

**Date:** [Insert Date]

**To:** [Employee Name]

**Position:** [Employee Job Title]

**From:** [Manager Name/Compliance Officer]

**Subject:** First Written Warning: Failure to Report Suspicious Activity

Dear [Employee Name],

This letter serves as a formal written warning regarding your failure to fulfill the mandatory reporting requirements outlined in the company's Anti-Money Laundering (AML) and Compliance policies.

**Description of Incident:**

On [Date of Incident/Discovery], it was determined that you failed to file a Suspicious Activity Report (SAR) or internal notification regarding the following transaction/client activity: [Brief Description of Omission].

**Policy Violation:**

Your failure to report this activity is a violation of [Policy Name/Section Number] and applicable regulatory requirements. Identifying and reporting suspicious activity is a critical job function necessary to protect the organization from legal and reputational risk.

**Required Corrective Action:**

Effective immediately, you are required to:

1. Re-read the Company Compliance Manual and SAR Reporting Procedures.
2. Complete mandatory remedial AML training by [Deadline Date].
3. Ensure all future suspicious indicators are escalated immediately to the Compliance Department.

**Consequences of Further Omissions:**

Failure to improve performance or any further instances of non-compliance may lead to additional disciplinary action, up to and including termination of employment.

Please sign below to acknowledge receipt of this warning.

**Employee Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Manager Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_