

The SAR Activity Review

Trends
Tips &
Issues

Issue 4

August 2002



The
SAR
Activity
Review

Trends

Tips &

Issues

Issue 4

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August 2002

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Introduction

The *SAR Activity Review-Trends, Tips and Issues* is the product of continuing dialogue and close collaboration among the nation's financial institutions, law enforcement officials, and regulatory agencies to provide meaningful information about the preparation, use, and value of suspicious activity reports (SARs) filed by financial institutions.

This publication reflects the recognition of the relevant government agencies and the nation's financial institutions of the desirability of a continuing exchange of information between the private and public sectors to improve the SAR System. These financial institutions and government agencies include, among others, the American Bankers Association; Independent Community Bankers of America; American Institute of Certified Public Accountants; Securities Industry Association; Non-Bank Funds Transmitters Group; Federal Reserve Board; Office of the Comptroller of the Currency; Federal Deposit Insurance Corporation; Office of Thrift Supervision; National Credit Union Administration; Federal Bureau of Investigation; U.S. Department of Justice's Criminal Division and Asset Forfeiture & Money Laundering Section; U.S. Department of Treasury's Office of Enforcement; U.S. Customs Service; U.S. Secret Service; Internal Revenue Service; and Financial Crimes Enforcement Network.

The *SAR Activity Review* is published semiannually. The previous issues were released in October 2000, June 2001, and October 2001. Analytic reports, issue papers, and other publications related to, or resulting from, information contained in the *SAR Activity Review* may be published separately.

Questions, comments and other feedback concerning the *SAR Activity Review* are welcome. A feedback sheet is included on the next page. Comments may also be addressed to either or both of the *SAR Activity Review* project co-chairs:

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Feedback Form

Department of the Treasury · Financial Crimes Enforcement Network

*Your feedback is important and will assist us in planning future issues of the **SAR Activity Review**. Please take the time to complete this form. Thank you for your cooperation.*

A. Please indicate your level of satisfaction with each section of the *SAR Activity Review*.

1=Not Useful, 5=Very Useful

a. SAR Statistics	1	2	3	4	5
b. Trends and Analysis	1	2	3	4	5
c. Other SAR Analysis Issues	1	2	3	4	5
d. Law Enforcement Cases	1	2	3	4	5
e. Tips on SAR Form Preparation and Filing	1	2	3	4	5
f. SAR News Update	1	2	3	4	4
g. Issues and Guidance	1	2	3	4	5
h. Industry Forum	1	2	3	4	5

B. How do you use this report?

- a. Training _____
- b. Background Information Resource _____
- c. Analytic Tool _____
- d. Increase Management Awareness _____
- e. Comparison of statistics _____
- f. Make changes to your compliance program _____
- g. Audit/Exam preparation _____
- h. Other (identify) _____

C. With whom have you shared the *SAR Activity Review*?

- a. Your Staff
- b. Your colleagues
- c. Senior management
- d. Board/audit committee

D. Have you discussed the *SAR Activity Review* at management meetings? [] Yes [] No

E. How did you receive the *SAR Activity Review*?

- a. At the ABA/ABA Money Laundering Enforcement Seminar _____
- b. On an Agency's Website _____
- c. From a Law or Accounting Firm _____
- d. Other _____

F. Which of the following best describes your job position? (Check one)

- | | | |
|---|--|---|
| a. <input type="checkbox"/> CEO/COO | d. <input type="checkbox"/> Operations | g. <input type="checkbox"/> Security |
| b. <input type="checkbox"/> Compliance | e. <input type="checkbox"/> Legal | h. <input type="checkbox"/> Government |
| c. <input type="checkbox"/> Risk Management | f. <input type="checkbox"/> Audit | i. <input type="checkbox"/> Other _____ |

G. Which of the previous issues have you read? (Check all that apply)

- October 2000 June 2001 October 2001

H. Any Additional Suggestions or Comments?

Thank you for your feedback.

Send your Feedback Form to:

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Section 1

Suspicious Activity Report Statistics¹

April 1, 1996 – May 31, 2002

The statistics on the following pages relate to SARs filed since April 1996 by depository institutions (i.e., banks, thrifts, savings and loans, and credit unions). A small part of the total volume relates to reports filed by affiliates of depository institutions or, in some cases, filed voluntarily by brokers and dealers in securities who are not affiliated with banks; money services businesses; or gaming businesses that, at this time, are not yet required under the Bank Secrecy Act (BSA) to file SARs.

Note: SAR statistical data is continuously updated as additional reports are filed and processed. For this reason, there may be minor discrepancies between the statistical figures contained in the various portions of this report or in previous reports.

Exhibit 1

SAR Filings by Year and Month

	Number of Filings						
	1996	1997	1998	1999	2000	2001	2002
January	-	6,123	6,832	8,621	13,399	13,767	19,424
February	-	5,519	7,055	9,949	13,634	14,660	17,881
March	-	6,850	8,938	11,492	15,154	16,084	25,037
April	2,170	7,184	8,057	9,478	11,499	15,357	19,249
May	4,404	6,754	7,409	10,400	13,674	16,335	26,562
June	6,070	6,696	8,737	10,956	13,963	14,387	
July	6,907	7,175	8,757	8,518	12,611	16,823	
August	6,567	6,332	8,532	10,484	14,111	19,203	
September	6,938	7,561	7,577	8,471	13,321	14,283	
October	7,474	7,439	8,165	9,843	13,148	20,571	
November	5,029	5,960	7,848	11,243	14,437	20,444	
December	6,510	7,604	8,614	11,050	13,769	21,624	
Subtotal	52,069	81,197	96,521	120,505	162,720	203,538	108,153
<i>Total Filings</i>	824,703						

¹ Statistics generated for this study were based on the Document Control Number (DCN) of each record within the SAR system. The DCN is a unique number assigned to each SAR submitted. Numeric discrepancies between total number of filings and the combined number of filings of states and/or territories are a result of multiple filers listed on one or more SARs.

Exhibit 2
SAR Filings by States and Territories
 —For the Period April 1, 1996 through May 31, 2002—

State/Territory	1996	1997	1998	1999	2000	2001	2002
Alabama	362	445	406	528	689	1,156	492
Alaska	65	59	131	157	353	287	161
American Samoa	2	0	7	2	10	2	4
Arizona	1,905	3,104	2,392	2,505	3,894	4,350	4,813
Arkansas	206	335	297	430	560	694	417
California	12,631	18,143	22,836	24,995	43,304	54,467	25,448
Colorado	881	1,069	1,475	1,679	2,146	3,526	2,019
Connecticut	422	785	937	4,449	4,873	4,445	2,206
Delaware	1,136	1,429	1,657	2,004	3,670	4,360	2,574
District of Columbia	174	233	274	285	467	594	315
Federated States of Micronesia	1	3	3	1	3	1	0
Florida	4,195	6,560	6,988	7,913	9,918	12,434	7,169
Georgia	907	1,492	1,656	2,205	3,141	4,112	2,270
Guam	27	80	52	84	73	90	53
Hawaii	406	536	553	550	731	982	455
Idaho	109	150	120	186	402	401	122
Illinois	1,601	2,763	2,863	3,793	4,790	5,727	3,549
Indiana	596	764	955	1,163	1,349	1,638	1,007
Iowa	267	363	325	427	493	838	410
Kansas	275	287	362	555	520	838	603
Kentucky	271	388	424	751	853	1,334	665
Louisiana	500	594	666	902	1,943	2,312	1,303
Maine	120	186	189	213	241	325	177
Marshall Islands	0	0	0	2	0	1	1
Maryland	652	937	1,182	1,537	2,069	2,249	1,377
Massachusetts	885	1,402	1,828	2,477	2,747	3,220	2,300
Michigan	1,175	1,719	1,848	2,746	3,765	4,880	2,089
Minnesota	1,000	2,266	2,208	2,511	2,893	3,379	1,855
Mississippi	160	251	222	283	521	693	292
Missouri	638	966	1,139	1,215	1,590	2,472	1,166
Montana	71	107	100	152	220	284	95
Nebraska	194	249	315	371	615	835	516
Nevada	695	1,486	1,966	2,063	3,074	3,221	1,441
New Hampshire	273	506	416	573	448	1,018	527
New Jersey	949	1,530	2,377	3,349	4,197	5,694	3,227

Exhibit 2 (continued)
SAR Filings by States and Territories
—For the Period April 1, 1996 through May 31, 2002—

State/Territory	1996	1997	1998	1999	2000	2001	2002
New Mexico	237	237	286	307	403	502	319
New York	5,511	9,661	13,297	17,748	19,138	23,737	12,672
North Carolina	939	1,621	2,063	2,366	2,978	3,238	1,578
North Dakota	43	215	212	122	224	224	99
Northern Mariana Islands	22	5	13	33	57	41	28
Ohio	975	1,722	2,198	2,295	3,319	4,536	2,287
Oklahoma	395	497	503	698	813	897	522
Oregon	602	1,117	1,196	1,807	2,471	2,813	815
Overseas	12	39	7	2	22	20	10
Palau	0	0	0	0	0	3	1
Pennsylvania	1,510	2,481	2,409	3,571	3,535	4,498	2,969
Puerto Rico	188	562	440	316	1,063	1,237	794
Rhode Island	166	290	283	503	495	530	394
South Carolina	312	563	627	668	733	963	569
South Dakota	326	430	547	675	267	478	1,543
Tennessee	569	799	890	993	1,555	2,036	868
Texas	4,001	4,913	6,158	7,605	10,119	13,426	6,717
U.S. Virgin Islands	3	9	12	17	32	58	22
Unknown/Blank	318	205	28	26	19	34	79
Utah	387	882	1,068	1,361	2,219	2,673	1,277
Vermont	57	88	61	58	69	98	58
Virginia	634	1,208	1,501	1,535	2,001	3,014	1,365
Washington	771	1,733	2,176	3,124	3,362	3,989	1,303
West Virginia	114	154	161	154	182	173	107
Wisconsin	372	551	649	755	1,006	1,260	570
Wyoming	27	43	54	40	67	201	69

Exhibit 3

Frequency Distribution of SAR Filings Ranked by States
and Territories in Descending Order
—For the Period April 1, 1996 through May 31, 2002—

Rank	State/Territory	Filings (Overall)	Percentage ² (Overall)
1	California	201,824	24.50%
2	New York	101,764	12.35%
3	Florida	55,177	6.70%
4	Texas	52,939	6.43%
5	Illinois	25,086	3.05%
6	Arizona	22,963	2.79%
7	New Jersey	21,323	2.59%
8	Pennsylvania	20,973	2.55%
9	Michigan	18,222	2.21%
10	Connecticut	18,117	2.20%
11	Ohio	17,332	2.10%
12	Delaware	16,830	2.00%
13	Washington	16,458	2.00%
14	Minnesota	16,058	2.00%
15	Georgia	15,783	1.95%
16	Massachusetts	14,859	1.80%
17	North Carolina	14,783	1.79%
18	Nevada	13,946	1.69%
19	Colorado	12,795	1.55%
20	Virginia	11,258	1.37%
21	Oregon	10,821	1.31%
22	Maryland	10,003	1.21%
23	Utah	9,867	1.20%
24	Missouri	9,186	1.12%
25	Louisiana	8,220	1.00%
26	Tennessee	7,710	Less than 1%
27	Indiana	7,472	Less than 1%
28	Wisconsin	5,163	Less than 1%
29	Kentucky	4,686	Less than 1%
30	Puerto Rico	4,600	Less than 1%
31	South Carolina	4,435	Less than 1%
32	Oklahoma	4,325	Less than 1%
33	South Dakota	4,266	Less than 1%
34	Hawaii	4,213	Less than 1%

Exhibit 3 (continued)
 Frequency Distribution of SAR Filings Ranked by States
 and Territories in Descending Order
 —For the Period April 1, 1996 through May 31, 2002—

Rank	State/Territory	Filings (Overall)	Percentage² (Overall)
35	Alabama	4,078	Less than 1%
36	New Hampshire	3,761	Less than 1%
37	Kansas	3,440	Less than 1%
38	Iowa	3,123	Less than 1%
39	Nebraska	3,095	Less than 1%
40	Arkansas	2,939	Less than 1%
41	Rhode Island	2,661	Less than 1%
42	Mississippi	2,422	Less than 1%
43	District of Columbia	2,342	Less than 1%
44	New Mexico	2,291	Less than 1%
45	Idaho	1,490	Less than 1%
46	Maine	1,451	Less than 1%
47	Alaska	1,213	Less than 1%
48	North Dakota	1,139	Less than 1%
49	West Virginia	1,045	Less than 1%
50	Montana	1,029	Less than 1%
51	Blank/Unknown	709	Less than 1%
52	Wyoming	501	Less than 1%
53	Vermont	489	Less than 1%
54	Guam	459	Less than 1%
55	Northern Mariana Islands	199	Less than 1%
56	U.S. Virgin Islands	153	Less than 1%
57	Overseas	112	Less than 1%
58	American Samoa	27	Less than 1%
59	Federated States of Micronesia	12	Less than 1%
60	Marshall Islands	3	Less than 1%
61	Palau	3	Less than 1%

² All percentages are approximate.

Exhibit 4
Frequency Distribution of SAR Filings
by Characterization of Suspicious Activity in Descending Order
—For the Period April 1, 1996 through May 31, 2002—

Rank	Violation Type	Filings (Overall)	Percentage³ (Overall)
1	BSA/Structuring/Money Laundering	425,206	47.6%
2	Check Fraud	110,421	12.4%
3	Other	70,871	7.9%
4	Counterfeit Check	44,228	4.95%
5	Credit Card Fraud	38,073	4.26%
6	Unknown/Blank	36,151	4.0%
7	Defalcation Embezzlement	33,919	3.8%
8	Check Kiting	32,486	3.6%
9	Mortgage Loan Fraud	18,662	2.1%
10	Consumer Loan Fraud	17,468	1.96%
11	False Statement	16,165	1.8%
12	Mysterious Disappearance	12,067	1.35%
13	Misuse of Position or Self Dealing	11,786	1.3%
14	Commercial Loan Fraud	6,926	Less than 1%
16	Wire Transfer Fraud	5,806	Less than 1%
15	Debit Card Fraud	5,298	Less than 1%
17	Counterfeit Credit/Debit Card	3,630	Less than 1%
18	Counterfeit Instrument (Other)	2,661	Less than 1%
19	Bribery/Gratuity	888	Less than 1%
20	Computer Intrusion ⁴	656	Less than 1%

³ All percentages are approximate.

⁴ Separate box for this violation was added to form TD F 90-22.47 in June 2000. Statistics date from that period.

Exhibit 5
Frequency Distribution of SAR Filings
by Characterization of Suspicious Activity
—For the Period April 1, 1996 through May 31, 2002—

Violation	1996	1997	1998	1999	2000	2001	2002
BSA/Structuring/Money Laundering	21,655	35,625	47,223	60,983	90,606	108,925	60,189
Bribery/Gratuity	94	109	92	101	150	201	141
Check Fraud	9,078	13,245	13,767	16,232	19,637	26,012	12,450
Check Kiting	2,902	4,294	4,032	4,058	6,163	7,350	3,687
Commercial Loan Fraud	583	960	905	1,080	1,320	1,348	730
Computer Intrusion ⁵	0	0	0	0	65	419	172
Consumer Loan Fraud	1,190	2,048	2,183	2,548	3,432	4,143	1,924
Counterfeit Check	2,405	4,226	5,897	7,392	9,033	10,139	5,136
Counterfeit Credit/Debit Card	391	387	182	351	664	1,100	555
Counterfeit Instrument (Other)	219	294	263	3,20	474	769	322
Credit Card Fraud	3,340	5,075	4,377	4,936	6,275	8,393	5,677
Debit Card Fraud	261	612	565	721	1,210	1,437	492
Defalcation/Embezzlement	3,286	5,284	5,252	5,178	6,117	6,182	2,620
False Statement	1,880	2,200	1,970	2,376	3,051	3,232	1,456
Misuse of Position or Self Dealing	952	1,532	1,640	2,064	2,186	2,325	1,087
Mortgage Loan Fraud	1,318	1,720	2,269	2,934	3,515	4,696	2,210
Mysterious Disappearance	1,216	1,765	1,855	1,854	2,225	2,179	973
Wire Transfer Fraud	302	509	593	771	972	1,527	1,132
Other	4,836	6,675	8,583	8,739	11,148	18,318	12,572
Unknown/Blank	1,539	2,317	2,691	6,961	6,971	11,908	3,764

For statistical information on the Characterization of Suspicious Activity by States/Territories by Year see Appendix 1.

⁵ Separate box for this violation was added to form TD F 90-22.47 in June 2000. Statistics date from that period.

Exhibit 6

SAR Filings by Primary Federal Regulator⁶ —For the Period April 1, 1996 through May 31, 2002—

Regulator	Total Filings by Year						
	1996	1997	1998	1999	2000	2001	2002
Federal Reserve Board	5,875	9,581	10,800	14,656	18,269	23,198	11,162
Federal Deposit Insurance Corporation	10,339	14,909	14,735	15,883	20,089	28,750	16,018
Office of the Comptroller of the Currency	26,298	41,425	51,556	64,946	93,447	113,263	54,172
Office of Thrift Supervision	6,014	9,122	11,375	12,316	15,980	19,560	10,386
National Credit Union Administration	2,141	2,631	2,846	3,041	3,674	5,275	2,961
Unspecified	1,402	3,529	5,209	9,663	11,257	13,492	5,798

⁶ Unspecified regulator indicates that the SAR form was filed by a non-bank financial institution that is not directly supervised by one of the five agencies listed above. Such entities that have no regulatory requirements for the relevant periods that mandate SAR filings include, but are not limited to: money services businesses, insurance companies, and securities broker/dealers who are not affiliated with banks.

Exhibit 7

Direct Referrals of SARs by Financial Institutions to Law Enforcement⁷ and Regulatory Agencies —For the Period April 1, 1996 through May 31, 2002—

Exhibit 7 shows the number of times financial institutions that file SARs have also directly referred certain situations to law enforcement officials. The “direct referrals” in this edition of the *SAR Activity Review* have been tabulated by recording a count for each agency to which a direct referral was made. This method is appropriate since a situation giving rise to a single SAR can be referred to more than one agency. Such a tabulation accurately reflects the number of times particular law enforcement agencies received SAR information directly from filing institutions.

