

FEDERAL RESERVE BANK OF SAN FRANCISCO  
101 MARKET STREET, SAN FRANCISCO, CALIFORNIA 94105

June 12, 2003

**BANKING SUPERVISION AND REGULATION:  
REVISED SUSPICIOUS ACTIVITY REPORT FORM**

To State Member Banks, Bank  
Holding Companies, U.S. Branches  
and Agencies of Foreign Banks,  
and Others Concerned,  
in the Twelfth Federal Reserve District

**Revisions to the Suspicious Activity Report Form (SR 03-12)**

In 1985, the Federal Reserve, along with the other federal financial institution regulatory agencies, issued procedures to be used by banks and other financial institutions operating in the United States to report known or suspected criminal activities to the appropriate law enforcement authorities and bank supervisors. Since 1996, the federal financial institution supervisory agencies and the Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) have required banking organizations to report known or suspected violations of law as well as suspicious transactions on Suspicious Activity Reports (SARs). Law enforcement agencies use the information reported on the form to initiate investigations, and Federal Reserve staff uses the information in the examination and oversight of supervised institutions. The Board's SAR rules apply to state member banks, bank holding companies and their nonbank subsidiaries that do not report on a different SAR form (for example, broker-dealers), Edge and agreement corporations, and the U.S. branches and agencies of foreign banks supervised by the Federal Reserve.

The Federal Reserve, the other federal financial institutions regulatory agencies, and FinCEN revised the SAR form, which will be effective on July 1, 2003. The newly revised SAR form adds two check boxes to Part III for noting known or suspected terrorist financing activities and identity theft, and updates the "safe harbor" language in the SAR instructions to reflect changes made by the USA PATRIOT Act.<sup>1</sup> You can download the report form for your use at FinCEN's web site at <http://www.fincen.gov/f9022-47-1a.pdf>.

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**Additional Information**

All circulars and documents are available on the Internet through the Federal Reserve Bank of San Francisco's Internet site, at <http://www.frbsf.org/banking/letters>. Paper copies of SR 03-12 are available from our Corporate Services Department. To request copies to be sent by mail, please call (415) 974-2060.

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<sup>1</sup> The USA PATRIOT Act clarified the "safe harbor" provision relating to the non-disclosure of SARs in arbitration proceedings.

For additional information about the updated Suspicious Activity Report form, please contact our Banking Supervision and Regulation Department at (415) 974-2896.

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