

## How to Use This Manual

Anti-money laundering, including compliance with the Bank Secrecy Act (BSA) and Office of Foreign Asset Control (OFAC) requirements, has always been a high priority with the federal regulatory agencies. After September 11, 2001, enforcement of the existing BSA and OFAC regulations was increased, changes to the OFAC lists came more rapidly, and new laws were enacted to increase the responsibilities of financial institutions in preventing the use of the U.S. financial system for money laundering and, in particular, terrorist funding. The risks of noncompliance with the anti-money laundering requirements and the risks of not having an effective anti-money laundering program have increased dramatically.

The scrutiny of these areas by the regulatory agencies has grown, meaning that examinations will continue to focus on these areas with shifting emphasis, determined by events and legislation. The amount of civil money penalties for some violations has increased to up to one million dollars. In addition, a financial institution's compliance with anti-money laundering laws and regulations is now a specific condition for approval of bank mergers and applications by bank holding companies.

There has been a steady stream of guidance and updates regarding BSA/AML rules and requirements. The FFIEC most recently updated its Bank Secrecy Act/Anti-Money Laundering examination manual in August of 2007. This comprehensive *BSA/AML Question & Answer Book* provides practical answers to Bank Secrecy Act and anti-money laundering questions. This book is designed to provide financial institutions' employees answers to the many questions that occur daily. By finding quick answers to important questions, financial institutions keep pace with the changes in BSA and AML requirements, and remain in compliance. This is a handy, desktop reference tool containing questions and answers, explanations and examples to assist with application of the Bank Secrecy Act and Anti-Money Laundering techniques. What kind of assistance can you expect? The *BSA/AML Question & Answer Book* provides:

- A unique question-and-answer format that takes you right to your question and its answer.
- Everyday questions and practical answers.
- Questions that are organized by topic, so you can easily find what you're looking for.

- A range of detail in questions and answers, tailored to help both trainees and senior staff.
- Direct and specific answers.

When staff members have questions they need quick, correct answers to ensure that your financial institution remains in compliance. Non-compliance can expose the financial institution not only to a financial loss, but also loss of customers or members, and can even result in damage to the financial institution's reputation.

Updated periodically, this manual is the ideal reference tool to have at your fingertips. The important material in this book can also be adapted to train and cross-train employees in the application of the Bank Secrecy Act and Anti-Money Laundering rules and requirements.

### **Organization of the Manual**

To make the information in this manual easy for you to reference, the *BSA/AML Question & Answer Book* arranges the areas of anti-money laundering into topical categories.