Agencies	1996	1997	1998	1999	2000	2001	2002	Total
Federal Law Enforcement								
Federal Bureau of Investigation	2,355	3,833	4,174	4,779	4,493	7,733	3,051	30,418
Internal Revenue Service	1,138	2,687	2,183	2,118	1,730	2,259	1,021	13,136
U.S. Secret Service	894	1,609	1,223	1,060	1,401	2,654	1,101	9,942
Postal Inspection Service	340	610	636	644	1,012	1,601	679	5,522
U.S. Attorney's Office	185	132	84	106	101	223	362	1,193
U.S. Customs Service	52	62	101	83	97	239	176	810
High Intensity Financial Crime Area	0	0	0	0	0	326	174	500
Department of the Treasury	55	56	30	43	23	64	17	288
Drug Enforcement Administration	11	18	23	8	123	79	46	308
Department of Justice	9	4	10	8	10	77	21	139
Office of Foreign Assets Control	1	2	3	0	5	66	25	102
Social Security Administration (IG)	4	9	11	8	9	31	40	112
<i>Sub-Total</i>	5,044	9,022	8,478	8,857	9,004	15,352	6,713	62,470
Other Federal Law Enforcement	42	85	101	103	108	228	789	1,456
Total Federal Law Enforcement	5,086	9,107	8,579	8,960	9,112	15,580	7,502	63,926
Regulatory								
Federal Deposit Insurance Corporation	24	26	25	22	42	153	117	409
Federal Reserve Board	46	29	27	13	15	263	30	423
Office of the Comptroller of the Currency	17	21	19	24	37	102	55	275

Exhibit 7 (continued)
 Direct Referrals of SARs by Financial Institutions
 To Law Enforcement⁷ and Regulatory Agencies
 —For the Period April 1, 1996 through May 31, 2002—

Agencies	1996	1997	1998	1999	2000	2001	2002	Total
Regulatory (continued)								
Securities & Exchange Commission	15	11	21	8	44	30	20	149
Office of Thrift Supervision	7	3	3	6	0	15	14	48
National Credit Union Administration	4	5	1	4	2	6	19	41
Federal Trade Commission	0	0	0	7	2	8	4	21
National Association of Securities Dealers	0	1	1	1	1	1	4	9
Total Regulatory	113	96	97	85	143	578	263	1,375
State & Local Law Enforcement								
City/Local Police Department	4,407	6,978	7,588	7,994	8,976	14,290	6,659	56,892
County/Parish	789	1,235	938	1,253	1,533	1,893	47	7,688
D/A, A/G, or Prosecutor's Office ⁸	317	445	347	401	373	500	36	2,419
State Police	181	295	263	289	375	555	1,324	3,282
Other State and Local	89	106	107	135	129	785	2,940	4,291
Total State & Local Law Enforcement	5,783	9,059	9,243	10,072	11,386	18,023	11,006	74,572
Other								
Pending	8	56	40	50	31	44	1	230
Unspecified	254	184	164	234	351	264	13	1,464
Private Industry ⁹	29	27	33	12	15	91	13	220
Foreign Law Enforcement ¹⁰	51	74	69	86	59	58	14	411
FinCEN/DCC	45	224	153	131	186	388	142	1,269
GRAND TOTAL	11,369	18,827	18,378	19,630	21,283	35,026	18,954	143,467

⁷ Some SARs may reference making referrals to multiple law enforcement agencies.

⁸ City, County, or State.

⁹ Includes referrals stating law firm, corporate security, etc.

¹⁰ Includes referrals made to Interpol.

Exhibit 8
 Relationship of Suspect to Financial Institution
 —For the Period April 1, 1996 through May 31, 2002—

Relationship	1996	1997	1998	1999	2000	2001	2002
Accountant	52	53	39	51	63	82	55
Agent	73	142	207	358	503	523	684
Appraiser	29	26	35	80	122	372	244
Attorney	21	31	28	40	45	47	27
Borrower	2,453	3,231	3,727	4,531	5,100	6,151	2,722
Broker	159	283	357	514	965	1,512	830
Customer	30,698	49,595	62,524	78,803	110,463	142,780	78,935
Director	160	88	122	130	154	190	89
Employee	5,588	8,438	8,385	8,632	10,851	11,693	4,677
Officer	495	548	492	519	565	694	305
Shareholder	629	381	390	408	562	740	251
Other	9,378	12,927	14,476	15,213	21,822	28,256	14,788
None Indicated	16,925	12,364	14,491	22,206	25,582	25,969	12,393

Section 2 -Trends and Analysis

Highlighted Topic—Aspects of Financial Transactions That May Indicate Terrorist Funding

This section of the *SAR Activity Review* provides information related to potential terrorist financing activity. This information has been obtained from a variety of sources, including:

- reconstruction of the September 11th hijackers' financial transactions by law enforcement;
- FinCEN's analysis of SAR filings in combination with other Bank Secrecy Act (BSA) data and other information available to the government;
- analysis of SARs filed by financial institutions since September 11th; and
- Financial Action Task Force (FATF) efforts.

Since September 11th, it has become even clearer that the BSA and other anti-money laundering measures can assist in the fight against terrorism. However, it is also apparent that it can be difficult to definitively identify terrorist fundraising activities separate and apart from traditional money laundering and financial crime activities.

Currently, there is no exhaustive or exclusive list of "terrorist indicators" that the government is able to provide. FinCEN and law enforcement continue to develop indicative and distinct typologies which may be associated with terrorist financing. A complete understanding requires examination at the global level. Further input from the law enforcement community, as information is compiled and analyzed, should serve this effort.

Information provided in this *SAR Activity Review* comes from a variety of sources, some of which are only available to the government. This information may be useful to financial institutions in detecting suspicious transactions that either potentially involve terrorism, or are not commensurate with normal activity and may later prove to be related to terrorist financing.

Financial transaction activity alone may not identify terrorist financing. However, financial institutions are often in a position to compare that activity with other information provided by the government that could produce significant leads and other useful information regarding potential terrorist activity. Law enforcement and the regulatory agencies will continue to provide the industry such information as may appropriately be made public to assist them in that effort.

Reconstruction of Hijackers' Financial Activities

Through reconstruction of available financial information, the FBI established how the hijackers responsible for the September 11th attacks received their money and how money was moved out of accounts. The 19 hijackers opened 24 domestic bank accounts at four (4) different banks. The following financial profile was developed from the hijackers' domestic accounts¹¹:

Account Profile:

- Accounts were opened with cash/cash equivalents in the average amount of \$3,000 to \$5,000.
- Identification used to open the accounts were visas issued through foreign governments.
- Accounts were opened within 30 days after entry into the U.S.
- All accounts were normal checking accounts with debit cards.
- The hijackers tended to open accounts in groups of three (3) or four (4) individuals.
- Some of the accounts were joint accounts.
- Addresses used usually were not permanent (i.e., mail boxes) and changed frequently.
- The hijackers often used the same address/telephone numbers on the accounts.
- No savings accounts or safe deposit boxes were opened.
- The hijackers opened their accounts at branches of large, well-known banks.
- Twelve hijackers opened accounts at the same bank.

Transaction Profile:

- Some accounts directly received/sent wire transfers of small amounts from/to foreign countries such as United Arab Emirates (UAE), Saudi Arabia, and Germany.
- Hijackers made numerous attempts of cash withdrawals that often exceeded the limit of the debit card.
- High percentage of withdrawals was from debit cards.
- Low percentage of checks was written.
- Numerous balance inquiries were made.
- After a deposit was made, withdrawals occurred immediately.
- There was no discernable pattern with the timing of deposits/disbursements.
- Account transactions did not reflect normal living expenses for rent, utilities, auto payments, insurance, etc.

¹¹ Excerpted from the Statement for the Record, Before the House Committee on Financial Services, Subcommittee on Oversight and Investigations, February 12, 2002, by Dennis M. Lormel, Chief, Financial Crimes Section, Federal Bureau of Investigation.

- Funding for daily expenditures was not evident from transactions.
- Overall transactions were below reporting requirements.
- Funding of the accounts was by cash and overseas wire transfers.
- ATM transactions occurred with more than one hijacker present (uninterrupted series of transactions involving several hijackers at the same ATM).
- Debit cards were used by hijackers who did not own the accounts.

International Activity:

- Three (3) of the hijackers supplemented their financing by opening foreign checking accounts and credit card accounts at banks located in the UAE.
- While in the U.S., two (2) of the hijackers had deposits made on their behalf by unknown individuals.
- Hijackers on all four (4) flights purchased traveler's checks overseas and brought them into the U.S. These traveler's checks were partially deposited into their U.S. checking accounts.
- Three (3) of the hijackers (pilots/leaders) continued to maintain bank accounts in Germany after moving to the U.S.
- Two (2) of the hijackers (pilots/leaders) had credit cards issued by German banks and maintained those cards after moving to the U.S.
- One (1) of the hijackers (pilot/leader) received substantial funding through wire transfers into his German bank account in 1998 and 1999 from one individual.
- In 1999, this same hijacker opened an account in UAE, giving power of attorney over the account to the same individual who had been wiring money to his German account.
- More than \$100,000 was wired from the UAE account of the hijacker to the German account of the same hijacker in a 15-month period.

FinCEN Analysis of SAR Filings and other BSA information

As part of its support to law enforcement, FinCEN routinely prepares proactive referral packages developed from SARs and other BSA information. After September 11th, FinCEN reviewed such referrals to evaluate whether any of those cases could possibly involve mechanisms to fund terrorist activities. Five (5) of such cases revealed that traditional methods of money laundering were used and at least one of the following other indicators was involved:

- movement of funds through state sponsors of terrorism and countries listed as having highly active anti-American terrorist activities;¹²
- use of unfamiliar charity/relief organization as a link in transactions;
- wire transfer activities to and from multiple relief and/or charitable organizations, domestic and foreign; and/or
- the individual or entity involved is identified on one of the lists of suspected terrorists, terrorist organizations, or associated individuals or entities.

While these indicators alone may not indicate terrorist funding, when combined with the common indicators of financial crime and money laundering (listed below), financial institutions may find this information useful and determine that additional scrutiny is warranted. Additionally, when one or several of the potentially suspicious factors exists in regard to a specific financial transaction - especially when the individual or entity may appear on one of the lists of suspected terrorists, terrorist organizations, or associated individuals or entities, a financial institution would have cause to increase its scrutiny of the transaction and any associated individuals or entities.

The following methods have been used by organized crime and drug traffickers for decades to launder their illegal proceeds. Some of the common indicators of money laundering and other financial crime include:

- financial activity inconsistent with the stated purpose of the business;
- financial activity not commensurate with stated occupation;
- use of multiple accounts at a single bank for no apparent legitimate purpose;
- importation of high dollar currency and traveler's checks not commensurate with stated occupation;
- significant and even dollar deposits to personal accounts over a short period;
- structuring of deposits at multiple bank branches to avoid BSA requirements;
- refusal by any party conducting transactions to provide identification;
- apparent use of personal account for business purposes;
- abrupt change in account activity;
- use of multiple personal and business accounts to collect and then funnel funds to a small number of foreign beneficiaries;

¹² Pursuant to Section 6(j) of the Export Administration Act of 1979, the Departments of State and Commerce have designated the following countries as state sponsors of terrorism: Cuba, Iran, Iraq, Libya, North Korea, Sudan, and Syria. Further information about these designations is available at www.state.gov. Additional information about countries in which terrorists are highly active is available on that site in the State Department's Travel Warnings and Public Announcements page http://travel.state.gov/warnings_list.html

- deposits are followed within a short period of time by wire transfers of funds;
- deposits of a combination of monetary instruments atypical of legitimate business activity (business checks, payroll checks and social security checks); and
- movement of funds through FATF¹³ designated non-cooperative countries or territories (NCCTs).

On January 22, 2002, FinCEN released *SAR Bulletin*, Issue 4 to alert the financial community to financial transactions and methods that could indicate possible fundraising associated with various criminal activities, including terrorism. Those cases, and the five (5) new case synopses below were developed from SARs and other BSA information. They are provided here as illustrations of activities that could indicate terrorist fundraising activities.

Case 1 - Relief Organization in the Middle East

FinCEN identified 649 SARs filed by seven (7) depository institutions reporting transactions totaling \$9 million involving structured cash deposits and deposits of business, payroll and Social Security benefit checks. These SARs were filed during a 3-1/2 year period. Deposited funds were subsequently wire transferred within one (1) or two (2) days to a company located in the Middle East. The deposit and wire transfer activity involved 37 individuals conducting transactions through 44 accounts on behalf of four (4) businesses. Two (2) of the businesses were wire remittance companies; one (1) was described as a relief organization at the same location as one (1) of the wire remittance businesses; the fourth undescribed business, located in the Middle East, was the beneficiary of the wire transfer activity. The majority of the wire transfers were sent to two (2) accounts in the Middle East. Other wire transfers were made to accounts at three (3) different banks in foreign locations. The majority of the transactions (83%) were structured. Amounts of the deposits ranged from \$350 to \$636,790; most deposits fell between \$2,000 to \$8,000.

13 FATF is an international organization, of which the U.S. is a member, established to combat money laundering. Among other things, FATF evaluates the adequacy of countries' counter-money laundering systems, and designates those that have inadequate systems as non-cooperative countries and territories (NCCTs). Currently, FATF lists as NCCTs the following: Cook Islands, Dominica, Egypt, Grenada, Guatemala, Indonesia, Marshall Islands, Myanmar, Nauru, Nigeria, Niue, Philippines, Russia, St. Vincent and the Grenadines, and Ukraine.

Case 2 - Relief/Charitable Organizations in U.S.

One (1) bank filed three (3) SARs that reported the activities of a relief organization operating in the U.S., whose stated primary purpose is the collection of donations and funds for worthwhile causes in Middle Eastern countries. Over an approximate 15-month period, the relief organization initiated wire transfers from its U.S. bank account totaling \$685,560 through its primary account in a former Soviet Republic to its accounts in other former Soviet Republic countries. The relief organization's U.S. bank account also received wire transfers totaling \$724,694 from unknown senders at a European bank and wired a total of \$65,740 to a U.S. charitable organization. The filing institution deemed this activity inconsistent with the stated purpose of the account.

FinCEN identified two (2) other SARs filed by two (2) banks regarding financial activity of the U.S. charitable organization. The SARs identified \$445,325 wired to the U.S. charitable organization's account in the Middle East through the filing banks' U.S. correspondent bank. They also wired \$18,000 to a media services business in the Middle East in 2001. Four (4) different accounts were used. SARs also described structured cash deposits totaling \$53,800, and check deposits totaling \$121,705. FinCEN identified three (3) additional accounts at three (3) other banks through currency transaction reports (CTRs). Those CTRs reported cash deposits totaling \$227,519 in 1994, 1999, and 2001.

Case 3 - Car Salesman

A total of nine (9) SARs and 14 CTRs were filed regarding the personal account activities of a used car dealer/car salesman/exporter during the period September 1991 through December 1999. Early activity involved check cashing by the account holder. In early 1996, he began structuring his transactions weekly and sometimes daily, primarily making cash withdrawals and cashing negotiable instruments, apparently to avoid the CTR reporting requirements. SARs were filed reporting structured cash withdrawals that ranged from \$3,000 to \$9,900. This activity continued through mid-1999. Beginning in September 1998 and continuing through December 1999, the individual's personal account began receiving large dollar wire transfers from jurisdictions in the Middle East. In 1999, large dollar wire transfers were generated from the account to the benefit of businesses and individuals in the Middle East and North America.

Account activity including withdrawals, checks cashed and negotiable instruments cashed totaled \$556,350; deposits and wire transfers received amounted to \$1,447,888.90 and wire transfers sent amounted to \$465,246. Total account activity reported in SARs and CTRs, was in excess of \$2 million.

Case - 4 Import/Export Business

FinCEN identified five (5) SARs filed by one (1) bank, two (2) SARs filed voluntarily by a money services business (MSB) and many CTRs filed by two (2) different east coast financial institutions. These filings identified significant cash deposits and wire transfer activity by a business described as an import/export business and as a leather goods store. Over an approximate one-year period (July 1999 through June 2000), wire transfers totaling \$702,366 were sent from a corporate account at one (1) bank to businesses and individuals in numerous jurisdictions, including two (2) NCCTs, one (1) country designated as a state sponsor of terrorism, and one (1) country subject to a travel warning for a high level of anti-American terrorist activities. Wire transfer amounts varied from a high of \$22,150 to a low of \$3,000. During the same period, CTRs reflected cash deposits into this account at New York and Florida branches, totaling \$616,231 and monetary instrument deposits totaling \$238,986. The majority of the cash deposits occurred weekly and was structured below CTR reporting thresholds. Monetary instruments were deposited at three (3) branch locations and included commercial and U.S. Postal money orders, and bank, personal, and business checks. An individual using a New York address attempted to make a \$12,995 cash deposit into this account at a California branch in March 2000, but when asked for additional identifying data, the individual refused and stopped the transaction. Cash withdrawals totaling \$13,500 and four (4) negotiable instruments cashed totaling \$55,300 were reported for a second corporate account at a different bank.

A SAR narrative filed by the same bank links this business via telephone number to a second business described as an import/export and wire service business. The individual with signature authority on the original corporate account made cash deposits totaling \$920,649 to the account of the second business during a ten-month period in 1998. Another SAR, for what appears to be his personal account, reflects cash deposits at New York and Florida branches of the bank that totaled \$26,770 during a three-month period in 1999. The bank filed SARs because the deposits were structured. During the same period, wire transfers totaling \$30,000 were sent to an individual in an NCCT and a business in Europe.

