



Financial Crimes Enforcement Network

A bureau of the U.S. Department of the Treasury

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FinCEN Rule Strengthens SAR Confidentiality Provides Guidance to Permit Sharing with Affiliates

VIENNA, Va. – The Financial Crimes Enforcement Network (FinCEN) today released a final rule – [Confidentiality of Suspicious Activity Reports](#) as well as an advisory, and two guidance documents, and a Notice of Availability of Guidance that together clarify and strengthen the scope of Suspicious Activity Report (SAR) confidentiality, and expand the ability of certain financial institutions to share SAR information with most affiliates.

“FinCEN’s SAR confidentiality regulations along with parallel best practices guidance on sharing SAR information, also issued today, promote the protection of SAR information while seeking to ensure that the appropriate parties, but only those parties, have access to SARs,” said FinCEN Director James H. Freis, Jr. “It is essential to the partnership between the financial industry and government that sensitive financial information reported to FinCEN be protected. As to the newly issued guidance, we believe that allowing information sharing among affiliates will help the financial industry protect itself from abuses of financial crime, be consistent with industry efforts to strengthen enterprise-wide risk management, and also promote the reporting of even more useful information to FinCEN and law enforcement investigators,” said Freis.

The [regulations](#) clarify the scope of the statutory prohibition against the disclosure by a financial institution or by a government agency of a SAR or any information that would reveal the existence of a SAR.

The related advisory, [Maintaining the Confidentiality of SARs](#) is intended for all Bank Secrecy Act stakeholders: federal and state regulatory agencies, law enforcement, self-regulatory organizations, and financial institutions. The advisory emphasizes the importance of confidentiality for maintaining a vigorous suspicious activity reporting regime, and intends to help focus BSA stakeholders to be vigilant in managing information sharing.

In addition, FinCEN produced a pair of guidance documents for [depository institutions](#) and for the [securities and futures industries](#) that interpret a provision in the SAR confidentiality rules.

These guidance documents complement FinCEN's previous guidance for [banks](#) and [securities and futures industries](#), which permitted the sharing of SARs with head offices and parent companies. The new guidance allows for the sharing of a SAR with a domestic affiliate, provided that affiliate is itself subject to a SAR rule. The affiliates must be linked under a common ownership and cannot themselves be the subject of the SAR. The guidance made public today clarifies that sharing with foreign affiliates is not permitted at this time.

FinCEN developed the new rule, advisory, guidance, and notice in consultation with the Federal Banking Agencies, Securities and Futures Regulators, and the Internal Revenue Service.

The final rule and guidance become effective 30 days after publication in the Federal Register.

Find FinCEN's responses to public comments received on the guidance as it was proposed and additional information regarding the effective date and the rationale for the guidance in FinCEN's [Notice of Availability of Final Interpretative Guidance](#).

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FinCEN's mission is to enhance U.S. national security, deter and detect criminal activity, and safeguard financial systems from abuse by promoting transparency in the U.S. and international financial systems.