

# RESCINDED



Comptroller of the Currency  
Administrator of National Banks  
US Department of the Treasury

**Subject: Bank Secrecy Act/Anti-Money Laundering**  
**Date: August 24, 2007**

OCC 2007-29 has been replaced by OCC  
2010-21

**Compliance Officers of All National Banks, Federal  
Branches and Agencies, Technology Service  
Providers, Department and Division Heads, and All  
Examining Personnel**

## **Description: Notification on the release of the revised BSA/AML Examination Manual**

On August 24, 2007, the Federal Financial Institutions Examination Council (FFIEC) released the revised Bank Secrecy Act/Anti-Money Laundering (BSA/AML) Examination Manual. The revised manual reflects the ongoing commitment of the federal and state banking agencies and the Financial Crimes Enforcement Network (FinCEN) to provide current and consistent guidance on risk-based policies, procedures, and processes for banking organizations to comply with the BSA and safeguard operations from money laundering and terrorist financing.

Attached is an interagency notification about the release of the manual. This notification includes information about the significant revisions to the manual. The manual's table of contents indicates which sections have been revised.

The 2007 version of the manual is located on the [FFIEC BSA/AML InfoBase](http://www.ffiec.gov/bsa_aml_infobase/default.htm)  
[[http://www.ffiec.gov/bsa\\_aml\\_infobase/default.htm](http://www.ffiec.gov/bsa_aml_infobase/default.htm)]

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### **Related Links**

- [FFIEC Notification](#)

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**Board of Governors of the Federal Reserve System  
Federal Deposit Insurance Corporation  
National Credit Union Administration  
Office of the Comptroller of the Currency  
Office of Thrift Supervision  
Financial Crimes Enforcement Network  
Conference of State Bank Supervisors**

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**The 2007 Version of the Bank Secrecy Act/Anti-Money Laundering Examination  
Manual**

August 24, 2007

The Federal Financial Institutions Examination Council (FFIEC) today released the revised Bank Secrecy Act/Anti-Money Laundering (BSA/AML) Examination Manual. The revised manual reflects the ongoing commitment of the federal and state banking agencies and the Financial Crimes Enforcement Network (FinCEN) to provide current and consistent guidance on risk-based policies, procedures, and processes for banking organizations to comply with the BSA and safeguard operations from money laundering and terrorist financing. The 2007 version further clarifies supervisory expectations since the July 28, 2006 update. The revisions again draw upon feedback from the banking industry and examination staff. On June 22, 2007, Treasury Secretary Henry Paulson announced an initiative to ensure that compliance obligations are treated in a manner that helps to avoid expenditures that are not commensurate with actual risk. Any changes to the BSA/AML examination process resulting from this initiative will be incorporated into future versions of the manual.

The Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, National Credit Union Administration, Office of the Comptroller of the Currency, Office of Thrift Supervision, and Conference of State Bank Supervisors revised the manual in collaboration with FinCEN, the delegated administrator of the BSA. The Office of Foreign Assets Control (OFAC) collaborated on the revisions made to the section that addresses compliance with economic and trade sanctions administered and enforced by OFAC.

Revisions were made throughout the manual. The sections with more significant updates are again noted in the table of contents. Significant updates include:

**Customer Due Diligence** – Clarified regulatory expectations between lower-risk and higher-risk customers.

**Suspicious Activity Reporting** – Enhanced discussion of law enforcement inquiries and requests. Updated the section to include new guidance on maintaining accounts and supporting documentation.

**Foreign Correspondent Account Recordkeeping and Due Diligence** – Updated section to reflect new enhanced due diligence requirements with respect to correspondent accounts established or maintained for certain foreign banks.

**OFAC** – Revised and clarified guidance on screening responsibilities in connection with automated clearing house (ACH) transactions. Made corresponding revisions to the ACH section.

**Correspondent Accounts (Foreign)** – Enhanced the risk mitigation discussion.

**Electronic Banking** – Added discussion regarding Remote Deposit Capture.

**Trade Finance** – Clarified regulatory expectations, refined definitions, and enhanced the discussion of risk mitigation practices.

**Non-Bank Financial Institutions** – Expanded the discussion on providing banking services to money services businesses.

**Appendix F: Money Laundering and Terrorist Financing “Red Flags”** – Expanded examples of red flags for trade finance, ACH transactions, shell company activity, and other potentially suspicious customer activity, and added new examples for lending activity.

**Appendix R: Enforcement Guidance** – Added recently issued interagency enforcement guidance addressing noncompliance with BSA/AML requirements.

**Index** – To make the document more user-friendly, included a detailed, cross-referenced index with key terminology and subject matters.

The 2007 version of the manual is located on the FFIEC BSA/AML InfoBase at:  
[http://www.ffiec.gov/bsa\\_aml\\_infobase/default.htm](http://www.ffiec.gov/bsa_aml_infobase/default.htm).