Case 5 - Owner of Pharmaceutical Company

A SAR was filed reporting two (2) same-day deposits (\$3,500 and \$9,900) made three (3) hours apart to a savings account by a bank customer. The bank initiated a review of the customer's accounts. The review identified additional suspicious activity in four (4) of his personal accounts, including the original savings account. From December 1999 through April 2001, 38 cash/non-cash deposits and one (1) wire transfer deposit totaled \$2,202,384. During the same time period,

one (1) withdrawal, two (2) cashings of negotiable instruments, three (3) wire transfers and two (2) other debit transactions totaled \$2,256,223. Of this total, \$2,040,370 flowed into the original suspect's savings account and \$2,097,323 flowed out of the account. Cash and non-cash deposits were described as even dollar amounts ranging from \$1,000 to \$100,000. Wire transfer activity included a \$25,000 wire transfer received from an individual and three (3) transfers totaling \$100,000 sent to two (2) different individuals. The SAR and related CTRs describe the individual as the owner/president of a pharmaceutical company and the owner/CEO of a biochemical lab.

In July 1996, this individual transported \$11,200 into the U.S. from a Caribbean country and in December 2000, he transported \$11,500 from the U.S. to Europe. In both instances, he claimed citizenship in a country subject to a travel warning for anti-American terrorist activity and provided a non-U.S. passport as identification. He is also cited as entering the U.S. a total of 32 times from March 1996 through August 2001. Identification provided, as cited in the entry records, was an alien registration number.

SARs Filed Referring to Terrorism

FinCEN conducted a search of the SAR database to determine the extent to which SARs had been filed that related to terrorism. Two (2) search methods were used. The first method included a keyword search of the narrative portion of the SARs. Keywords that were searched included: terror, terrorism, terrorist(s), September 11(th), 9/11, 9/11/01, World Trade Center, WTC, Pentagon, Control List, Watchlist, Watch List, hijacking(s), and hijacker(s). The second method involved a query of the violation field. The terms that were searched in the "Other" violation field included the words terrorist(s) and terrorism.

SARs Filed Prior to September 11, 2001

Between April 1996 and September 11, 2001, 32 SARs were filed that contained references to terrorism. Of those 32 SARs, none indicated an impending attack on the U.S., but all had some form of the word "terror" in the SAR. These 32 SARs were filed by 18 separate financial institutions. The filers of 18 SARs indicated that they had also reported the suspicious activity directly to law enforcement. (Box 40 was checked on the SAR).

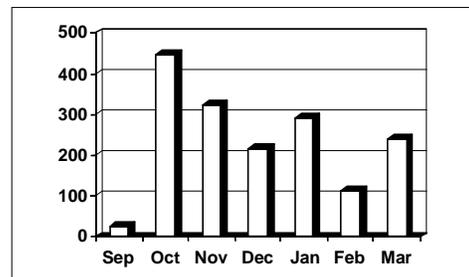
Upon further review, only 21 SARs described suspicious activity related to terrorism or terrorist organizations. Of those SARs, the following reasons were cited for the filing of the report:

- individuals or associations on Treasury’s Office of Foreign Assets Control’s (OFAC) list of specially designated terrorists;
- suspicious wire transfer activity involving an individual believed to be linked with terrorist organizations; or
- advanced payment fraud scheme involving the purchase of money orders involving an individual believed to be linked with terrorist organizations.

SARs Filed after September 11, 2001 through March 31, 2002

Between September 12, 2001 and March 31, 2002, more than 1,600 SARs were filed that contained references to terrorism or terrorist groups. Of these, 1,463 SARs contained references to terrorism in the narrative portion of the SAR. There were 143 SAR filings that did not contain any of the search terms in the narrative portion of the SAR filings, rather, the term terrorist or terrorism appeared in the “Other” violation field. The following table and chart show the number of SARs filed in each month since September 12, 2001:

September 2001	27
October 2001	446
November 2001	324
December 2001	215
January 2002	292
February 2002	112
March 2002	241



Listed below is more information about these SARs.

- The SARs were filed by 255 financial institutions.
- The suspicious activity reported in the SARs occurred in 43 states, the District of Columbia, Puerto Rico and Guam.
- Some foreign branches of U.S. banks located in Saudi Arabia, Sri Lanka, the United Kingdom and Costa Rica filed SARs relating to terrorist activity.
- Violation amounts ranged from \$0¹⁴ to \$300 million.
- There were 1,016 SARs that recorded \$0 as the violation amount.
- Financial institutions indicated that 517 SARs were referred directly to law enforcement. (Box 40 was checked on the SAR.)

¹⁴ Banks often file SARs that show the violation amount to be \$0. These SARs are usually filed on individuals who exhibit suspicious behavior during the course of conducting a transaction. For example, an individual may inquire as to the dollar limit of a particular transaction that will not exceed reporting requirements. When informed of the requirements, the individual may leave the bank without making the transaction, thereby arousing a teller’s suspicions, resulting in a SAR filing.

A review of the SAR filings indicates that the increase in filings was attributed to the issuance of various government lists of known or suspected terrorists against which banks and other financial institutions researched their files/databases for possible matches to individuals on those lists. Eighty-five percent of the SAR filings (1,369) indicate that the SAR was filed as the result of apparent matches of the names of individuals or entities provided to institutions by government agencies.

The three (3) main activities described in the SAR filings that were filed as a result of apparent name matches were:

- wire transfers;
- use of ATMs; and
- large cash transactions.

The suspicious wire transfers occurred predominantly to or from Middle-Eastern countries. Other countries identified in connection with suspicious wire transfer activity included Pakistan, Malaysia, Indonesia, the Philippines, Liberia, Tanzania, Switzerland, the U.S., and Canada.

The ATM activity was described as suspicious because of the frequency of use and the geographic location of usage. The countries cited in SAR filings that reported suspicious use of ATMs included Lebanon, Morocco, Saudi Arabia, Jordan, and the U.S.

The suspicious cash transactions described in SAR narratives were conducted to establish new accounts, pay off credit card debts, effect wire transfers, and purchase money orders and/or travelers checks.

There were 143 SARs that did not contain any of the search terms used in the narrative portion of the SARs. However, the terms terrorist or terrorism appeared in the “Other” violation field. Of the SARs that identified terrorist or terrorism in the “Other” violation field, 47 SARs did not contain a narrative description of the suspicious activity. The other 96 SAR filings indicated that the filings were the result of compliance with various U.S. Government requests.

There were 94 SARs filed for a variety of other reasons. In 40 instances, financial institutions indicated that the SAR was filed because the individual was a pilot or student attending flight school. In other instances, financial institutions indicated that the SAR was filed because the account holder appeared to have the same name as individuals identified by the media as terrorists, appeared to be of Middle-Eastern descent, or the SAR was filed because of the “recent events” of

terrorist acts. It is important to remember that a SAR filing should not be based on a person's ethnicity. In addition, a SAR should not be filed solely because a person appears to have the same name as individuals identified by the media as terrorists.

Transactions to or from, or conducted by persons with possible affiliations with jurisdictions associated with terrorist activity should not be the only factor that prompts the filing of a SAR. However, this information may be relevant and should be considered in conjunction with other relevant information in deciding whether a SAR is warranted, as set forth in 31 CFR 103.18 and the regulations prescribed by the bank regulatory agencies, such as a lack of any apparent legal or business purpose to a transaction or series of transactions. Resources that should be consulted about such jurisdictions include: the State Department's list of State sponsors of terrorism (see Footnote 12); the Treasury Department's Office of Foreign Assets Control's (OFAC) lists of foreign terrorists;¹⁵ and FATF's list of non-cooperative countries and territories. (see Footnote 13)

Financial Action Task Force (FATF) Efforts

At its extraordinary plenary meeting on October 29-30, 2001, the FATF agreed to develop special guidance for financial institutions to help detect the techniques and mechanisms used in the financing of terrorism. The FATF subsequently brought together experts from its member countries to gather information on and study the issue of terrorist financing as part of its annual exercise on money laundering methods and trends. One goal of this exercise was to begin establishing guidance for financial institutions that could be used along with the annual FATF Report on Money Laundering Methods and Trends. Material derived from the exercises, along with contributions from the Egmont Group of financial intelligence units and other international bodies, was used in developing the document published on the FATF website on April 24, 2002. FATF's Guidance for Financial Institutions in Detecting Terrorist Financing can be found at www.fatf-gafi.org/pdf/GuidFITF01_en.pdf.

The Egmont Group also met following the FATF meeting and its 53 member countries (at that time) agreed to share pertinent information in support of the September 11th terrorist investigations.

¹⁵ OFAC designates and blocks the assets of specially designated global terrorists (SDGTs) – organizations and individuals engaged in international terrorism. For further information, see OFAC's website at www.ustreas.gov/ofac.

Section 3 - Other SAR Analysis Issues

This section of the *SAR Activity Review* outlines examples and patterns of suspicious activity reported in the SAR database. The value of this information is that financial institutions have reported these activities as suspicious and other financial institutions should be alert to similar suspicious activities occurring in their institutions.

Suspicious Activity Involving Credit/Debit Cards

FinCEN was asked by the General Accounting Office (GAO) to conduct a study on how credit/debit/ATM cards may be used in facilitating money laundering. GAO requested that FinCEN conduct a search of the SAR database for fiscal years 2000 and 2001 with the following specific parameters: 1) SARs filed that indicated BSA/Structuring/Money Laundering as the violation type where the term credit card or credit cards appeared in the narrative; 2) SARs filed that indicated Credit Card Fraud as the violation and where the terms BSA, Bank Secrecy Act, money laundering, or structuring appeared in the narrative; 3) SARs filed that indicated BSA/Structuring/Money Laundering as the violation type where the term debit or debit cards appeared in the narrative; and 4) SARs filed that indicated Debit Card Fraud as the violation and where the terms BSA, Bank Secrecy Act, money laundering, or structuring appeared in the narrative.

Statistical Overview

The search of the SAR database for fiscal years 2000 and 2001 identified 499 SARs filed by 134 financial institutions in which the narrative section contained information pertinent to the request. These SARs represent about one tenth of one percent of the total of all SARs filed during that period. Of the relevant SARs:

- BSA/Structuring/Money Laundering was cited as the primary violation in 488 SARs (97.7%);
- eight (8) SARs cited credit card fraud as the primary violation;
- two (2) SARs cited debit card fraud as the primary violation;
- one (1) SAR cited defalcation/embezzlement as the primary violation;
- violation amounts ranged from \$0 to \$9.76 million; and
- filers of 70 SARs indicated (by checking Box 40 of the SAR) that they had reported the suspicious activity directly to law enforcement - 39 were reported to federal agencies and 31 were reported to state or local authorities.

Highlighted Patterns of Activity

Analysis of the narrative sections of the set of relevant SARs identified a number of patterns of suspicious activity associated with credit cards. Following are descriptions of these patterns, grouped by the number of SARs that could be linked to each subject area.

Structuring of Payments on Credit Card Accounts

A total of 115 SARs described cash structuring activity in the narratives. Typically, the SARs described structuring by customers who attempted multiple transactions below the CTR reporting requirements. Most often, these were cash transactions where the customer asked to deposit funds into various accounts, pay down loans, purchase cashier's checks, and make credit card payments. When these clients were informed that a CTR would be filed based on the total amount of activity, most withdrew one (1) or more transactions to get under the CTR threshold. Such activity was routinely reported as suspicious by the financial institution involved.

Of particular interest for those transactions reported as suspicious is the high dollar amount that customers wanted to pay on their credit card accounts. These attempted total payments were typically well over \$5,000 and often exceeded \$10,000. In several scenarios, a non-bank customer attempted to make cash payments to a credit card which was in the name of an actual bank customer. Two (2) SARs describe structuring by use of automated teller machine (ATM) cards, i.e., multiple (small denomination bills) cash deposits to different accounts by one person.

ATM/Debit Cards

A total of 61 SARs described credit/debit/ATM card fraud. Most of these SARs discussed lost or stolen credit cards being used by another party.

An additional 70 SARs discussed the use of ATM/debit cards. As in previous examples, individuals structured multiple deposits or withdrawals to avoid CTR reporting requirements. In the case of checks deposited via an ATM, most proved to be fraudulent checks, but only after cash withdrawals or point-of-sale transactions transpired, causing the bank to suffer a loss. Some scenarios depicted customers who wired money into their accounts from an account in a bank in a foreign country and then proceeded to make multiple ATM withdrawals in that foreign country. [See *FinCEN SAR Bulletin - Issue 1 (June 1999) Automated Teller Machines.*]

Cash Advances from Credit Card Accounts

Cash advances on credit cards were described in 97 narratives. These large advances were drawn on one or more credit cards. Typically, the customer used these advances to purchase cashier's checks or to wire funds to a foreign destination. Clients also requested that cash advances be deposited into savings and or checking accounts.

Credit Card Convenience Checks¹⁶

A total of 32 SARs discussed suspicious activity involving courtesy/convenience checks supplied by credit card issuers. In some scenarios, convenience checks were deposited into an account in small amounts, indicative of possible structuring activity. In other instances, banks reported that the convenience checks were returned unpaid. Filers also noted that convenience checks were used in attempts to perpetrate identity theft.

Use of Monetary Instruments in Credit Card Account Activity

A total of 15 SARs described suspicious activity involving traveler's checks. In all instances, the checks were purchased with a credit card at the offices of the issuer. Of these SARs, eight (8) were filed on the same individual. This individual deposited the traveler's checks into his personal account, claiming that the checks were provided by "clients" to pay off the outstanding balance on the credit card. This subject also claimed that depositing traveler's checks would circumvent any need for the filing of CTRs. During FY2000/2001, the subject deposited \$1.9 million in traveler's checks. The remaining SARs filed by the credit card issuer described suspicious activity in which traveler's checks were purchased in bulk with a credit card, then deposited within a short period of time—typically no more than a day or two following the purchase.

Eight (8) SARs reported customers, who made cash purchases of cashier's checks. Some checks, were made payable to various credit card companies. Other cashier's checks were purchased with cash advances from credit cards made payable to a third party or to the purchaser.

A small number of SARs reported credit card payments using money orders. These money orders were usually sequentially numbered. Many filers believed sequentially numbered or bulk money orders were suspicious because the original source of the funds could not be identified. Payment with money orders to credit

¹⁶ Also referred to as credit card checks.

card accounts is rare, and attracts the attention of the banks.

Three (3) SARs filed by the same financial institution described activity in which individuals used counterfeit or forged checks to make payments on their credit cards. In all, 16 fraudulent checks were deposited into three separate accounts. It did not appear that these three (3) individuals were related in any way; however, the filing institution cross-referenced all three SARs.

Wire Transfers Linked to Credit Card Activity

A total of 16 SARs were filed in which filers noted suspicious credit card activity linked to wire transfers. Reported activity included:

- cash deposits followed by immediate wires to credit card companies;
- incoming wires from foreign countries to an individual's credit card account;
- outgoing wires to credit card accounts;
- incoming wires followed by checks written to credit card companies; and
- cash advances used to wire funds to foreign destinations.

Three (3) SARs filed by a single financial institution described incoming wires from a foreign location payable to a credit card corporation. The aggregate total of these SARs was \$11,824,982.90.

Overpayments on Credit Card Accounts

A total of 15 SARs described payments in excess of amounts owed on credit cards, which necessitated the issuance of a refund check by the bank. Seven (7) of these SARs discussed such payments made in cash. Other methods of overpayment include checks written to the credit card account, electronic transfers between accounts, and payment via debit card. Four (4) SARs did not elaborate on the method of payment. The source of funds could not be determined by the banks; refund checks ranged from \$7,000 to \$192,000. This overpayment/refund process is indicative of possible money laundering activity, inasmuch as it provides a relatively simple mechanism for conversion of criminal proceeds, or other problematic funds, to a bank instrument that can be further negotiated with little or no attention to the origin of the funds.

Subjects Linked to Organized Crime

Of the 488 SARs reviewed for this request, only six (6) SARs were filed on subjects associated with organized criminal activity. The six (6) SARs were filed

in early 2001 on four (4) suspects. The suspicious activity identified revealed check payments credited to their credit card accounts by a fifth individual, who had been indicted on charges of money laundering, contraband cigarette smuggling, and visa/immigration fraud charges.

Suspicious Activity Reports Filed by Money Services Businesses (MSBs)

On January 1, 2002, certain MSBs became subject to the suspicious activity reporting requirement under the BSA. The rule requires that money transmitters, and issuers, sellers, and redeemers of money orders and traveler's checks report suspicious activity occurring on or after January 1, 2002.

FinCEN has developed a form to be used solely by money transmitters and issuers, sellers, and redeemers of money orders and traveler's checks to report suspicious transactions. That proposed form, the *Suspicious Activity Report-MSB*, (SAR-MSB) was published in the Federal Register on February 27, 2002 for public comment. The final draft was published on July 25, 2002, and is awaiting OMB approval. The form is expected to be in use by October 2002; FinCEN will provide a public announcement of the exact date. In the meantime, money transmitters, and issuers, sellers, and redeemers of money orders and traveler's checks are using the existing bank suspicious activity report, Form TD F 90-22.47, to report suspicious activity. Because the current bank SAR form is not tailored to meet the unique requirements of those MSBs required to report, relevant information about the nature of the filer's business cannot be determined.

During the period January 1 through March 26, 2002, a total of 3,914 SAR-MSB filings were made by 311 separate entities. It should be noted that in 67 instances, the name of the branch/filer was left blank; these 67 instances are not included in the 311 named MSBs. More than 46% of the SAR-MSB filings were made by five (5) MSBs.

Violation amounts ranged from \$0 to \$224 million. The following table identifies

the range of the violation amounts as reported in the SAR-MSB filings:

Dollar Range	Number of SAR-MSB filings
\$0	272
\$1 - \$9,999	2,923*
\$10,000 - \$19,999	426
\$20,000 - \$29,999	140
\$30,000 - \$39,999	59
\$40,000 - \$49,999	26
\$50,000 - \$59,000	24
\$60,000 - \$99,999	16
\$100,000 - \$999,000	26
Over \$1 million	2

(*1,099 SAR-MSB filings fall into the \$2,000-\$2,999 range)

The SAR-MSB filings were filed from 45 states as well as from the District of Columbia, Guam, Puerto Rico, Canada, Dominican Republic and a U.S. Navy Exchange in Japan. However, 1,664 of these SAR-MSB filings (42.4%) do not indicate the state in which they were filed, in either the branch or filer fields. A total of 488 of the MSB-SAR filings (12.4%) were referred directly to law enforcement.

