

Date: [Insert Date]

To: [Employee Name]

Employee ID: [Insert ID]

Department: [Insert Department]

Subject: Formal Sanction - Failure to Identify and Report Suspicious Activity

Dear [Employee Name],

This letter serves as a formal sanction regarding your failure to adhere to the company's Anti-Money Laundering (AML) and Compliance policies. Specifically, it has been determined that on [Date of Incident/Period], you failed to identify and report suspicious activity as required by your job responsibilities and company training.

Details of the Incident:

[Insert brief description of the transaction or behavior that should have been flagged].

Our records indicate that you have completed the mandatory compliance training on [Date of Training]. Despite this, the red flags associated with this activity were overlooked or ignored, creating a significant regulatory and financial risk for the organization.

Action Taken:

As a result of this policy violation, the following disciplinary action is being taken:
[Select one: Written Warning / Final Written Warning / Suspension / Other].

Required Remediation:

1. You are required to attend a mandatory retraining session on [Date/Time].
2. Your work will be subject to heightened supervision for a period of [Insert Time Frame].
3. You must review and acknowledge the updated Compliance Manual by [Date].

Failure to demonstrate immediate improvement or any further violations of company compliance protocols will result in further disciplinary action, up to and including termination of employment.

Please sign below to acknowledge receipt of this letter.

Regards,

[Your Name]

[Your Title]

[Company Name]

Employee Acknowledgment:

Signature: _____ Date: _____