

Date: [Insert Date]

To: [Employee Name]

Employee ID: [Insert ID]

Subject: SEVERE WARNING: Failure to Comply with Suspicious Activity Reporting Protocols

Dear [Employee Name],

This letter serves as a formal severe warning regarding your failure to comply with the company's mandatory Anti-Money Laundering (AML) and Suspicious Activity Report (SAR) escalation procedures. It has been determined that on [Date], you failed to timely escalate suspicious activity involving [Transaction Reference/Client Name].

Compliance with suspicious activity reporting is a critical legal and regulatory requirement. Your failure to adhere to these protocols exposes the organization to significant legal penalties, financial loss, and reputational damage. This oversight constitutes a serious breach of your professional responsibilities and company policy.

Required Immediate Actions:

- You must complete a mandatory retraining session on Compliance and Escalation Procedures by [Date].
- You must strictly adhere to all internal reporting timelines and protocols moving forward.
- A meeting with the Compliance Officer is scheduled for [Date/Time] to discuss this incident.

Please be advised that this is a severe warning. Any further instances of non-compliance, or a failure to report suspicious activity in the future, will lead to further disciplinary action, up to and including immediate termination of employment.

A copy of this warning will be placed in your permanent personnel file.

Sincerely,

[Your Name]

[Your Title]

[Department Name]

Employee Acknowledgment:

I acknowledge that I have received this warning and understand the gravity of the non-compliance. I understand that further violations will result in termination.

Signature: _____ Date: _____