The following table identifies the top five states from which MSB-SARs were filed [based on the remaining 2,259 SAR-MSB filings (57.6%)]:

State	Number of MSB-SAR Filings	Percentage
Arizona	466	20.62
New York	397	17.57
Florida	222	9.82
California	104	4.60
Pennsylvania	99	4.38

In 118 instances, no suspect was identified on the MSB-SAR filing. One (1) MSB failed to identify the suspect name in 82 of its 85 filings, while another MSB failed to identify the suspect name in 12 of its 15 filings. Another MSB failed to identify a city, street, or state in each of the branch or filer fields.

FinCEN is engaged in a public outreach program and improvements in SAR filings by MSBs are expected.

Section 4 - Law Enforcement Cases

This section of the *SAR Activity Review* provides law enforcement agencies with the opportunity to summarize investigative activity in which SARs and other BSA information played an important role in a successful investigation and/or prosecution of criminal activity. Each issue of the *SAR Activity Review* includes new examples based on information received from law enforcement.

Raids in 14 States Aimed at Stopping Illegal Money Transfers to Iraq

In early February 2002, money-transfer agents in 14 states were raided by federal agents to stop alleged illegal wiring of millions of dollars to Iraq. Twenty-nine (29) search warrants on businesses and individuals were used, allowing law enforcement agents to seize documents and records. The businesses and individuals are also under investigation for possible violations of anti-money laundering laws and possible violations of regulations requiring money services businesses to register with the government. It is believed that money transfer agents wired money intended for recipients in Iraq to a bank in Jordan. A 1990 U.S. Executive Order prohibits the transfer of money, directly or indirectly, to the Iraqi government or its people. SARs added value to the investigation by identifying individuals who were not subjects of the initial investigation and tied them to the businesses that were under investigation. (Source: U.S. Customs Service)

Jury Convicts Man in Unlicensed Money Transmission Scheme

Information gleaned by an interagency investigation from SARs led to the successful prosecution of a man for operating an illegal money transmitting system. On April 30, 2002, a federal jury convicted the defendant for knowingly running an illegal money transmitting operation without a state license. According to the indictment, from September 5, 2000 through November 2001, the defendant operated the money transmitter without the license required by the state, despite notice from the state supervisory agency that this was criminal conduct. During this period, the defendant transmitted \$2.8 million to the UAE. The money transmitter in this case is one of a number of outlets of a money transmitter system that had its assets frozen by Treasury's OFAC. (Source: U.S. Customs Service)

SAR Filings Assist International Money Laundering Case

Between November 2000 and January 2001, SARs were filed by two (2) banks indicating accounts controlled by Victor Alberto Venero-Garrido had received large and suspicious deposits totaling over \$22 million. Following the filing of the SARs, a money laundering investigation was initiated. The investigation determined that Venero was a known associate for indicted former Chief of the Peruvian Intelligence Service, Vladimiro Montesinos. At the time, Montesinos, top advisor to former Peruvian President Alberto Fujimori, was wanted by Peru for fleeing with government funds, narcotics trafficking, and for human rights violations that included overseeing death squads. Venero, a former Peruvian general, was also wanted by Peruvian authorities for these same crimes.

On January 26, 2001, Venero was arrested on a Provisional Arrest Warrant requested by the Peruvian Government after he liquidated an account for the amount of \$3.7 million. According to the Peruvian indictments, Montesinos and Venero had committed numerous crimes that netted them illicit proceeds of almost \$1 billion over the past seven (7) to eight (8) years. On June 24, 2001, Vladimiro Montesinos was arrested by the Venezuelan military in Caracas.

To date, more than \$24 million has been frozen in accounts belonging to subjects of this investigation. More than \$50 million has been recovered by Peruvian authorities. Investigations are continuing in the United States. Trials are pending in Peru. President Alberto Fujimori has resigned as President of Peru and is in self-imposed exile in Japan. (Source: FBI)

Metal Traders Charged in International Bank Fraud Scheme

In May 2002, three (3) principals and the former treasurer of a group of metal trading companies were charged with conspiracy to commit bank fraud, mail fraud, and wire fraud in connection with a sophisticated international scheme to defraud banks worldwide of more than \$600 million. The investigation was initiated following the filing of several SARs on the business by different banks claiming significant losses.

Since May 2000, the group of metal trading companies allegedly stole millions of dollars in loan proceeds from several banks around the world by fabricating collateral and misrepresenting the existence of the underlying business transactions. The companies represented themselves to be in the business of brokering

sales of non-ferrous metals suppliers and purchasers worldwide, arranging for overseas shipments of metal, and providing interim financing for purchasers. In order to provide such financing, the companies began entering into loan agreements that eventually gave them access to over \$1 billion. (Source: FBI)

Store Owners Plead Guilty to Structuring and Food Stamp Fraud

The joint investigation among several federal and local law enforcement officials was initiated as the result of a SAR filing. In February 2002, three (3) brothers pled guilty to fraudulently selling food stamps out of their convenience store. The scam netted nearly \$2 million. The brothers also wire transferred \$228,000 of their illegal profits to five (5) foreign nationals in the Middle East-transactions that are still under investigation by federal agents. The brothers sold food stamps and vouchers for the Women, Infant and Children (WIC) program for 50 cents on the dollar. The defendants redeemed the stamps through the store's bank accounts for full face value and routinely cashed checks written for slightly less than \$10,000. (Source: IRS/Criminal Investigation)

Former Banker Sentenced for Avoiding IRS Reporting

In March 2002, the founder and former president of a small bank pled guilty to structuring financial transactions. The banker had earlier argued that he was merely trying to gain customers for the bank. The case involved the banker asking an individual if he and his father could deposit money at the bank. That man took cash deposits of \$5,000 and \$40,000 directly to the banker because he did not want to "draw attention to himself." The failure to file CTRs was detected by a routine bank audit and a SAR was filed. (Source: IRS/Criminal Investigation)

Three Family Members Plead Guilty to Structuring

SARs filed by a bank resulted in the initiation of an investigation by the IRS. Three (3) family members pled guilty to conspiring to obstruct the IRS from ascertaining their true income tax liabilities for tax years 1978 through 1995 by filing false tax returns and structuring currency transaction in amounts less than

\$10,000. The individuals skimmed cash receipts, which they kept in safety deposit boxes, from their three businesses. The father and mother concealed their taxable incomes by commingling their assets with each other and their son in multiple business and personal accounts. They would cash checks, make deposits, and make cash withdrawals at banks in amounts less than \$10,000 to avoid the filing of CTRs. Between February and August 1995, they structured \$259,000 of cash deposits into three (3) different bank accounts. The commingling of funds was used to pay for the construction of their 11,000 square foot home that was later sold for \$2.6 million. In January 2002, the three (3) individuals were sentenced to prison terms and fined. (Source: IRS/Criminal Investigation)

Appeals Court Affirms Conviction in Tax Evasion Case Arising From a SAR

The U.S. Court of Appeals for the Sixth Circuit affirmed the conviction of David Middleton for attempting to evade or defeat income tax in violation of 26 U.S.C. 7201. The case arose from a SAR filed by a bank employee. Middleton was a real estate agent who formed several companies through which he provided consulting services aimed at property tax reduction. Over a five (5) year period, he received more than \$1.5 million in gross receipts, which he deposited into various non-interest bearing business accounts he had established in various corporate names. He was the only authorized signatory on the accounts. Once Middleton made a deposit, he would write several checks and cash them at different bank branches by making a series of structured withdrawals for less than \$10,000. Middleton never used personal or business checks to pay bills, relying instead on cash, money orders, bank checks, and endorsed business receipt checks. He filed no income tax returns during this time.

A jury convicted Middleton on all five tax evasion counts alleged against him in the indictment (structuring was not charged, but alleged as evidence of willful intent to evade or defeat income tax). The Court of Appeals affirmed the conviction in all respects. However, the 36-month sentence imposed on Middleton was vacated and remanded to enable the trial judge to make factual findings supporting the sentence enhancement made for obstruction of justice, as required by Federal Rule of Criminal Procedure 32(c)(1). *United States v. Middleton*, 246 F.3d 825 (6th Cir. 2001).

State and Local Law Enforcement Use of SAR Data

The following information obtained through the FinCEN Gateway Program¹⁷ illustrates state and local governments' use of SAR data.

Gateway users reviewed 6,106 SARs during the period October 1, 2000 through September 30, 2001. Of those, 3,069 SARs were identified as useful to the Gateway user's case. During the same period, SAR information was used to open 186 investigations. [Gateway users have the option of identifying (in the system) investigations that were initiated as a result of SAR filings. Because this option is not mandatory, the statistics do not capture the total number of investigative actions initiated by state and local law enforcement or regulatory agencies.]

SAR leads to Guilty Plea of Money Laundering

A SAR filed by a bank revealed that an individual had deposited over \$44,000 to and withdrawn over \$31,000 from his account in a one-month period. Subpoenaed bank records revealed that this individual had deposited over \$103,000 in a nine-month period from late 1999 to mid-2000. The individual had no record of employment and had not filed state income taxes for the three (3) prior tax years. Further investigation revealed that this individual had purchased several vehicles for over \$23,000 in cash. A criminal records check revealed that this individual had numerous arrests, several of which were drug related.

In September 2000, search warrants were executed at two (2) residences associated with the individual. These search warrants resulted in the seizure of over \$25,000 in cash, three (3) vehicles, numerous pieces of expensive jewelry, and four (4) handguns. Also executed were three (3) seizure warrants on financial institutions that resulted in the seizure of over \$113,500.

This individual was indicted on four (4) counts of possession of a firearm by a convicted felon, four (4) counts of possession of a firearm with obliterated serial numbers, and one (1) count of money laundering. In May 2001, the individual pled guilty to one (1) count of felony possession of a firearm by a convicted felon and one count of money laundering. (Source: Prince Georges County Police, State of Maryland)

¹⁷ The Gateway Program enables federal, state, and local law enforcement agencies to have direct, on-line access to records filed under the BSA.

Section 5 - Tips on SAR Preparation & Filing

Reporting Potential Terrorist Related Activity on a SAR

General Instructions for Completing the SAR

FinCEN has received a number of calls from financial institutions requesting assistance in completing a SAR when the suspicious activity may be terrorist related. The following guidance is offered: 1) report the information on the SAR accurately and completely; and 2) complete the narrative section by describing the suspicious transaction as completely as possible and include the following information, if applicable - any correspondent bank name/account information; names/locations of business entities; names of cities, countries and foreign financial institutions linked to the transaction, especially if funds transfer activity is involved; and account numbers and beneficiary names.

Specific Instructions for a Particular Industry

Financial institutions reporting potential terrorist-related activity on Form TD F 90-22.47 are requested to check the **“Other”** box on Part III, Line 35(s) of the form and note the word **“terrorism”** in the space following the box. However, in some situations, the suspicious activity may also involve money laundering, therefore, the institution should also check Box 35(a).

Casinos and card clubs reporting potential terrorist-related activity on Form TD F 90-22.49 (SARC) are asked to check the **“Other”** box on Part III, Line 32(n) and note the word **“terrorism”** in the space following the box. If the suspicious activity also involves money laundering, Box 32(h) or 32(j) should also be checked.

Regardless of which form is used, all filers should ensure that the narrative includes as much detail as possible regarding the potential terrorist-related and money laundering activities.

SAR Filing Tips for MSBs

The MSB SAR requirement became effective on January 1, 2002, and requires that certain MSBs, (i.e., money transmitters, issuers, sellers, and redeemers of traveler's checks, and issuers, sellers, and redeemers of money orders) report suspicious transactions occurring on or after January 1, 2002.

The following tips are provided for MSBs submitting SARs on the interim SAR form, TD F 90-22.47. These tips are being provided based on a review of the interim forms submitted by MSBs since January 1, 2002.

- MSBs should file a SAR only if the transaction is suspicious.
- MSBs must file a SAR if the transaction is suspicious and exceeds \$2,000 (\$5,000, if a clearinghouse).
- If the transaction is suspicious but does not exceed \$2,000, the MSB may file a SAR voluntarily.
- If a SAR is filed, it is critical that Part V of the form (Suspicious Activity Information Explanation/Description) be completed to explain why the activity is considered suspicious.
- FinCEN has developed a SAR form¹⁸ to be used solely by money transmitters and issuers, sellers and redeemers of money orders and traveler's checks when reporting suspicious transactions. It is expected that this form will be available for use by October 1, 2002. However, in the interim, these MSBs should continue to use Form TD F 90-22.47 (bank SAR form) to report suspicious activities. *NOTE: MSBs should write the letters "MSB" in block print at the top of the form and also in the blank space in Item 5 of the form. This will help to distinguish MSB SARs from SARs filed by depository institutions.*

Filing a Corrected or Amended SAR

FinCEN often receives questions regarding how to amend or correct a previously filed SAR. To file a corrected SAR form, follow the instructions on Form TD F 90-22.47, under "**HOW TO MAKE A REPORT.**" Check the appropriate "**Correction**" box depending on the SAR form used. The new/revised SAR should be completed in its entirety and the corrected information should be provided in the applicable boxes. These changes should be described in the "Suspicious Activity Information Explanation/Description" section of the form.

¹⁸ A copy of the final draft form was published in the Federal Register on July 25, 2002, and is available for review only (not for use) on FinCEN's MSB website at: www.msb.gov, under the heading of "What's New." [NOTE: **The SAR-MSB, TD F 90-22.56 is a draft form and cannot be used to report suspicious activity until it has been issued as a final form.**]

Filing a SAR For Ongoing or Supplemental Information

FinCEN often receives questions regarding how to provide supplemental information for suspicious activity that has already been reported previously on a SAR but is still occurring. The following guidance is provided:

SAR Filers using Form TD F 90-22.47

- **Part III, Item 33** - The SAR must be completed in its entirety and should contain the following information: Date or range of dates of suspicious activity should be included by entering the first known date of suspicious activity (same date as reflected on the initial report) in the “**From**” field and the last occurrence date in the “**To**” field.
- **Part III, Item 34** - Total dollar amount involved in known or suspicious activity must reflect an aggregated total of all transactions for multiple or related suspicious activities by the same individual or organization within the same reporting period (as identified in Item 33). **[NOTE: Dollar values should be calculated on the basis of suspicious transactions as opposed to loss to the filing institution.]**
- **Part V** - Suspicious Activity Information Explanation/Description may reference prior SARs filed with corresponding dates and dollar amounts, in addition to a detailed explanation/description of the known or suspected violation of law or suspicious activity. For more detailed instructions on other items that should be included in this area, please see the instructions on the SAR form or “Preparation Guidelines For Suspicious Activity Report Form dated June 2000” which can be found on FinCEN’s website at [www.fincen.gov /sarguidelinesv4.doc](http://www.fincen.gov/sarguidelinesv4.doc)

SARC Filers using Form TD F 90-22.49

Check Box C, “Supplemental Report” and complete the form in its entirety by providing the following information.

- **Part III, Item 30** - Date of suspicious activity should be included by entering the first known date of suspicious activity (same date as reflected on the initial report).

- **Part III, Item 31** - Total dollar amount involved in known or suspicious activity must reflect an aggregated total of all transactions for multiple or related suspicious activities by the same individual or organization within the same reporting period (as identified in Item 30).
- **Part VII** - Suspicious Activity Information Explanation/Description may reference prior SARs filed with corresponding dates and dollar amounts, in addition to a detailed explanation/description of the known or suspected violation of law or suspicious activity. For more detailed instructions on other items that should be included in this area, please see the instructions on the SAR form, in addition to the “Preparation Guidelines For Suspicious Activity Report Form dated June 2000” which can be found on FinCEN’s website at www.fincen.gov/sarguidelinesv4.doc.

Where to Send Completed SARs

SARs (Form TD F 90-22.47) filed in paper format by either a depository institution, broker/dealer in securities, MSB, or others should be mailed to:

FinCEN
Detroit Computing Center
P.O. Box 33980
Detroit, MI 48232-0980

SARs for casinos (Form TD F 90-22.49) filed in paper format should be mailed to:

FinCEN
Detroit Computing Center
Attn: SARC
P.O. Box 32621
Detroit, MI 48232-5980

SARs or SARCs filed by magnetic media/diskette format, should be mailed to:

IRS Detroit Computing Center
Attn: Tape Library
985 Michigan Ave.
Detroit, MI 48232

Section 6 - SAR News Update

This section of the *SAR Activity Review* discusses measures taken since September 11th that affect the identification of suspicious activity and the preparation and filing of SARs.

FinCEN's FINANCIAL INSTITUTIONS HOTLINE

FinCEN has established a FINANCIAL INSTITUTIONS HOTLINE (1-866-556-3974) for financial institutions to report suspicious transactions that may relate to recent terrorist activity against the U.S. The purpose of the HOTLINE is to facilitate the immediate transmittal of this information to law enforcement.

Financial institutions identifying suspicious transactions under 31 CFR Part 103 or under the regulations of their federal supervisor's regulation are required to report such transactions by filing a SAR in accordance with applicable agency regulations, even if they provide information over the FINANCIAL INSTITUTIONS HOTLINE. Financial institutions are reminded that oral disclosures of suspicious activity made through the HOTLINE are subject to the same safe harbor from liability that applies when completing a SAR. This HOTLINE is intended to provide to law enforcement and other authorized recipients of SAR information the essence of the suspicious activity in an expedited fashion. The HOTLINE use is voluntary and does not negate an institution's responsibility to file a SAR in accordance with applicable regulations.

Even if not currently covered by the suspicious activity reporting requirements in Title 31, institutions such as casinos and securities firms are encouraged to use the FINANCIAL INSTITUTIONS HOTLINE to report suspicious activity that may relate to recent terrorist activity and to file a SAR form.

Since the HOTLINE has been activated, depository institutions as well as insurance agencies, securities firms, and MSBs, among others, have utilized it to report suspicious activity.

Callers are reminded that the FINANCIAL INSTITUTIONS HOTLINE is only for reporting suspicious activity that may be terrorist related. If general guidance is needed regarding the completion or filing of a SAR, the requestor should contact its primary regulator or call FinCEN's Regulatory Helpline at 1-800-949-2732.

