



Federal Deposit Insurance Corporation  
550 17th Street NW, Washington, DC 20429

Division of Supervision

## SPECIAL ALERT

FIL-102-2001  
December 4, 2001

TO: CHIEF EXECUTIVE OFFICER

SUBJECT: *Guidance on Requests for Information Related to Terrorist Activity*

Since the September 11, 2001, tragedy, financial institutions have received several "Special Alerts" regarding terrorist activity. Banking organizations were provided with names on the Federal Bureau of Investigation's suspected terrorist list as well as new names added to the Department of the Treasury's Office of Foreign Assets Control (OFAC) Specially Designated Nationals and Blocked Persons list. In some instances, names of individuals and organizations may appear on both lists. In addition, financial institutions were asked to voluntarily report suspicious transactions that may relate to recent terrorist activity against the United States. Due to the number of similar requests that financial institutions are receiving, the Federal Deposit Insurance Corporation (FDIC) is issuing this guidance to clarify instructions about each request.

First, as a longstanding practice, the FDIC has regularly distributed lists published by OFAC to FDIC-supervised institutions. OFAC administers and enforces economic and trade sanctions under Presidential wartime and national emergency powers, as well as authority granted by specific legislation, to impose controls on transactions and freeze foreign assets under U.S. jurisdiction. OFAC is responsible for issuing regulations that restrict transactions by U.S. persons or entities (including banks) with certain foreign countries, their nationals, "specially designated nationals," or designated foreign terrorist organizations. Violations of these laws can expose financial institutions to substantial penalties.

All FDIC-supervised institutions should check records for property that is required to be blocked. Examples of property include direct or indirect interest in deposit accounts, loans, trust accounts, letters of credit, trade acceptances, negotiable instruments, checks, contracts or any tangible or intangible thing of value. A Suspicious Activity Report (SAR) is not required for matches to the OFAC list; however, banks are instructed to contact OFAC's hotline at 1-800-540-6322 for reporting requirements or questions about OFAC regulations. Banks should be aware of the likelihood that the OFAC list will frequently change as the investigation of terrorist activities continues. Banks should periodically visit the OFAC Web site for up-to-date information at <http://www.treas.gov/offices/enforcement/ofac/>.

Second, the FDIC has encouraged financial institutions to cooperate with law enforcement in the investigation of terrorist activity in the United States. Banks are encouraged to cooperate in two ways - by searching records for names of persons who may be related to terrorist activity, and by using the Treasury Department's Financial Crimes Enforcement Network's (FinCEN) **Financial Institutions Hotline at 1-866-556-3974**. In Financial Institution Letter 87-2001, dated September 28, 2001, banking organizations were asked to voluntarily report suspicious transactions related to terrorist activity to law enforcement using this hotline. The hotline operates seven days a week, 24 hours a day. The hotline's purpose is to provide to law enforcement the nature of the suspicious activity expeditiously.

Through the FDIC Advisory System, the FDIC will periodically circulate confidential lists of entities and individuals who are relevant to the investigation of terrorist activity. The list, known as the "Control List," is provided by law enforcement. Financial institutions are requested to check their records for any relationships or transactions with named entities or individuals. An e-mail message indicating only a positive response should be sent to [suspicious.accounts@ny.frb.org](mailto:suspicious.accounts@ny.frb.org). Law enforcement authorities will subpoena your bank for relevant information needed to assist them in their investigation. The funds belonging to persons named on the Control List should NOT be blocked UNLESS the entity or individual is also on the OFAC Specially Designated Nationals List. Banks should be aware that the Control List may frequently change as the investigation of terrorist activities continues. Questions or comments about the Control List may be directed to [fdicadvisory@fdic.gov](mailto:fdicadvisory@fdic.gov).

Notwithstanding the use of the Financial Institutions Hotline and/or the [suspicious.accounts@ny.frb.org](mailto:suspicious.accounts@ny.frb.org) e-mail, banks are required to file a Suspicious Activity Report with the Internal Revenue Service's Detroit Computing Center as soon as possible in accordance with 12 CFR Part 353. The SAR form, along with the instructions, may be found at [http://www.fincen.gov/reg\\_bsaforms.html](http://www.fincen.gov/reg_bsaforms.html).

Questions about suspicious activity reporting requirements should be directed to the FDIC's Special Activities Section at (202) 898-6750. Questions or comments about FDIC Special Alerts may be directed to [alert@fdic.gov](mailto:alert@fdic.gov).

For your reference, all FDIC Financial Institution Letters published since 1995 may be found on the FDIC's Web site at [www.fdic.gov](http://www.fdic.gov) under "Newsroom, Events & FOIA." To learn how to automatically receive FDIC Financial Institution Letters through e-mail, please visit <http://www.fdic.gov/news/news/announcements/index.html>.

Michael J. Zamorski  
Director

Distribution: FDIC-Supervised Banks (Commercial and Savings)

NOTE: Paper copies of FDIC financial institution letters may be obtained through the FDIC's Public Information Center, 801 17th Street, NW, Room 100, Washington, DC 20434 (800-276-6003 or (703) 562-2200).