

DATE: [Insert Date]

TO: [Insert Employee Name/Department]

FROM: [Insert Compliance Officer Name/Title]

SUBJECT: MANDATORY NOTICE: Confidentiality of Suspicious Activity Reports (SARs)

Dear [Insert Name],

This memorandum serves as a formal reminder of your legal obligations under the Bank Secrecy Act (BSA) and 31 U.S.C. 5318(g)(2) regarding the strict confidentiality of Suspicious Activity Reports (SARs).

1. Prohibition on Disclosure: Federal law strictly prohibits the disclosure of a SAR, or any information that would reveal the existence of a SAR, to any person involved in the transaction. This includes the individual or entity that is the subject of the report.

2. Authorized Sharing: SAR information may only be shared with internal personnel who have a legitimate "need to know" for the performance of their duties, or with authorized government agencies and law enforcement as permitted by law.

3. Civil and Criminal Penalties: Unauthorized disclosure of a SAR is a violation of federal law. Such violations may result in significant civil money penalties, criminal fines, and imprisonment for the individual responsible for the disclosure.

4. Internal Procedure: If you receive a subpoena, a request from a third party, or an inquiry from a customer regarding the filing of a SAR, you must not confirm or deny its existence. Immediately escalate any such inquiries to the Bank Secrecy Act Officer.

By continuing your duties, you acknowledge your understanding of these non-disclosure requirements and the legal consequences of non-compliance.

Sincerely,

[Signature]

[Printed Name]

BSA Compliance Officer

[Institution Name]