Agenda

• Structure of a Financial Crimes Intelligence Unit
• What is suspicious activity?
• Detecting and Investigating
• Reporting requirements
• Contacting Law Enforcement
• Current Trends
Bank Secrecy Act

1970 – Passed by Congress and signed into law by President Nixon

1992 – Annunzio Wylie AML Act

2001 – utilizing and strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism

2018 – Beneficial Ownership
4 Pillars of a BSA Program
Components of a BSA Program

- BSA Officer
- Training Program
- Board Reporting
- Independent Review
- Monitoring
- Investigations
- Policies Procedures
Potential Money Laundering

- Employee Referrals
- Transaction Monitoring
- Law Enforcement Inquiries
- Subpoenas
- Negative News
- 314 B
SAR Requirements

• Total Suspicious Activity is $5K or more with a basis of identifying a suspect

• Broker Dealer—Total Activity is $5K or more regardless of ability to identify a suspect

• Total Activity is $25K or more regardless of ability to identify a suspect.

• The activity involves an insider

• Must be filed within 30 calendar days
Investigation

Internal Systems
- Account Activity
- Customer Profile Information
- Other Accounts

Open Source Information
- Vendor Tools
- Negative News
- Court Records
- Social Media

Video
- Does the video indicate multiple parties?
What is Suspicious Activity?

• Does the activity make sense based on what you know about the customer?
SAR Narrative Format

• Summary
  – Brief Overview of the Purpose of the SAR

• Details of Investigation

• Conclusion
  – Summary of Investigative Findings
  – How to Obtain Supporting Documentation
Engaging Law Enforcement

• **Financial Crimes Enforcement Network (FinCEN)**
  – FIU for the U.S.
  – Provides information to law enforcement related to SARs

• **Egregious**
  – Terrorism
  – Human Trafficking
  – Bulk Cash
Trends

• Emerging Technology
  – P2P Payments
  – ATM OTP

• Online Scams

• Funnel Account Activity