

STRICTLY CONFIDENTIAL

To: [Employee Name]
Employee ID: [ID Number]
Department: [Department Name]

Date: [Current Date]

Subject: Statutory Warning Regarding Non-Disclosure of Suspicious Activity Reports (SARs)

Dear [Employee Name],

This formal letter serves as a statutory warning regarding the legal and regulatory requirements surrounding Suspicious Activity Reports (SARs) and the prohibition of "Tipping Off."

It has come to the attention of the Compliance Department that there may have been a risk of unauthorized disclosure regarding internal investigations or the filing of a SAR. You are hereby reminded of your legal obligations under [Insert Applicable Law, e.g., The Proceeds of Crime Act / Bank Secrecy Act].

Prohibition of Disclosure:

Under prevailing Anti-Money Laundering (AML) laws, it is a criminal offense to disclose to any person that a SAR has been filed, or that an investigation into a suspicious transaction is being conducted. This is commonly referred to as "Tipping Off."

Legal Consequences:

Failure to adhere to these confidentiality requirements may result in:

- Personal criminal prosecution and imprisonment.
- Substantial financial penalties and fines.
- Immediate termination of employment for gross misconduct.
- Permanent debarment from the financial services industry.

Instructions:

You are instructed to maintain absolute confidentiality regarding all internal compliance queries and reporting processes. You must not discuss these matters with the client involved, unauthorized colleagues, or any external third parties.

Please acknowledge receipt of this warning by signing below and returning a copy to the Compliance Officer immediately.

Sincerely,

[Signature]

[Name of Compliance Officer]

[Job Title]

[Organization Name]

Acknowledgment of Receipt:

I confirm that I have read, understood, and will comply with the statutory requirements outlined in this letter.

Signature: _____ Date: _____