Expansion of SAR and Other Anti-Money Laundering Compliance Requirements to New Industries

On October 26, 2001, shortly after the last *SAR Activity Review* was published, President Bush signed into law the USA PATRIOT Act,¹⁹ the most significant expansion of the nation's anti-money laundering laws since 1986, when Congress first made the act of money laundering a federal criminal offense.²⁰

Among other things, USA PATRIOT Act gives the Treasury Department authority to issue rules extending anti-money laundering requirements to virtually all businesses that provide financial services to the public. Some of these rules have already been issued and are summarized below. The remaining rules are expected to go into effect no later than a year after the law's enactment (i.e., October 26, 2002). [Although not mandated by the Act, rules requiring certain money services businesses (MSBs) to file suspicious activity reports went into effect on January 1, 2002. In addition, Treasury is in the process of extending similar requirements to casinos and card clubs.]

Compliance Program Requirements

Section 352(a) of the Act requires every financial institution under the Bank Secrecy Act (BSA)²¹, unless exempted by the Secretary of the Treasury, to establish anti-money programs in an effort to assist the government's efforts to prevent, detect and prosecute international money laundering activity and the financing of terrorism.

On April 23, 2002, FinCEN issued the first set of regulations implementing Section 352. These new rules require: 1) mutual funds; 2) operators of credit card systems; and 3) money services businesses to implement an anti-money laundering program by July 24, 2002. While the rules do not prescribe identical requirements, each one identifies the following four (4) minimum components of the anti-money laundering program: 1) implementation of procedures and internal controls designed to prevent and detect money laundering or the financing of terrorist activities; 2) designation of a compliance officer with the responsibility and sufficient authority to assure that the firm's anti-money laundering program is

¹⁹ Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), Pub. L. No. 107-56 (2001).

²⁰ Money Laundering Control Act of 1986, Pub. L. No. 99-570 (1986).

²¹ Bank Secrecy Act, Titles I and II of Pub. L. 91-508, as amended, codified at 12 U.S.C. 1829b, 12 U.S.C. 1951-1959, and 31 U.S.C., chapter 53, subchapter II.

operating effectively; 3) training of appropriate personnel concerning their responsibilities under the program; and 4) a periodic and independent audit to determine the firm's compliance with anti-money laundering laws and regulations and the firm's anti-money laundering program.

A fourth rule²², also issued on April 29, 2002, clarifies that banks, savings associations, credit unions, registered brokers and dealers in securities, futures commission merchants, casinos and card clubs, will continue to be subject to rules issued by FinCEN, federal banking agencies, or self-regulatory organizations, whomever their respective regulator may be, which already require that these businesses maintain anti-money laundering compliance programs.²³

This rule also defers until no later than October 24, 2002, the application of Section 352 to all other financial institutions under the BSA in order to allow Treasury time to study these new industry segments and to develop regulations applicable to their potential level of money laundering or terrorist finance abuse.

The businesses subject to further study include dealers in precious metals, stones or jewels; pawnbrokers; loan or finance companies; private bankers (those that are not already subject to BSA regulatory requirements because of their status as a bank or broker-dealer); insurance companies; travel agencies; telegraph companies; automobile, airplane or boat sellers; persons involved in real estate closings and settlements; investment companies other than mutual funds; and commodity pool operators and commodity trading advisors.²⁴

Expansion of SAR Requirements

FinCEN is in the process of expanding SAR requirements to several new financial institutions and will be studying additional industries for future SAR requirements.

²² 67 FR 21110 (April 29, 2002).

²³ See 12 CFR 21.21 (for institutions regulated by the Office of the Comptroller of the Currency); 12 CFR 208.63 (for institutions regulated by the Federal Reserve Board); 12 CFR 326.8 (for institutions regulated by the Federal Deposit Insurance Corporation); 12 CFR 563.177 (for institutions regulated by the Office of Thrift Supervisor); 12 CFR 748.2 (for institutions regulated by the National Credit Union Association); 67 FR 8565 (for broker-dealers registered with the National Association of Securities Dealers (NASD)); 67 FR 8567 (for broker-dealers registered with the New York Stock Exchange); NFA Rule 2-9(c), April 23, 2002 (for futures firms registered with the National Futures Association); and 31 CFR 103.64 (for casinos and card clubs as defined under 31 CFR 103.11(n)(5) and (n)(6), respectively).regulated by the National Credit Union Association); 67 FR 8565 (for broker-dealers registered with the National Association of Securities Dealers (NASD)); 67 FR 8567 (for broker-dealers registered with the New York Stock Exchange); NFA Rule 2-9(c), April 23, 2002 (for futures firms registered with the National Futures Association); and 31 CFR 103.64 (for casinos and card clubs as defined under 31 CFR 103.11(n)(5) and (n)(6), respectively).

²⁴ Investment bankers are not covered by this exemption because, as a depository institution or broker-dealer, they are already subject to anti-money laundering compliance program requirements pursuant to rules issued by their federal regulator or self-regulatory organization.

As noted above, on January 1, 2002, money transmitters and businesses that issue, sell or redeem money orders or traveler's checks became subject to new SAR requirements. On July 1, 2002, FinCEN issued a final rule extending the SAR requirement to securities broker-dealers, which will be effective on January 1, 2003. In a related matter, FinCEN is also studying the feasibility and need to extend SAR reporting to the futures and mutual fund industries.

FinCEN has also taken steps to finalize rules, which would place casinos and card clubs under a SAR regime. FinCEN first proposed this requirement in 1998.²⁵ After considering numerous comments on several key aspects of the rule, on March 29, 2002, FinCEN published a request for additional comments and provided guidance on the intended scope of the rule.²⁶ FinCEN intends to issue a final rule for these two industries before the end of 2002. Comments on the re-noticed SAR rule were due on May 28, 2002.

²⁵ 63 FR 27230 (May 18, 1998).

²⁶ 67 FR 15138 (March 29, 2002).

Section 7 - Issues & Guidance

This section of the *SAR Activity Review* discusses current issues of common interest raised with regard to the preparation and filing of SARs. This section is intended to identify SAR-related issues and then provide meaningful guidance to filers. In addition, the section reflects the collective positions of the government agencies that require organizations to file SARs.

Office of Foreign Assets Control (OFAC)

The Office of Foreign Asset Control (OFAC), among other things, provides financial institutions with instructions regarding the freezing and blocking of funds related to individuals and entities on OFAC's Specially Designated Nationals List. For information or guidance required in connection with OFAC, including information regarding the Specially Designated Nationals List, financial institutions should contact OFAC at its hotline (1-800-540-6322) or on-line at www.treas.gov/ofac.

Advanced Fee Schemes

Many institutions are now the recipients of solicitations for advanced fee schemes, which have commonly been referred to as Nigerian, West African or 419 advanced fee schemes. A determination as to whether a SAR should be filed is that of the institution that receives the solicitation.

Financial institutions should be aware that the United States Secret Service (USSS) has dedicated resources to this issue. If a financial institution receives an "advanced fee scheme" letter through the mail, e-mail, or fax, and the institution has not initiated any contact with law enforcement or the perpetrators of the attempted fraud, the letter should be forwarded to USSS using one of the following methods:

- e-mail to: 419.fcd@uss.s.treas.gov
- fax to: (202) 406-5031; or,
- mail to: United States Secret Service, Financial Crimes Division, 950 H Street, Suite 5300, NW, Washington, D.C., 20373-5802, (ATTN: 419)

If, however, the financial institution has been victimized by one of these schemes, all written documentation should be mailed to the USSS at the above address and a call should be placed to the agency at (202) 406-5850.

In response to this growing epidemic, USSS established “Operation 4-1-9” designed to target “advance fee fraud schemes” on an international basis. The USSS’ Financial Crimes Division receives approximately 100 telephone calls from victims/potential victims, and 300 to 500 pieces of related correspondence per day. Additional information concerning the USSS’ efforts to combat this scheme can be found on the Internet at www.treas.gov/ussf/financial_crimes.shtml#Nigerian. Another point of reference is a report prepared by the U.S. Department of State, Bureau of International Narcotics and Law Enforcement Affairs entitled “Nigerian Advance Fee Fraud,” which can be found at www.travel.state.gov.

The determination whether to file a SAR with respect to a particular transaction or other activity must be made by the financial institution.

SAR Disclosure as Part of Civil Litigation

The possible disclosure of a SAR as part of discovery in civil litigation has been a recurring issue. The federal financial institution supervisors, as well as FinCEN, have always maintained that a request for the disclosure of a SAR in civil litigation pursuant to the federal discovery rules should be denied and the institution should identify for the court the relevant provisions of Title 31, Section 5318(g) of the United States Code (the BSA provision that prohibits disclosure). (However, institutions should never disobey the order of a court to make the disclosure, although they should appeal an adverse order and seek a stay when possible.)

Two recent cases support the position that discovery in civil cases does not require the production or disclosure of a SAR. In one case²⁷, a discovery demand for SARs was made, notwithstanding the language in the Office of Thrift Supervision’s (OTS) SAR regulation²⁸ barring any disclosure of a SAR filing or information contained therein. The bank had objected to the discovery demand for SARs so the plaintiff filed a motion to compel production of SARs, and, subsequently, the OTS submitted a letter to the court in support of the bank’s position. The court denied the motion for discovery finding that the SAR regulations establish an unqualified privilege against discovery. The court held that even though the statute only prohibits notice of the SAR filing to persons involved in the transaction, the production of the SAR in discovery would increase the likelihood that the person involved in the transaction would receive notice of the SAR filing.

²⁷ Weil v. The Long Island Savings Bank, 2001 U.S. Dist. LEXIS 23408 (E.D.N.Y. 2001).

²⁸ 12 C.F.R. 563(d)(12).

Similarly, in another case²⁹, the court upheld a lower court's issuance of a protective order against the discovery of the SARs, relying on the nondisclosure provisions of the Office of the Comptroller of the Currency's (OCC) regulation.³⁰

It should be noted, however, that while there is now further judicial support for the proposition that SARs are not subject to disclosure in civil litigation, this does not apply to the underlying documentation (such as account statements, wire transfer records, etc.) that may evidence suspicious activity. In fact, in one of the cases the court specifically held that the prohibition from disclosure covered the SAR but not the underlying documentation.³¹

An institution that finds itself in the position as described herein should notify the court of the prohibition from disclosure and also, pursuant to the regulations of the federal financial institution supervisory agencies, notify its federal supervisor, or, if it has no such supervisor, notify FinCEN, that such a demand has been made.

²⁹ Dubai Islamic Bank v. Citibank, 2001 U.S. Dist. LEXIS 18525 (S.D.N.Y. 2001).

³⁰ 12 CFR 21.11(k), and FinCEN's rule, 31 CFR 103.18.

³¹ Weil v. The Long Island Savings Bank.

Section 8 - Industry Forum

In each issue of the *SAR Activity Review*, representatives from the financial services industry offer insights into some aspect of compliance management or fraud prevention that presents their view of how they implement the BSA within their institution. Although the Industry Forum Section provides an opportunity for the industry to share its views, the information provided in it may not represent the official position of the regulators. In this issue, the ABA offers an article entitled “Money Laundering, Terrorism, & Fraud.” It appeared in the March/April 2002 issue of ABA Bank Compliance:

The Safe-Harbor Protection for Employment References: A Long-Awaited Tool To Deter Money Laundering, Terrorism & Fraud

by Robert B. Serino (Senior Advisor for Financial Services, Watkins Consulting)

On October 26, 2001, President George W. Bush signed the Uniting and Strengthening America by Providing Appropriate Tools Required To Intercept and Obstruct Terrorism Act (USA PATRIOT Act of 2001). In so doing, the President developed new tools and imposed additional requirements on the federal government and the financial services industry to address the dual threats of terrorism and money laundering. While some of the act’s changes will impose additional burdens on financial institutions, others will protect them and their employees from liability when they take steps to keep dishonest individuals out of the financial services industry.

The USA PATRIOT Act expands the safe harbor that currently protects banks and their employees from being held liable when they file suspicious activities reports with the federal government. It also, for the first time, protects an expanded list of financial institutions and their employees when they make disclosures in certain employee references. *Note 1*

PREDICATE FOR THE LEGISLATION

Congress had previously given federal regulators appropriate remedies to remove and bar dishonest individuals from the banking industry. Regulators have the statutory power to commence a formal administrative action to remove and ban bank employees and officials when it can be established that they have violated their positions of trust. Likewise, existing statutes permit regulators to summarily

suspend bank personnel if they are indicted for crimes of dishonesty, breaches of trust, or money laundering. Also, a person convicted of such a crime is, by operation of law, barred from serving in a depository institution, unless he or she has prior approval of the Federal Deposit Insurance Corporation.

Through its 1989 passage of the Financial Institutions Reform, Recovery and Enforcement Act, Congress attempted to strengthen the removal statute by mandating that if an individual was removed from one depository institution, he or she would be barred from any other depository institution.

If an individual is barred from banking for any of these reasons, it is illegal for a bank to employ that individual. If a bank or individual knowingly violates this prohibition, they are subject to criminal prosecution or a civil money penalty up to \$1 million for each day the violation continues.

While the existing statutory remedies are helpful, they are only effective if a formal action or prosecution has been taken against the individual. These provisions do not address situations in which there was no prosecution or regulatory sanctions of the individual.

To avoid committing such a violation and to protect themselves from employee abuse, financial institutions must have a due diligence program to evaluate the background of individuals before they are employed. One of the major sources of information an institution should check before employing someone is prior employment records.

For years the industry and its regulators have been concerned about the problem that is created when a person is terminated from an institution for being involved in wrongdoing but is not prosecuted. Subsequently, that person could become employed at another institution without the second institution learning about the problems at the first. Until now, banks have been reluctant to share such adverse information about former employees for fear that they might be sued for providing the facts of the wrongdoing that caused the termination.

In previous years Congress and the regulators have addressed this concern. In testimony given on June 11, 1998, before the Committee on Banking and Financial Services of the U.S. House of Representatives, the Comptroller of the Currency's Office supported the goals of the legislative proposals before the committee, specifically:

the expansion of the statutory 'safe harbor' for banks and individuals that report potential crimes and suspicious transactions, and the creation of a

new 'safe harbor' for banks and individuals who share information in an employment reference about a prospective employee's possible involvement in a violation of law or a suspicious transaction. Banks and their employees must feel free to report suspicious transactions, and to share information in the employment context about individuals involved in misconduct, without fear of liability.... *Note 2*

Although the committee approved a provision dealing with the issue, the legislation never became law.

The issue was again brought up in the legislative debates on the Money Laundering Act of 2000 (the predecessor of the USA PATRIOT Act). In testimony before the Subcommittee on Crime of the Committee of the Judiciary, the American Bankers Association's senior counsel and compliance manager, John Byrne, pointed out the limitations banks have faced in disclosing the facts regarding former employees who have been terminated for committing fraud. *Note 3* Clearly, one of the major obstacles has been the fear and cost of responding to litigation. To address this concern, Byrne noted, about a dozen states already had provided for liability protection to employers who responded to requests for references, including when they advised that an individual had been suspected of criminal wrongdoing.

LEGISLATIVE CHANGE

To address the industry's concerns about potential litigation, Congress passed a provision in the USA PATRIOT Act that, for the first time, gives financial institutions and their employees a "qualified" safe harbor protection from liability when they provide information to another institution about a former employee's employment record. This provision deals with information regarding former employees, not customers. *Note 4* To come within the act's protection, banks must strictly comply with its provisions. The requirements mandate that the disclosure be in writing and be in response to a request from another institution. The protection only exists for disclosures between financial institutions, including uninsured branches and agencies of foreign banks.

Although the statute does not mandate disclosures between institutions, it does protect an institution and its employees if a disclosure is made. The protection also covers written termination notices or employment references that are provided pursuant to rules of a self-regulatory organization registered with the Securities and Exchange Commission or the Commodity Futures Trading Commission.

We refer to this as a “qualified” safe harbor because the USA PATRIOT Act’s provision amending the FDIC Act provides that any disclosure made with “malicious intent” will not be shielded from liability. While this provision is only in the section of the act dealing with disclosures between “depository institutions,” out of an abundance of caution, all financial institutions should be concerned that this factor will be read into their safe harbor.

EFFECT ON FINANCIAL INSTITUTIONS

Because the statute provides that maliciousness would defeat the safe harbor, it can be easily assumed that when a person sues an institution or individual for “defamation” or other tort stemming from an employment reference, there will be an allegation of malice. *Note 5* Such a claim would probably allege that the bank or its employees made the employment reference out of personal animosity and without a true factual basis. Generally, because the question of malice will hinge on the facts of each case, a bank probably will not be able to merely obtain a summary judgment or a dismissal of a suit. *Note 6* To defeat such allegations, a financial institution or person sued will be required to defend the action by establishing that its actions and responses were made without malice. This will become a debate on the facts and could involve substantial discovery.

In order to ensure that the Act’s safe harbor protects financial institutions and their employees, it is strongly advised that the language of the statute be followed literally and that institutions set up detailed processes to handle employment record requests. If the issue of malice is raised, the institution can point to its strict compliance not only with the statute but also with its established policies and procedures.

Among the actions an institution should take to support the argument that an employment reference was made in accordance with the act and without malice are the following:

- The handling of the requests for information should be centralized and if possible reviewed by counsel. This will help rebut the contention that the person making the reference had a personal dislike or intent to injure him. It would also provide for a separate set of eyes to review the particular matter and make an independent determination consistent with prior matters. Such a process should lead to more objective and less personalized references.
- The response must be in writing and in response to a request from another financial institution. Although the act does not state that the request be in writing, to ensure that there is no question that a request was made - and to avoid the contention that the “referring bank” made the reference with

malice because it was not “requested” - a written request should be obtained. Having this on file would lend credibility to the argument that there was no malicious intent involved.

