single location will significantly improve the reporting process. The new form also is considerably simpler and more streamlined than previous criminal referral forms and CTR forms.

To prepare your institution for the new reporting procedures, we have enclosed an advance copy of the SAR and a draft copy of the instructions that will accompany the form. The final instructions will be prepared jointly by the regulators and Treasury's Financial Crimes Enforcement Network (FinCEN). The regulators and the Treasury expect to issue final reporting rules, to distribute a final SAR and instructions, and to inaugurate the new reporting system within the next 90 days. **Until the new SAR and reporting system are finalized, you should continue using the FDIC's current criminal referral forms and instructions.**

Also, as noted in a separate mailing, starting October 1, 1995, institutions can no longer report suspicious currency transactions to the Treasury on that agency's revised CTR form (see FIL-70-95: Inactive Financial Institution Letters: dated October 12, 1995). Therefore, banks should use the FDIC's current criminal referral forms to report suspicious transactions that previously would have been reported by checking the "suspicious" box on the Treasury's CTR form.

Computer software is being developed to enable your institution to prepare the new SAR by computer and to file the SAR on magnetic media, such as a diskette or tape. When completed, the software will be available to your institution at no charge. If you wish to file SARs using your own computer system instead, you may obtain the proper electronic format from the Treasury Department by writing or calling Barbara Rosenberg, SAR Magnetic Media Coordinator, IRS Detroit Computing Center, 985 Michigan Avenue, Detroit, MI 48226 (telephone 313-234-1422). Financial institutions that currently file CTRs by magnetic tape will automatically receive the specifications from the IRS Detroit Computing Center.

If you have any questions, please contact the FDIC's Special Activities Section at 202-898-6750.

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Attachment (not yet available)

Distribution: FDIC-Supervised Banks (Commercial and Savings)