



Financial Crimes
Enforcement Network
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Board of Governors of
the Federal Reserve System
202-452-2955

News Release

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\$10 million Civil Money Penalty Assessed against AmSouth Bank

The Financial Crimes Enforcement Network (FinCEN) and the Board of Governors of the Federal Reserve System announced today that they have jointly assessed a \$10 million civil money penalty against [AmSouth Bank of Birmingham](#), Alabama for its violations of the Bank Secrecy Act.

In addition, the Federal Reserve Board and the Alabama Superintendent of Banks concurrently issued a [Cease and Desist Order](#) requiring AmSouth Bank and its parent bank holding company, AmSouth Bancorporation, to take certain corrective actions. AmSouth, without admitting or denying any allegations, consented to the payment of the civil money penalty and issuance of the Orders by FinCEN, the Board, and the State.

FinCEN and the Federal Reserve Board based their assessment on the failure of the banking organization to establish an adequate anti-money-laundering program and the failure to file accurate, complete, and timely Suspicious Activity Reports (SARs). The agencies found systemic defects in AmSouth's program with respect to internal controls, employee training, and independent review that resulted in failures to identify, analyze and report suspicious activity occurring at the bank.

William D. Langford, Jr., Associate Director of FinCEN's Regulatory Policy and Programs Division, stated, "Comprehensive Bank Secrecy Act compliance programs that enable financial institutions to identify and report suspicious activities are the foundation of our efforts to combat money laundering and protect our financial system. As this case reflects, if a financial institution fails to establish and implement effectively such programs, we will take appropriate action to ensure compliance."

The Orders are part of coordinated actions with the Office of the U.S. Attorney for the Southern District of Mississippi and the Internal Revenue Service, Criminal Investigation, who are today announcing the execution of a Deferred Prosecution Agreement with AmSouth in connection with charges the bank violated the Bank

(more)

Secrecy Act relating to the filing of inaccurate, incomplete, or late SARs. The Federal Reserve Board and FinCEN provided assistance to, and cooperation with, law enforcement authorities during the course of their investigation.

“These actions demonstrate how coordination among the agencies responsible for enforcement of the Bank Secrecy Act can address the effectiveness of banks’ anti-money-laundering programs and internal compliance reviews,” said Herbert A. Biern, Senior Associate Director of the Board’s Division of Banking Supervision and Regulation.

The Cease and Desist Order issued by the Federal Reserve Board requires improvements in the banking organization’s Bank Secrecy Act compliance and suspicious activity monitoring and reporting programs, a review of prior transactions to ensure that all SARs have been filed, as required, and enhancements to internal controls and management oversight.

Copies of the agencies’ enforcement actions are attached.

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Attachments

[Civil Money Penalty \(FinCEN\)](#)

[Cease and Desist Order \(FRB\)](#)