- The disclosure is made only in a situation in which a SAR or report has already been filed. The regulations of the agencies require that financial institutions file a SAR when they suspect violations of law or suspicious activities involving amounts of money greater than \$5,000, unless the individual is an insider in the institution - in which instance there is no dollar limit. Because institutions should have a review process to determine whether a SAR should be filed, this should be another independent indication to help refute the allegation of personal animosity toward the individual.
- The response cannot disclose that a SAR has been filed but can contain the allegations made in the SAR. A SAR is considered a confidential document and the fact that one has been filed cannot be disclosed.
- The response should recite accurate facts without the use of pejorative words or speculation. This is one of the most important considerations in making a reference. It is where personal animosity could be detected, especially if the reference was spiced with incriminating, highly charged facts that ultimately prove to be inaccurate. An undisputed recitation of the facts as to what transpired is the safest course. There probably should be no suggestion of what the requesting bank should do about hiring the individual (i.e., there is no benefit in telling the requesting bank that it should not hire the individual - the facts should speak for themselves).
- Records should be maintained to show that the review of the request was handled in accordance with bank processes and with appropriate review. Copies of any memoranda summarizing a decision to file the SAR and the reference, together with the incoming request, should be maintained to establish that the matter was handled in accordance with normal bank procedures and without personal animosity toward one individual. Financial institutions should try to obtain a written admission from the offending employee. This should be part of the supporting documentation and filed with the bank records.

CONCLUSION

While the USA PATRIOT Act's creation of the safe harbor for employment references is important and institutions should be encouraged to provide accurate and truthful reports, it is also important that financial institutions establish an internal process to ensure that the protections are maintained. Without such a process, it may be difficult for an institution to defeat a claim that information was provided with malice toward the former employee and avail itself of the act's safe harbor protection.

Notes:

1. See Sections 351 and 355 [351 amends the present 31 USC 5318(g)(3), and 355 amends the FDIC Act by adding section (w) to 12 USC 1828].
2. See testimony of Robert B. Serino, Deputy Chief Counsel, Comptroller of the Currency, before the Committee on Banking and Financial Services of the U.S. House of Representatives, June 11, 1998, concerning markup of H.R. 4005 (Money Laundering Deterrence Act of 1998) and H.R. 1756 (Money Laundering and Financial Crimes Strategy Act of 1997).
3. Hearing before the Subcommittee on Crime of the Committee on the Judiciary, U.S. House of Representatives, on February 10, 2000. The testimony covered several issues presented in The Money Laundering Act of 2000 and also focused the subcommittee on the employment reference provision.
4. The sharing of customer information would be covered by the provisions of the Fair Credit Reporting Act and the Gramm-Leach-Bliley Act, and this safe harbor would not protect them.
5. In several cases brought over the past few years, individuals have sued banks alleging that the banks, in making referrals to law enforcement, have violated the individuals' rights. In defending themselves, banks have contended that they were immune from liability for this disclosure under the "unqualified" safe harbor provisions of the Annunzio-Wylie Anti-Money Laundering Act. See 31 USC 5318 (g)(3)[SAR safe harbor]. In some early cases, courts found that there was a factual issue to determine if the banks had acted in bad faith and therefore in some cases did not grant the banks' motions for summary judgment or motions to dismiss. See *Lopez v. First Union National Bank*, 129 F.3d 1186 (11th Cir.1997). Nevertheless, in the key case dealing with the breadth of the "suspicious activity report" safe harbor, the court in *Lee v. Bankers Trust*, 166 F.3d 540 (2d Cir., 1999), concluded that the plain language of the statute (and the congressional intent) did not require the

referral to be made in good faith. The court concluded, therefore, that there was no question of fact. See also *Stoutt v. Banco Popular De Puerto Rico*, 158 F.Supp 2d 167 (D.P.R July 24 2001). The absence of the language in the SAR safe harbor is in stark contrast to the specific language of Section 355 of the USA PATRIOT Act, where Congress specifically allows for malice to defeat the protection of the safe harbor.

6. Courts are reluctant to issue summary judgment where there are potential issues of motive and intent. See *Stoutt v. Banco Popular De Puerto Rico*, 158 F.Supp 2d 167 (D.P.R. July 24, 2001). However, “even in cases where elusive concepts such as motive or intent are at issue, summary judgment may be appropriate if the nonmoving party rests merely upon conclusory allegations, improbable inferences, and unsupported speculation.” *Ibid.*, citing *Ayala-Gerena v. Bristol Myers-Squibb Co.*, 95 F.3d 86,95 (1st Cir. 1996).

Appendix I

Violations by State by Year

For the Period April 1, 1996 through May 31, 2002

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Alabama																				
1996	77	0	46	38	7	0	8	19	1	1	9	1	23	8	9	2	25	2	27	
1997	89	1	68	44	14	0	17	51	0	1	20	1	52	17	20	7	53	2	38	
1998	93	1	71	46	14	0	18	24	2	1	19	3	47	14	21	1	48	1	49	
1999	91	0	121	63	9	0	10	32	9	2	26	2	61	10	27	3	33	4	70	
2000	179	2	162	92	15	2	18	47	2	2	25	4	77	37	45	6	33	4	114	
2001	315	1	267	95	20	4	21	105	3	3	46	11	88	27	46	11	32	3	195	
2002	98	1	112	46	4	2	14	46	1	2	15	9	36	12	17	3	11	2	88	
Total	942	6	847	424	83	8	106	324	18	12	160	31	384	125	185	33	235	18	581	
Alaska																				
1996	39	0	9	5	0	0	0	2	0	0	0	1	2	0	3	0	3	0	4	
1997	36	0	6	2	1	0	1	2	0	0	0	0	7	0	1	0	4	0	4	
1998	95	0	6	6	0	0	0	2	0	1	1	1	3	2	6	0	3	2	10	
1999	119	0	8	6	0	0	0	1	0	2	4	0	4	2	0	0	2	1	12	
2000	285	0	16	11	2	0	4	2	0	4	5	2	6	4	1	1	5	3	24	
2001	233	0	11	1	0	2	3	5	0	1	7	0	8	3	1	0	2	6	26	
2002	120	0	17	8	0	0	0	6	0	0	1	1	9	4	3	0	1	2	27	
Total	927	0	73	39	3	2	8	20	0	8	18	5	39	15	15	1	20	14	107	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
American Samoa																				
1996	0	0	0	0	0	0	0	0	0	0	0	0	3	0	0	0	0	0	0	0
1997	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1998	0	0	0	0	0	0	0	0	0	0	0	0	7	0	0	0	0	0	0	0
1999	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1
2000	2	0	1	0	0	0	0	0	0	0	0	2	2	0	1	0	1	0	0	6
2001	0	0	1	0	0	0	0	0	0	0	0	2	2	0	0	0	0	0	0	0
2002	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Total	3	1	3	0	0	0	0	1	0	0	0	14	0	0	1	0	1	0	0	8
Arizona																				
1996	361	0	187	71	3	0	87	38	12	4	212	7	82	73	13	9	8	2	53	
1997	598	0	290	57	4	0	59	141	241	13	1,232	27	162	55	28	10	6	5	84	
1998	955	0	317	52	2	0	20	179	51	11	559	23	102	23	32	10	13	8	136	
1999	1,526	0	268	51	8	0	30	206	1	3	191	22	83	30	45	30	7	6	138	
2000	1,726	0	435	102	6	0	22	213	23	7	798	43	130	59	38	51	16	13	479	
2001	2,317	3	643	82	12	3	44	245	9	4	432	39	191	80	66	72	28	17	472	
2002	2,158	0	254	39	7	0	29	60	22	5	1,146	9	61	21	18	15	5	34	462	
Total	9,641	3	2,394	454	42	3	291	1,082	359	47	4,570	170	811	341	240	197	83	85	1,824	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Arkansas																				
1996	44	0	22	19	6	0	3	4	0	0	1	4	0	23	6	21	0	26	6	23
1997	95	2	47	37	28	0	11	7	0	1	5	2	41	30	17	7	24	5	34	
1998	86	1	42	40	15	0	10	7	0	2	17	1	42	15	9	3	27	1	45	
1999	96	0	123	63	21	0	18	18	0	3	17	2	34	13	19	8	20	8	115	
2000	164	7	103	59	40	2	24	48	0	1	12	3	38	18	28	6	43	10	88	
2001	199	5	98	76	54	2	29	22	0	3	16	5	47	31	35	16	64	13	127	
2002	123	0	63	21	24	2	8	12	1	4	23	0	25	14	14	5	23	9	110	
Total	807	15	498	315	188	6	103	118	1	15	94	13	250	127	143	45	227	52	542	
California																				
1996	5,241	12	2,438	278	58	0	281	767	17	13	78	25	767	512	112	682	61	35	536	
1997	9,202	13	2,960	480	115	0	488	1,237	24	25	203	85	1,223	564	185	1,025	166	65	906	
1998	13,498	13	3,114	479	104	0	402	1,331	22	29	274	97	1,276	440	171	759	215	61	1,245	
1999	16,513	12	3,037	347	170	0	570	923	34	39	413	184	1,026	639	169	599	122	102	1,017	
2000	32,139	27	4,034	482	156	10	782	1,516	122	59	637	239	1,049	813	219	638	135	114	1,110	
2001	39,067	35	5,313	812	141	51	1,390	1,979	197	101	788	190	1,064	616	246	1,074	153	202	2,468	
2002	19,125	25	2,396	435	59	10	446	1,015	17	28	157	83	367	274	138	702	66	112	1,154	
Total	134,785	137	23,292	3,313	803	71	4,359	8,768	433	294	2,550	903	6,772	3,858	1,240	5,479	918	691	8,436	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Colorado																				
1996	275	0	156	34	2	0	15	58	5	0	20	5	45	22	11	5	24	1	52	
1997	420	2	283	71	7	0	17	56	4	8	40	7	52	19	21	4	33	7	163	
1998	602	10	299	64	7	0	15	82	4	4	99	10	89	24	34	19	43	40	146	
1999	832	0	245	108	9	0	18	83	12	2	110	19	70	26	23	18	34	3	114	
2000	1,088	2	310	142	17	2	21	181	2	7	44	13	98	44	34	32	41	10	143	
2001	1,817	5	469	169	21	15	53	219	8	11	47	22	142	73	50	57	62	21	346	
2002	1,437	3	188	59	14	2	26	69	1	14	8	4	50	39	26	28	27	26	168	
Total	6,471	22	1,950	647	77	19	165	748	36	46	368	80	546	247	199	163	264	108	1,132	
Connecticut																				
1996	149	0	60	30	5	0	9	12	0	1	2	0	26	6	11	4	15	1	56	
1997	373	0	115	60	6	0	21	27	1	0	23	0	60	15	13	12	15	3	79	
1998	480	0	114	55	7	0	31	45	1	9	20	5	46	34	15	16	24	7	74	
1999	583	1	77	40	10	0	11	50	0	7	13	2	35	27	8	20	14	12	179	
2000	868	0	164	43	9	0	9	66	3	10	23	7	34	18	12	20	32	9	85	
2001	874	2	152	28	4	1	15	63	6	3	45	4	42	22	9	25	25	14	835	
2002	619	1	122	28	59	2	8	67	2	2	10	7	38	46	14	8	20	16	1,222	
Total	3,946	4	804	284	100	3	104	330	13	32	136	25	281	168	82	105	145	62	2,530	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Delaware																				
1996	12	0	28	12	0	0	1	30	4	1	153	1	5	5	8	2	0	0	57	
1997	45	0	132	80	0	0	1	136	12	18	811	3	13	11	10	1	1	6	210	
1998	40	0	229	18	3	0	11	205	11	2	800	5	12	10	10	0	3	22	317	
1999	170	1	253	23	5	0	34	290	15	6	795	5	23	10	8	0	6	54	211	
2000	128	0	427	1,080	8	1	44	496	39	22	1,189	107	24	14	9	14	4	126	347	
2001	123	1	651	933	2	4	132	420	52	14	1,675	16	24	21	9	145	5	35	669	
2002	99	0	444	503	2	1	145	267	28	6	1,200	5	8	8	6	38	2	12	373	
Total	617	2	2,164	2,649	20	6	368	1,844	161	69	6,623	142	109	79	60	200	21	255	2,184	
District of Columbia																				
1996	53	0	35	12	0	0	6	10	0	2	0	2	14	3	2	1	5	1	8	
1997	66	1	59	15	1	0	2	21	0	1	5	4	14	7	2	0	10	4	20	
1998	80	0	69	9	3	0	6	21	1	3	2	3	39	6	2	0	7	6	23	
1999	146	0	67	4	1	0	3	35	0	1	4	1	15	5	4	3	1	3	19	
2000	242	0	70	11	4	0	11	47	3	3	1	8	39	11	11	11	6	6	51	
2001	313	2	79	6	1	1	7	43	0	2	4	3	34	18	6	4	14	8	78	
2002	187	0	38	5	2	0	2	17	2	0	2	1	14	5	4	3	4	3	36	
Total	1,087	3	417	62	12	1	37	194	7	12	18	22	169	56	31	22	47	31	235	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Federated States of Micronesia																				
1996	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0
1997	0	0	1	1	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0	2
1998	1	0	1	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	1
1999	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0
2000	0	0	1	0	0	0	0	1	0	1	0	0	0	0	2	0	0	0	0	1
2001	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0	0	0	0
2002	1	0	3	1	0	0	0	1	0	1	0	0	4	1	5	0	0	0	0	4
Total	2	0	6	2	0	0	0	2	0	2	0	0	8	2	10	0	0	0	0	8
Florida																				
1996	2,302	8	672	158	19	0	51	34	0	8	11	14	105	69	39	44	67	17	200	
1997	4,149	8	925	235	25	0	126	148	3	18	55	18	198	112	59	58	88	26	368	
1998	4,873	5	573	130	16	0	68	190	8	19	142	15	171	64	64	110	69	46	399	
1999	5,077	10	677	173	33	0	93	458	8	15	245	20	210	102	82	358	82	26	517	
2000	5,881	11	991	278	65	2	231	511	84	24	158	74	306	186	122	420	116	56	804	
2001	7,487	10	1,351	277	71	16	117	497	131	89	222	61	274	155	70	416	92	106	842	
2002	4,594	6	857	190	26	6	77	357	13	22	175	21	118	47	47	150	38	63	589	
Total	34,363	58	6,046	1,441	255	24	763	2,195	247	195	1,008	223	1,382	735	483	1,556	552	340	3,719	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Georgia																				
1996	207	1	68	36	7	0	20	15	0	2	74	2	60	25	17	13	28	5	66	
1997	473	3	262	100	18	0	30	123	5	8	193	8	96	53	46	37	77	11	122	
1998	648	2	259	67	35	0	52	141	3	9	119	13	130	62	60	24	94	8	162	
1999	926	0	286	86	23	0	60	241	4	11	164	11	115	86	57	70	91	13	147	
2000	1,246	5	574	104	26	0	68	383	20	3	111	36	145	58	59	96	96	33	336	
2001	1,363	8	834	156	27	18	104	537	31	12	230	24	143	38	65	103	63	40	516	
2002	888	3	413	104	8	2	40	208	17	8	120	15	75	25	20	76	45	31	367	
Total	5,751	22	2,696	653	144	20	374	1,648	70	53	1,011	109	764	347	324	419	494	141	1,716	
Guam																				
1996	5	0	5	0	1	0	0	0	0	0	0	0	1	2	1	0	0	1	6	
1997	19	0	14	1	0	0	3	0	0	0	1	14	6	0	3	0	3	1	15	
1998	29	0	8	3	0	0	0	0	0	0	0	1	2	1	2	0	1	1	11	
1999	47	4	5	4	0	0	0	0	0	0	0	1	4	4	12	0	2	0	17	
2000	39	1	9	7	1	0	0	0	0	1	0	0	6	3	6	0	0	0	10	
2001	42	0	9	3	3	0	2	4	0	1	1	0	10	2	7	0	1	2	11	
2002	32	0	5	2	0	0	0	1	0	0	1	0	2	1	1	0	0	0	9	
Total	213	5	55	20	5	0	5	5	0	2	3	16	31	13	32	0	7	5	79	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Hawaii																				
1996	224	0	44	6	2	0	0	10	0	1	2	1	24	6	4	1	5	1	1	62
1997	348	0	40	11	1	0	8	6	1	0	16	1	31	5	3	0	5	2	2	82
1998	369	1	39	4	0	0	0	21	3	0	16	3	17	4	3	0	3	2	2	91
1999	382	0	37	4	1	0	5	14	4	1	7	0	19	0	8	0	10	1	1	69
2000	579	5	31	13	3	0	6	15	2	1	13	1	25	3	8	4	6	1	1	49
2001	799	0	43	17	2	2	4	30	0	1	7	2	18	0	1	5	0	0	0	59
2002	440	0	19	4	0	2	3	8	2	1	4	0	4	2	0	1	1	1	1	83
Total	3,141	6	253	59	9	4	26	104	12	5	65	8	138	20	27	11	30	8	8	495
Idaho																				
1996	11	0	17	7	1	0	1	4	0	0	1	0	7	2	1	3	1	0	0	3
1997	39	0	33	18	2	0	4	1	0	0	3	2	28	7	7	1	5	1	1	16
1998	42	0	19	12	3	0	3	7	1	0	4	0	15	3	6	3	2	0	0	10
1999	75	0	34	21	2	0	4	17	0	0	3	0	16	4	11	2	1	1	1	20
2000	274	0	35	24	0	1	4	6	0	1	2	1	19	8	3	6	6	1	1	13
2001	183	1	54	24	6	2	11	11	0	0	2	4	37	17	1	3	4	1	1	35
2002	56	0	17	7	0	0	6	6	0	1	1	0	9	8	0	2	0	1	1	15
Total	680	1	209	113	14	3	33	52	1	2	16	7	131	49	29	20	19	5	5	112

