

DATE: [Insert Date]

TO: [Insert Compliance Officer Name/Department]

FROM: [Insert Auditor/Examiner Name]

RE: Notice of BSA/AML Suspicious Activity Reporting (SAR) Deficiency

Dear [Insert Name],

This letter serves as formal notification regarding deficiencies identified during a recent review of the institution's Bank Secrecy Act (BSA) compliance program, specifically concerning Suspicious Activity Reporting (SAR) protocols.

Description of Deficiency:

[Insert detailed description of the finding, e.g., failure to file, untimely filing, or incomplete narratives].

Regulatory Reference:

This finding is a violation of [Insert Regulation, e.g., 31 CFR § 1020.320], which requires financial institutions to report suspicious transactions relevant to a possible violation of law or regulation.

Required Corrective Action:

The institution must take the following steps to remediate this deficiency:

- [Action 1: e.g., File retroactive SARs for the identified transactions.]
- [Action 2: e.g., Update internal monitoring software parameters.]
- [Action 3: e.g., Conduct staff re-training on SAR narrative requirements.]

Response Deadline:

Please provide a written response and a timeline for the completion of the corrective actions listed above by [Insert Date].

Failure to address these deficiencies may result in further regulatory scrutiny or enforcement actions.

Sincerely,

[Your Signature]

[Your Printed Name]

[Your Title]