



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D.C. 20551

DIVISION OF SUPERVISION
AND REGULATION

SR 25-4

October 10, 2025

**TO THE OFFICER IN CHARGE OF SUPERVISION
AT EACH FEDERAL RESERVE BANK**

**SUBJECT: Frequently Asked Questions Regarding Suspicious Activity Reporting
Requirements**

Applicability: This letter applies to all financial institutions supervised by the Federal Reserve that are subject to Suspicious Activity Report (SAR) requirements under the Bank Secrecy Act.¹

The Board of Governors of the Federal Reserve System (Board), the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency and the U.S. Department of the Treasury's Financial Crimes Enforcement Network are issuing the attached answers to Frequently Asked Questions (FAQs) Regarding Suspicious Activity Reports.

Financial institutions, including those supervised by the Board, have a legal obligation to report suspicious activity. SARs are a cornerstone of the Bank Secrecy Act (BSA) reporting system and are a critical tool for combating financial crimes. The answers to these FAQs clarify regulatory requirements related to SARs and can assist financial institutions with their compliance obligations, while enabling financial institutions to focus resources on activities that produce the greatest value to law enforcement agencies and other government users of BSA reporting. The FAQs do not alter existing BSA legal or regulatory requirements or establish new supervisory expectations.

Reserve Banks should distribute this SR letter to supervised banks in their districts, as well as to supervisory and examination staff. Questions concerning this SR letter or the FAQs may be sent via the Board's public website.²

¹ Financial institutions supervised by the Board subject to the SAR requirements include state member banks (Regulation H, 12 CFR 208.62), Edge and agreement corporations (Regulation K, 12 CFR 211.5(k)), applicable branches, agencies, and representative offices of foreign banking organizations operating in the United States (Regulation K, 12 CFR 211.24(f)), and bank holding companies (Regulation Y, 12 CFR 225.4(f)).

² See <http://www.federalreserve.gov/apps/contactus/feedback.aspx>.

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Attachments:

- Frequently Asked Questions Regarding Suspicious Activity Reporting Requirements