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Illinois																				
1996	279	6	290	102	32	0	21	41	0	8	14	4	96	28	39	35	62	6	115	
1997	670	9	809	242	61	0	61	121	19	16	98	27	244	85	75	46	118	21	287	
1998	720	9	774	213	55	0	51	164	6	5	103	16	211	91	86	57	123	17	295	
1999	1,109	13	1,026	206	65	0	96	339	4	21	140	26	277	55	112	80	157	35	268	
2000	1,635	7	941	233	93	6	160	492	20	81	104	34	380	106	110	176	130	42	466	
2001	2,058	7	1,195	289	94	37	75	442	28	168	114	44	400	126	144	183	90	115	542	
2002	1,444	3	706	121	48	25	30	231	4	82	60	31	165	55	112	49	57	118	402	
Total	7,915	54	5,741	1,406	448	68	494	1,830	81	381	633	182	1,773	546	678	626	737	354	2,375	
Indiana																				
1996	148	2	58	35	8	0	12	4	1	5	5	1	56	19	10	0	26	2	62	
1997	277	0	98	50	12	0	20	18	2	0	29	7	98	26	17	4	41	6	102	
1998	379	0	113	71	16	0	39	26	1	1	7	5	104	19	34	10	34	3	145	
1999	462	2	198	68	14	0	33	103	0	4	18	7	104	24	34	6	72	2	141	
2000	551	3	206	82	27	0	31	107	0	0	21	11	115	43	50	31	74	7	135	
2001	687	5	282	80	21	5	36	129	2	6	27	5	120	39	58	32	83	26	163	
2002	448	3	152	42	16	1	28	45	0	3	10	5	34	22	16	22	24	26	118	
Total	2,952	15	1,107	428	114	6	199	432	6	19	117	41	631	192	219	105	354	72	866	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Iowa																				
1996	31	0	20	60	3	0	1	3	0	0	2	1	14	10	8	1	9	3	29	
1997	96	0	35	59	23	0	14	6	1	1	20	12	25	29	9	2	10	7	71	
1998	91	1	33	55	11	0	10	4	2	1	26	4	29	18	14	0	10	4	49	
1999	169	0	43	45	21	0	9	15	2	1	15	7	27	21	10	3	17	7	60	
2000	218	0	49	41	32	1	5	18	0	0	14	7	33	23	11	7	13	5	77	
2001	245	1	105	62	27	7	17	42	3	0	40	3	49	36	32	7	27	8	228	
2002	132	1	41	35	19	3	26	15	0	0	18	1	14	40	13	2	8	8	104	
Total	982	3	326	357	136	11	82	103	8	3	135	35	191	177	97	22	94	42	618	
Kansas																				
1996	50	0	25	10	10	0	7	2	0	1	1	0	17	10	2	1	10	0	53	
1997	73	1	44	20	18	0	13	9	1	1	17	0	31	21	11	4	21	3	48	
1998	123	0	51	28	21	0	9	4	1	2	7	1	44	15	11	4	27	7	40	
1999	159	0	100	54	19	0	10	26	0	4	15	4	55	18	20	7	36	2	87	
2000	153	1	74	31	43	3	12	16	1	4	7	2	39	27	20	14	37	11	79	
2001	259	2	109	66	41	6	21	41	1	5	24	9	53	38	27	33	52	9	121	
2002	164	1	36	44	13	3	6	12	0	1	12	4	22	18	22	22	18	16	163	
Total	981	5	439	253	165	12	78	110	4	18	83	20	261	147	113	85	201	48	591	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Kentucky																				
1996	76	1	43	11	7	0	6	6	0	2	4	5	19	6	8	2	27	3	28	
1997	104	1	78	27	20	0	23	5	0	1	6	4	59	9	27	1	26	3	63	
1998	144	0	65	58	14	0	9	14	0	1	7	3	59	15	19	1	16	9	58	
1999	345	0	67	46	26	0	26	36	0	0	19	5	55	39	26	7	28	2	101	
2000	362	2	95	50	18	0	26	29	0	3	5	5	54	25	36	4	20	4	140	
2001	571	2	130	135	29	9	24	63	1	5	32	22	77	38	43	17	40	14	144	
2002	314	4	95	39	24	1	8	23	1	0	3	13	29	15	14	7	23	11	112	
Total	1,916	10	573	366	138	10	122	176	2	12	76	57	352	147	173	45	180	46	646	
Louisiana																				
1996	154	1	64	59	8	0	6	13	0	0	8	4	41	11	11	10	26	3	56	
1997	157	12	105	76	25	0	26	13	0	3	34	4	80	34	38	0	33	7	51	
1998	193	0	99	80	9	0	17	77	1	2	21	6	76	23	36	5	29	3	85	
1999	297	0	180	94	23	0	17	71	0	3	28	3	73	45	43	3	28	12	99	
2000	1,163	0	228	99	22	1	48	92	1	4	28	2	116	40	63	11	55	6	109	
2001	1,359	1	301	154	30	8	56	104	2	5	53	5	106	23	40	10	47	11	121	
2002	912	3	109	60	13	1	22	27	1	4	7	5	41	11	14	5	7	14	103	
Total	4,235	17	1,086	622	130	10	192	397	5	21	179	29	533	187	245	44	225	56	624	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Maine																				
1996	28	0	11	31	3	0	8	5	0	0	3	1	3	5	1	0	4	2	15	
1997	57	0	39	40	5	0	7	4	0	1	5	4	2	9	5	2	5	3	22	
1998	63	1	53	20	1	0	3	9	2	0	4	4	8	4	7	2	11	3	9	
1999	66	0	29	30	6	0	3	10	1	1	9	6	16	4	8	1	14	9	19	
2000	108	0	34	33	6	0	3	13	0	0	5	0	9	9	7	3	13	1	12	
2001	100	2	60	45	4	1	11	14	0	5	12	7	11	4	12	1	11	8	42	
2002	62	0	35	13	1	0	8	17	0	0	3	4	6	4	4	0	3	1	17	
Total	484	3	261	212	26	1	43	72	3	7	41	26	55	39	44	9	61	27	136	
Marshall Islands																				
1996	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
1997	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
1998	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
1999	0	0	0	0	0	0	0	0	0	0	0	0	2	0	1	0	0	0	0	
2000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2001	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	
2002	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total	1	0	0	0	0	0	0	0	0	0	0	0	3	0	1	0	0	0	0	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Maryland																				
1996	235	0	121	37	9	0	10	11	0	2	10	1	55	19	10	15	23	6	40	
1997	386	1	172	44	15	0	11	28	0	2	44	7	90	45	17	47	24	5	79	
1998	600	0	143	51	9	0	18	55	0	7	57	10	107	37	21	48	29	6	94	
1999	813	0	142	38	4	0	13	110	0	1	39	5	86	18	14	156	48	4	92	
2000	893	0	291	63	9	0	20	193	3	2	26	17	138	49	27	290	54	8	160	
2001	982	2	301	64	6	3	22	143	4	3	33	18	116	36	46	245	55	25	268	
2002	626	2	164	34	5	2	8	112	1	2	14	9	56	14	9	169	31	8	189	
Total	4,535	5	1,334	331	57	5	102	652	8	19	223	67	648	218	144	970	264	62	922	
Massachusetts																				
1996	384	1	34	22	5	0	11	26	0	0	3	4	36	15	7	6	8	3	85	
1997	760	2	223	65	12	0	16	41	0	3	26	6	98	34	39	22	19	13	92	
1998	971	0	364	67	17	0	11	67	1	3	26	4	75	31	20	11	22	20	153	
1999	1,681	2	316	69	19	0	15	89	7	7	33	14	76	30	28	9	24	22	105	
2000	1,794	0	367	43	13	5	16	144	3	2	21	21	67	61	27	25	38	33	193	
2001	1,422	2	579	61	23	4	38	118	6	5	31	15	103	86	37	27	33	29	276	
2002	1,203	2	355	20	10	6	8	113	2	2	3	13	79	29	15	16	40	20	322	
Total	8,215	9	2,238	347	99	15	115	598	19	22	143	77	534	286	173	116	184	140	1,226	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self-Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Michigan																				
1996	206	3	195	119	10	0	33	41	2	8	8	10	108	25	28	5	55	3	130	
1997	306	4	361	254	44	0	48	174	2	4	48	41	236	67	71	9	91	9	177	
1998	274	7	365	225	36	0	42	308	2	4	83	23	254	86	92	12	100	5	183	
1999	668	0	581	144	20	0	71	412	3	7	183	44	244	108	96	47	92	9	383	
2000	1,033	2	773	172	50	1	84	447	10	9	45	58	283	199	111	412	111	22	345	
2001	1,950	3	843	188	41	10	65	423	9	12	99	74	232	185	72	440	92	21	306	
2002	810	1	382	111	16	5	26	140	4	7	61	23	125	74	27	116	42	18	230	
Total	5,247	20	3,500	1,213	217	16	369	1,945	32	51	527	273	1,482	744	497	1,041	583	87	1,754	
Minnesota																				
1996	562	1	130	29	2	0	5	9	0	0	3	6	32	15	22	2	22	2	44	
1997	1,455	0	326	76	25	0	6	31	1	3	6	22	46	38	35	8	41	9	205	
1998	1,181	2	560	87	25	0	15	71	2	4	17	22	68	31	30	0	29	5	130	
1999	1,179	1	719	137	19	0	27	119	1	6	16	60	96	30	41	12	28	3	78	
2000	1,588	8	578	116	41	0	33	156	2	8	26	54	92	45	75	11	60	11	100	
2001	1,421	6	709	182	21	11	33	209	3	2	39	75	127	66	89	21	53	25	311	
2002	1,158	3	180	60	21	2	9	56	0	2	25	10	61	53	18	11	10	15	302	
Total	8,544	21	3,202	687	154	14	128	651	9	25	132	249	522	278	310	65	243	70	1,170	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Mississippi																				
1996	23	0	17	31	3	0	5	4	0	0	0	1	25	5	18	1	6	2	10	
1997	55	1	45	53	8	0	6	4	0	0	13	1	42	16	20	3	10	0	23	
1998	56	1	35	51	6	0	4	7	1	0	7	3	20	5	11	0	8	1	28	
1999	69	1	42	35	15	0	9	14	0	1	5	3	55	37	39	3	13	2	29	
2000	277	1	58	41	18	0	17	11	1	3	9	3	48	37	39	5	12	3	64	
2001	337	1	66	55	31	5	22	32	0	1	16	1	50	38	32	5	16	3	74	
2002	174	2	23	16	6	1	8	10	1	1	0	0	21	6	18	6	9	0	30	
Total	991	7	286	282	87	6	71	82	3	6	50	12	261	144	177	23	74	11	258	
Missouri																				
1996	130	0	107	34	13	0	8	11	0	4	18	2	44	28	20	7	35	2	43	
1997	178	0	264	57	43	0	20	39	8	3	61	16	84	49	33	41	63	11	94	
1998	214	0	324	43	42	0	15	50	7	3	34	14	117	45	36	46	66	5	147	
1999	237	1	273	82	35	0	16	116	7	2	35	15	129	43	52	38	62	8	135	
2000	403	4	250	84	62	1	50	98	5	8	38	13	149	103	61	93	80	10	295	
2001	651	2	424	140	54	8	165	181	10	5	46	40	137	125	61	178	101	49	377	
2002	399	3	164	60	23	0	51	60	1	1	11	6	38	64	16	76	39	26	183	
Total	2,212	10	1,806	500	272	9	325	555	38	26	243	106	698	457	279	479	446	111	1,274	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Montana																				
1996	22	0	2	8	1	0	1	1	0	0	0	0	4	2	7	2	3	0	10	
1997	39	0	8	13	4	0	6	4	1	0	2	3	13	5	5	1	5	2	15	
1998	48	0	8	6	3	0	3	5	0	1	0	2	11	4	4	1	3	1	15	
1999	72	0	22	8	1	0	4	9	0	0	1	0	12	3	1	0	6	0	23	
2000	124	0	23	20	1	0	3	21	0	1	0	0	11	5	2	2	5	3	17	
2001	120	0	34	24	3	2	6	21	0	3	3	1	21	9	13	0	7	1	38	
2002	41	0	7	7	5	0	2	9	0	2	0	0	11	4	3	2	5	3	22	
Total	466	0	104	86	18	2	25	70	1	7	6	6	84	32	35	8	34	10	140	
Nebraska																				
1996	53	2	28	6	1	0	3	4	0	2	0	0	12	5	4	0	3	0	19	
1997	52	0	40	18	12	0	8	7	1	0	18	3	32	24	14	3	11	4	38	
1998	114	0	50	22	9	0	11	7	5	0	23	2	18	23	8	4	9	3	40	
1999	147	2	73	25	18	0	9	11	0	1	21	1	25	19	8	4	14	3	29	
2000	294	1	110	55	14	0	16	12	0	0	9	5	42	19	25	4	16	3	49	
2001	375	1	117	74	19	11	17	30	5	5	7	3	33	20	21	10	10	5	102	
2002	210	1	65	19	14	52	8	18	0	2	54	4	18	37	10	1	8	42	128	
Total	1,245	7	483	219	87	63	72	89	11	10	132	18	180	147	90	22	71	60	405	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self-Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Nevada																				
1996	322	0	93	51	2	0	18	7	0	1	11	1	38	31	8	27	4	2	18	
1997	619	0	183	67	5	0	417	52	2	4	11	5	63	27	13	12	5	7	66	
1998	718	2	223	54	6	0	711	92	1	3	27	4	68	27	12	1	5	3	80	
1999	867	0	275	50	16	0	446	157	5	8	47	10	66	25	20	14	13	4	97	
2000	1,252	1	347	185	12	0	536	194	9	6	231	29	94	22	17	46	26	6	112	
2001	1,564	1	416	428	6	6	18	173	7	9	217	18	57	17	9	12	28	6	225	
2002	709	1	164	266	1	0	21	75	2	1	125	5	20	3	8	7	11	4	98	
Total	6,051	5	1,701	1,101	48	6	2,167	750	26	32	669	72	406	152	87	119	92	32	696	
New Hampshire																				
1996	43	0	17	5	2	0	0	1	0	0	3	0	4	1	0	0	2	1	3	
1997	61	0	236	69	2	0	1	5	0	2	165	3	19	1	7	0	3	1	15	
1998	91	0	191	25	3	0	2	14	0	1	140	1	7	3	1	3	20	1	17	
1999	105	3	250	37	1	0	4	2	21	0	146	1	15	1	4	2	25	0	20	
2000	128	3	97	59	1	0	2	8	3	0	135	3	6	6	4	3	12	4	11	
2001	108	5	153	17	2	2	10	14	37	1	548	6	11	3	9	4	9	6	391	
2002	93	0	60	5	0	0	2	7	3	0	266	6	6	6	2	1	1	1	230	
Total	629	11	1,004	217	11	2	21	51	64	4	1,403	20	68	21	27	13	72	14	687	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
New Jersey																				
1996	343	1	174	20	4	0	9	36	1	1	3	5	71	24	18	13	41	7	149	
1997	593	1	284	49	9	0	14	123	3	3	44	12	117	51	38	91	42	11	232	
1998	1,058	1	317	68	25	0	22	134	2	9	35	10	144	31	22	226	76	9	275	
1999	1,837	2	352	73	18	0	40	147	3	9	66	10	140	86	34	531	56	15	158	
2000	2,388	0	669	88	14	2	38	197	26	8	68	22	225	53	42	104	73	26	336	
2001	2,641	1	999	92	21	1	99	194	59	55	93	209	218	54	41	88	82	103	557	
2002	1,921	7	357	99	23	2	49	139	1	5	22	20	106	38	19	26	28	49	273	
Total	10,780	13	3,152	489	114	5	271	970	95	90	331	288	1,021	337	214	1,079	398	220	1,980	
New Mexico																				
1996	75	0	35	9	1	0	4	10	0	0	2	2	29	7	11	3	14	0	25	
1997	72	0	66	12	2	0	0	9	0	1	5	2	23	3	5	0	13	2	33	
1998	128	1	45	27	1	0	0	9	1	0	2	3	30	4	11	0	21	3	14	
1999	145	0	45	20	13	0	5	13	0	2	2	2	19	6	11	2	9	1	38	
2000	172	1	53	15	1	1	12	16	2	0	5	1	24	9	13	2	11	2	43	
2001	235	1	62	32	5	0	16	17	0	1	11	5	36	12	13	3	22	4	67	
2002	194	3	37	23	4	0	4	6	0	1	3	1	17	6	8	4	3	19	27	
Total	1,021	6	343	138	27	1	41	80	3	5	30	16	178	47	72	14	93	31	247	

State/Territory	Violation																		
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other
New York																			
1996	2,448	17	578	201	39	0	33	199	5	24	23	17	174	53	41	22	61	23	601
1997	5,667	23	1,267	323	115	0	61	631	9	72	173	32	377	211	108	80	114	128	946
1998	7,971	13	1,474	365	106	0	70	966	4	70	124	22	301	220	91	41	118	136	1,297
1999	11,251	17	1,837	306	150	0	109	926	64	75	271	31	327	164	104	68	101	150	1,156
2000	13,751	21	1,892	288	105	5	153	950	41	94	216	43	288	137	80	170	91	182	1,192
2001	15,910	47	2,761	247	93	30	292	1,221	73	104	257	43	280	171	83	215	92	223	1,808
2002	9,046	22	1,006	112	53	3	92	633	27	56	132	30	166	84	46	58	51	153	1,035
Total	66,044	160	10,815	1,842	661	38	810	5,526	223	495	1,196	218	1,913	1,040	553	654	628	995	8,035
North Carolina																			
1996	317	1	113	69	3	0	8	22	0	3	78	0	57	16	23	3	32	5	75
1997	610	4	274	153	20	0	58	135	8	4	79	13	99	52	65	29	76	13	136
1998	831	1	273	146	18	0	49	173	5	6	176	31	123	52	52	27	96	12	188
1999	898	0	358	184	31	0	86	252	2	8	167	31	134	56	95	23	60	23	212
2000	1,216	2	404	204	26	0	124	262	0	8	56	7	139	64	83	143	78	25	252
2001	954	2	379	157	27	7	123	148	4	10	63	25	141	82	72	116	47	25	457
2002	596	11	163	118	11	2	66	94	1	4	6	5	62	25	29	50	22	24	297
Total	5,422	21	1,964	1,031	136	9	514	1,086	20	43	625	112	755	347	419	391	411	127	1,617

