



OCC ADVISORY LETTER

Comptroller of the Currency
Administrator of National Banks

Subject: Financial Action Task Force
Guidance for Financial Institutions in Detecting Terrorist Financing

TO: Chief Executive Officers and Compliance Officers of National Banks and Federal Branches, Department and Division Heads, and Examining Personnel

This advisory letter transmits the Financial Action Task Force's (FATF) "Guidance for Financial Institutions in Detecting Terrorist Financing," dated April 24, 2002. The goal of the guidance is to help ensure that financial institutions do not unwittingly hide or move terrorist funds. Financial institutions are in a position to detect suspicious transactions that, if reported, may later prove to be related to terrorist financing. FATF indicates that identifying terrorist financing activity is unlikely, absent dealings with known terrorists or terrorist organizations. As a result, financial institutions should focus on ascertaining whether transactions are unusual, suspicious, or otherwise indicative of criminal or terrorist activity. The guidance describes the general characteristics of terrorist financing, provides case studies, and provides a list of the characteristics of financial transactions that have been linked to terrorist activity. The guidance is available at [<http://www1.oecd.org/fatf>]. Also available on that Web site is the February 1, 2002 "Report on Money Laundering Typologies for 2001-2002," a report on the methods and trends of money laundering and terrorist financing.

If you have any questions, please contact your supervisory office or the Compliance Division at (202) 874-4428.

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[Attachment](#)