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
North Dakota																				
1996	5	0	6	2	3	0	4	0	0	0	1	0	1	3	2	0	1	0	3	
1997	148	1	23	9	9	0	3	0	0	0	3	2	6	4	5	0	1	0	13	
1998	147	1	16	15	15	0	4	1	0	1	2	0	7	11	3	0	1	1	9	
1999	45	0	16	11	12	0	7	3	0	0	2	1	5	9	2	2	4	1	25	
2000	74	0	12	22	17	0	4	11	0	2	64	1	4	7	10	3	3	2	13	
2001	44	0	17	25	8	4	2	4	1	3	42	0	9	4	10	1	4	2	46	
2002	18	0	12	10	6	0	1	2	0	0	23	1	2	4	0	0	2	2	22	
Total	481	2	102	94	70	4	25	21	1	6	137	5	34	42	32	6	16	8	131	
Northern Mariana Islands																				
1996	14	0	2	1	0	0	0	0	0	0	0	0	1	1	0	0	0	0	4	
1997	1	0	1	2	0	0	0	0	0	0	0	0	1	1	0	0	0	0	1	
1998	3	0	4	2	0	0	0	0	0	0	0	0	1	0	1	0	0	0	4	
1999	18	0	4	4	0	0	0	0	0	0	1	1	1	1	1	0	2	1	2	
2000	51	0	0	0	0	0	0	0	0	0	0	1	2	0	0	0	0	2	2	
2001	33	0	2	1	0	0	0	0	0	0	0	0	1	0	2	0	0	0	1	
2002	22	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	
Total	142	0	16	10	0	0	0	0	0	0	1	1	7	3	4	0	2	3	15	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Ohio																				
1996	179	1	122	79	10	0	21	20	0	5	13	6	102	16	28	5	31	3	85	
1997	379	1	318	232	17	0	66	59	8	8	199	20	201	25	51	6	77	6	185	
1998	754	2	329	213	18	0	87	132	7	3	120	25	217	41	73	21	89	7	209	
1999	639	10	399	262	29	0	106	212	4	7	151	22	217	69	99	53	98	16	210	
2000	969	1	551	453	59	3	106	297	102	10	259	32	253	69	107	93	118	20	254	
2001	1,393	6	594	342	86	16	124	274	157	15	446	22	219	115	124	417	123	57	435	
2002	787	4	369	136	49	3	122	184	57	8	87	14	79	39	46	107	71	55	240	
Total	5,100	25	2,682	1,717	268	22	632	1,178	335	56	1,275	141	1,288	374	528	702	607	164	1,618	
Oklahoma																				
1996	124	0	23	73	12	0	2	6	1	4	0	0	22	8	9	0	9	1	31	
1997	211	3	59	63	28	0	11	16	1	4	8	5	41	21	15	0	19	2	54	
1998	174	0	81	54	36	0	7	14	0	4	13	4	48	14	17	2	14	16	65	
1999	247	0	138	61	34	0	33	38	0	4	11	11	72	40	18	6	16	6	84	
2000	293	1	140	65	31	1	16	45	1	6	28	8	85	32	39	6	31	3	129	
2001	329	2	125	59	22	5	12	42	0	2	29	6	75	32	15	15	31	14	140	
2002	205	2	55	23	20	1	11	21	0	3	8	0	29	12	17	6	15	14	137	
Total	1,583	8	621	398	183	7	92	182	3	27	97	34	372	159	130	35	135	56	640	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Oregon																				
1996	178	1	133	22	2	0	17	26	1	1	1	4	49	12	9	3	9	1	28	
1997	360	0	298	96	6	0	26	65	3	2	23	28	104	36	21	8	17	1	115	
1998	451	0	281	81	5	0	10	160	1	1	19	20	66	15	9	6	5	10	79	
1999	615	1	375	101	12	0	20	435	2	2	80	14	79	42	15	9	13	7	108	
2000	1,542	1	397	94	12	1	14	150	1	3	39	16	83	34	19	18	10	11	73	
2001	1,354	4	513	125	9	10	54	144	7	1	31	24	58	46	14	18	27	19	177	
2002	339	0	171	78	1	0	25	69	1	1	9	8	29	8	10	9	5	10	101	
Total	4,839	7	2,168	597	47	11	166	1,049	16	11	202	114	468	193	97	71	86	59	681	
Overseas																				
1996	9	0	1	0	1	0	0	0	0	0	0	0	1	0	0	0	0	0	1	
1997	34	0	3	1	0	0	0	1	0	0	4	0	1	0	0	0	0	1	2	
1998	1	0	0	0	0	0	0	1	0	0	0	0	0	0	1	0	0	0	2	
1999	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2000	7	0	3	0	1	0	0	1	0	0	1	2	1	0	0	0	1	3	9	
2001	4	0	5	1	2	0	0	3	1	0	0	1	0	2	0	0	0	2	6	
2002	0	2	1	0	2	0	0	0	0	0	0	0	0	2	2	0	0	0	5	
Total	57	2	13	2	6	0	0	6	1	0	5	3	3	4	3	0	1	6	25	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Palau																				
1996	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1997	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1998	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1999	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2001	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1
2002	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	1	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	1

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Pennsylvania																				
1996	459	1	164	67	4	0	25	62	0	3	11	10	54	24	16	10	34	10	98	
1997	952	5	496	124	23	0	34	236	4	4	72	24	142	59	59	20	83	24	212	
1998	975	1	393	110	27	0	36	201	1	4	44	16	114	38	41	35	45	17	258	
1999	1,740	0	475	122	24	0	53	192	14	9	59	23	128	39	43	47	50	17	241	
2000	1,605	2	528	149	29	1	76	219	5	6	47	43	221	64	53	80	70	9	261	
2001	1,995	4	632	206	34	25	58	230	8	13	105	39	227	75	83	64	68	38	439	
2002	1,596	5	339	104	19	9	30	195	10	4	51	29	97	35	34	47	27	32	365	
Total	9,322	18	3,027	882	160	35	312	1,335	42	43	389	184	983	334	329	303	377	147	1,874	
Puerto Rico																				
1996	95	1	4	1	3	0	8	2	2	2	2	0	10	6	13	2	5	1	9	
1997	475	0	21	8	6	0	4	3	0	3	15	3	13	7	15	0	7	4	11	
1998	348	2	20	8	0	0	13	6	0	0	13	6	15	5	14	0	4	3	44	
1999	234	0	23	7	0	0	2	4	0	1	12	4	15	14	3	1	2	2	23	
2000	629	7	161	33	6	1	25	10	2	0	72	39	27	33	14	5	7	6	59	
2001	983	2	66	22	1	2	9	5	2	1	31	26	17	16	14	1	6	5	51	
2002	509	0	69	24	2	3	6	4	3	0	14	8	12	11	13	3	6	2	26	
Total	3,273	12	364	103	18	6	67	34	9	7	159	86	109	92	86	12	37	23	223	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Rhode Island																				
1996	70	0	23	6	2	0	2	3	0	0	3	1	4	5	1	0	7	0	10	
1997	127	0	51	14	3	0	10	22	0	2	30	1	3	9	1	2	7	0	22	
1998	136	0	48	16	2	0	15	18	0	0	8	2	6	8	4	4	5	0	19	
1999	255	0	55	12	2	0	9	17	0	0	100	1	6	7	4	1	1	1	20	
2000	281	0	82	19	0	1	3	20	1	2	28	7	26	4	8	5	9	0	22	
2001	226	0	104	15	1	0	5	21	3	1	27	1	20	2	4	2	6	0	25	
2002	212	1	72	1	1	0	3	13	0	0	18	6	11	3	1	1	11	1	12	
Total	1,307	1	435	83	11	1	47	114	4	5	214	19	76	38	23	15	46	2	130	
South Carolina																				
1996	139	0	28	18	2	0	8	7	0	1	6	0	25	9	4	0	13	0	22	
1997	229	1	75	33	10	0	16	21	0	2	13	3	61	18	23	12	37	3	52	
1998	260	0	57	34	4	0	11	33	0	1	14	3	29	9	17	102	18	0	51	
1999	304	3	64	32	1	0	10	43	1	1	18	3	50	13	27	31	36	4	60	
2000	300	1	140	57	7	0	14	51	1	1	21	2	36	13	16	38	18	4	60	
2001	357	0	141	58	13	0	16	55	1	5	35	9	59	21	22	26	33	8	105	
2002	261	0	78	41	1	0	12	29	0	0	4	4	24	9	10	13	16	10	72	
Total	1,850	5	583	273	38	0	87	239	3	11	111	24	284	92	119	222	171	29	422	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
South Dakota																				
1996	8	0	5	3	3	0	2	1	3	3	258	0	0	5	3	2	0	6	1	4
1997	58	0	19	11	6	0	2	0	2	0	308	0	10	6	3	0	0	5	1	15
1998	81	1	33	78	12	0	2	8	1	1	292	3	10	14	14	0	0	6	1	21
1999	72	2	301	18	6	0	4	10	86	2	125	2	18	9	16	0	0	8	0	25
2000	81	0	32	26	13	0	6	6	46	1	29	0	12	9	2	0	0	11	3	22
2001	117	1	54	40	4	1	5	14	68	8	109	0	21	14	7	1	1	12	4	58
2002	45	0	341	23	11	0	7	17	253	0	799	1	12	11	3	0	0	5	2	704
Total	462	4	785	199	55	1	28	56	459	15	1,920	6	88	66	47	1	53	12	12	849
Tennessee																				
1996	148	1	61	98	10	0	15	3	0	2	7	1	53	14	15	0	0	27	2	45
1997	260	1	88	145	29	0	27	19	2	3	16	2	94	22	39	5	43	3	3	70
1998	305	2	128	80	20	0	34	38	0	5	12	8	109	64	47	7	24	4	4	104
1999	324	2	160	74	22	0	40	51	2	2	26	11	115	63	69	14	46	5	5	107
2000	771	4	176	96	29	4	43	63	1	7	30	6	115	54	56	39	46	7	7	194
2001	886	6	212	151	34	8	54	96	4	2	71	9	128	105	86	156	34	8	8	195
2002	1,071	2	95	63	28	0	12	32	6	2	28	3	47	38	27	85	24	4	4	101
Total	3,765	18	920	707	172	12	225	302	15	23	190	40	661	360	339	306	244	33	33	816

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Texas																				
1996	1,863	2	426	115	31	0	46	127	0	9	36	13	168	87	53	21	119	25	345	
1997	2,724	2	632	216	68	0	67	128	3	36	136	24	322	111	103	41	127	36	433	
1998	3,770	3	675	249	68	0	101	286	6	17	137	9	323	112	89	29	123	30	489	
1999	4,840	11	507	259	74	0	276	315	5	25	171	27	341	133	132	72	121	45	486	
2000	6,342	10	980	314	100	3	369	460	34	25	144	45	382	146	161	218	202	57	590	
2001	8,497	6	1,416	515	112	39	332	667	38	25	223	64	378	191	175	222	147	103	1,085	
2002	4,164	7	753	297	49	11	155	297	4	19	55	14	170	79	105	126	56	56	572	
Total	32,200	41	5,389	1,965	502	53	1,346	2,280	90	156	902	196	2,084	859	818	729	895	352	4,000	
U.S. Virgin Islands																				
1996	0	0	1	0	0	0	0	0	0	0	0	0	1	1	2	0	0	0	0	
1997	5	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	1	
1998	7	0	0	0	0	0	0	1	0	0	0	0	2	0	0	0	0	1	0	
1999	4	0	1	5	0	0	0	0	0	0	3	0	2	0	0	0	1	0	0	
2000	19	0	0	0	0	0	1	0	0	1	0	0	3	1	3	0	0	0	0	
2001	45	0	3	1	1	0	0	0	0	0	3	0	2	0	1	0	0	0	5	
2002	19	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	3	
Total	99	0	5	6	1	0	2	3	0	1	6	0	10	2	6	0	1	1	9	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Utah																				
1996	27	0	29	16	1	0	12	3	0	1	121	0	15	7	8	0	1	0	22	
1997	152	0	78	31	5	0	22	10	1	2	475	23	50	17	18	2	3	3	240	
1998	312	1	69	28	2	0	15	12	0	0	449	10	58	21	19	65	10	9	368	
1999	435	1	91	23	3	0	11	25	5	9	666	3	35	25	18	13	1	2	570	
2000	630	0	148	50	8	0	13	45	7	5	1,203	44	39	83	23	33	13	6	1,147	
2001	619	0	546	58	4	0	77	70	59	12	1,295	114	39	68	36	38	6	8	1,429	
2002	302	0	246	82	6	1	112	24	25	1	515	13	17	14	20	10	3	9	648	
Total	2,477	2	1,207	288	29	1	262	189	97	30	4,724	207	253	235	142	161	37	37	4,424	
Vermont																				
1996	14	0	11	9	0	0	1	0	0	0	0	0	4	4	2	0	1	1	4	
1997	26	0	19	4	6	0	3	2	1	0	5	3	9	5	7	1	1	1	3	
1998	16	0	11	3	3	0	2	0	1	0	7	0	4	2	5	0	6	0	6	
1999	19	0	4	9	0	0	3	1	1	0	6	1	5	4	2	1	5	1	6	
2000	30	0	7	11	0	0	1	5	0	0	1	2	3	2	2	0	0	1	8	
2001	27	0	19	7	2	1	1	2	0	0	4	2	4	4	1	0	2	1	23	
2002	26	0	10	2	0	0	1	7	0	0	1	1	6	0	5	0	1	1	11	
Total	158	0	81	45	11	1	12	17	3	0	24	9	35	21	24	2	16	6	61	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
Virginia																				
1996	109	1	76	38	10	0	16	13	1	0	35	2	45	14	19	10	28	5	53	
1997	325	0	262	138	11	0	68	55	5	8	208	3	124	61	49	27	32	11	110	
1998	500	6	204	106	11	0	35	120	9	6	182	7	141	58	47	51	52	16	116	
1999	490	1	184	115	10	0	35	93	22	2	172	8	124	35	75	37	73	54	121	
2000	569	4	323	139	6	0	61	188	30	7	181	43	172	40	102	63	53	10	182	
2001	973	2	413	162	7	7	196	137	33	7	511	32	148	83	78	91	58	40	305	
2002	505	3	208	54	3	2	122	88	41	5	104	10	46	17	26	34	23	13	204	
Total	3,471	17	1,670	752	58	9	533	694	141	35	1,393	105	800	308	396	313	319	149	1,091	
Washington																				
1996	257	0	182	35	3	0	21	63	1	3	8	7	56	23	10	7	10	1	49	
1997	636	1	481	114	7	0	48	147	4	1	33	62	134	45	20	19	9	6	95	
1998	798	0	565	131	9	0	47	316	3	3	26	77	113	41	23	16	17	10	87	
1999	1,194	1	935	126	9	0	46	545	1	0	34	27	92	63	18	22	19	56	113	
2000	1,622	2	845	97	17	2	23	363	1	3	17	32	149	81	29	38	16	16	150	
2001	1,602	3	882	158	9	2	58	342	26	6	37	66	131	86	43	52	19	15	244	
2002	476	1	286	38	2	2	13	138	3	1	11	24	48	50	13	77	1	15	174	
Total	6,585	8	4,176	699	56	6	256	1,914	39	17	166	295	723	389	156	231	91	119	912	

State/Territory	Violation																			
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other	
West Virginia																				
1996	12	2	9	9	2	0	8	6	1	1	15	0	15	4	2	0	3	0	23	
1997	25	4	16	22	6	0	8	0	3	0	4	2	24	1	10	0	5	1	37	
1998	27	0	22	20	4	0	3	7	0	1	14	2	26	7	143	486	14	2	525	
1999	31	0	22	15	5	0	4	4	1	0	4	2	28	10	222	488	9	0	581	
2000	37	0	25	24	5	0	8	9	0	0	6	2	33	3	7	3	15	1	24	
2001	55	0	12	7	2	1	9	10	0	0	6	2	10	1	1	0	6	2	28	
2002	20	0	20	9	6	2	5	5	0	0	0	1	12	3	4	0	6	3	16	
Total	207	6	126	106	30	3	45	41	5	2	49	11	148	29	389	977	58	9	1,234	
Wisconsin																				
1996	97	1	62	20	9	0	4	7	0	1	0	2	43	8	12	2	15	1	37	
1997	203	1	95	49	16	0	6	17	1	2	7	6	70	16	21	10	30	2	55	
1998	269	1	103	51	23	0	12	30	0	3	22	4	86	20	17	1	17	3	59	
1999	301	0	107	55	9	0	15	57	0	4	25	8	90	8	26	10	21	5	77	
2000	379	2	182	57	18	2	14	78	4	8	16	8	109	18	30	11	50	11	93	
2001	431	1	222	101	30	4	30	74	1	10	40	10	116	45	34	14	49	15	189	
2002	209	2	107	44	5	0	13	32	0	12	7	7	40	10	26	8	19	14	85	
Total	1,889	8	878	377	110	6	94	295	6	40	117	45	554	125	166	56	201	51	595	

State/Territory	Violation																		
	BSA/Structuring/Money Laundering	Bribery/Gratuity	Check Fraud	Check Kiting	Commercial Loan Fraud	Computer Intrusion	Consumer Loan Fraud	Counterfeit Check	Counterfeit Credit/Debit Card	Counterfeit Instrument (Other)	Credit Card Fraud	Debit Card Fraud	Defalcation/Embezzlement	False Statement	Misuse of Position or Self Dealing	Mortgage Loan Fraud	Mysterious Disappearance	Wire Transfer Fraud	Other
Wyoming	5	0	3	1	1	0	1	0	0	0	0	0	6	1	1	0	0	0	2
1996	10	0	6	2	2	0	1	2	0	0	4	1	9	1	0	0	1	0	5
1997	25	0	6	6	4	0	1	0	2	0	4	0	5	4	1	0	0	2	6
1998	12	0	8	3	2	0	0	0	0	0	1	0	7	1	1	0	0	1	4
1999	26	0	4	7	1	0	1	3	0	0	1	2	11	9	4	1	3	0	7
2000	37	0	30	25	3	0	1	7	0	1	60	0	14	0	7	0	6	1	30
2001	19	0	10	4	2	0	0	9	0	0	0	0	2	6	1	7	5	1	12
2002	134	0	67	48	15	0	5	21	2	1	70	3	54	22	15	8	15	5	66
Total																			