The SAR Activity Review

By the Numbers

Issue 4

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Introduction

Welcome to the fourth issue of *The SAR Activity Review – By the Numbers*, a compilation of statistical data gathered from Suspicious Activity Report forms submitted by depository institutions since April 1996, casinos and card clubs since August 1996, certain money services businesses since January 2002, and certain segments of the securities and futures industries since January 2003. *By the Numbers* serves as a companion piece to the publication of the *Trends, Tips & Issues*, which provides information about the preparation, use, and utility of Suspicious Activity Reports.

By the Numbers is produced twice a year to cover two filing periods: January 1 to June 30 and July 1 to December 31. The statistical data from the filing periods is available for publication on the FinCEN website shortly after the end of each period, usually in the spring and fall. The last issue of *By the Numbers* was published in December 2004 and may be accessed through the following link: http://www.fincen.gov/sarreviewdec2004.pdf.

A review of the statistical data generated for Issue 4 of *By the Numbers* reveals some interesting facts. As of December 31, 2004, over 2.1 million Suspicious Activity Report forms[1] had been filed with FinCEN. Although the remainder of this publication provides detailed statistical data on those filings, some general observations are provided below for each type of form.

Number of Suspicious Activity Report Filings by Year[2]

Form	1996	1997	1998	1999	2000	2001	2002	2003	2004
Depository Institution	52,069	81,197	96,521	120,505	162,720	203,538	273,823	288,343	381,671
Money Services Business	-	-	-	-	-	-	5,723	209,512	296,284
Casinos and Card Clubs	85	45	557	436	464	1,377	1,827	5,095	5,754
Securities & Futures Industries	-	-	-	-	-	-	-	4,267	5,705
Subtotal	52,154	81,242	97,078	120,941	163,184	204,915	281,373	507,217	689,414
Total	**2,197,518**								

[1] The combined number of filings from the four types of Suspicious Activity Report forms: Depository Institution Suspicious Activity Report (TD F 90-22.47); Suspicious Activity Report by Money Services Business (SAR-MSB/TD F 90-22.56); Suspicious Activity Report by Casinos and Card Clubs (SAR-C/ FinCEN Form 102); and Suspicious Activity Report by Securities and Futures Industries (SAR-SF/FinCEN Form 101).

[2] Suspicious Activity Report statistical data is continuously updated as additional reports are filed and processed. For this reason, there may be minor discrepancies between the statistical figures contained in various portions of this report or in previous reports.

Depository Institution Suspicious Activity Report / TD F 90-22.47
(from the mandated reporting date in April 1996 through December 31, 2004)

- Between April 1996 and December 31, 2004, 1,660,387 Suspicious Activity Reports were filed.
- The volume of Suspicious Activity Report filings in 2004 increased 32% over those filed in 2003.
- BSA/Structuring/Money Laundering continued to be the leading characterization of suspicious activity filed by depository institutions.
- Identity Theft was added as a suspicious activity characterization in July 2003. In 2004, 15,491 Suspicious Activity Reports were filed with this characterization box marked.
- Mortgage Loan Fraud increased 93% since 2003.
- Computer Intrusion decreased 59% since 2003.
- Debit Card Fraud increased 70% since 2003.

Suspicious Activity Report by Money Services Business / TD F 90-22.56
(from the mandated reporting date for using this form in October 2002 through December 31, 2004)

- A total of 511,519 Suspicious Activity Reports filed by money services businesses were received between October 1, 2002 and December 31, 2004.
- The volume of filings in 2004 increased 41% over those filed in 2003.
- In 2004, money transmitters filed 192,958 or 49% of all Suspicious Activity Reports, followed by issuers of money orders at 67,372 or 17%, and the United States Postal Service at 39,294 or 10%.
- Of the filings, 27% failed to identify the characterization of suspicious activity.
- Filers reported money transfers as the most frequent type of financial service involved in the suspicious activity.
- The characterization of suspicious activity, “comes in frequently and purchases less than 3,000,” increased nearly 100% since 2003.
- The characterization of suspicious activity, “two or more individuals using similar/the same identification,” increased 177% since 2003.

Suspicious Activity Report by Casinos and Card Clubs / FinCEN Form 102 and, previously, TD F 90-22.49 (from the mandated reporting date in October 1997 through December 31, 2004)[3]

- A total of 15,640 reports of suspicious activity were received from casinos and card clubs.
- The volume of filings in 2004 increased 13% over those filed in 2003.
- Structuring was the most reported characterization of suspicious activity.
- State licensed casinos submitted 82% of the total Suspicious Activity Report by Casinos and Card Clubs filings.

Suspicious Activity Report by the Securities and Futures Industries / FinCEN Form 101 (from the mandated reporting date of January 1, 2003 through December 31, 2004)

- A total of 9,972 reports of suspicious activity were received from the securities and futures industries.
- The filings in 2004 increased 34% over those filed in 2003.
- As of December 31, 2004, 22.50% or 3,366 of filers selected "Other" as the characterization of suspicious activity, followed by money laundering/structuring at 17%.
- In 2004, 3,040 filings reported cash or its equivalent as the type of instrument used in the suspicious activity.[4]
- In 2004, 2,265 filings indicated clearing brokers as the primary type of reporting institution, followed by introducing brokers at 1,858 filings.

The statistical data in this publication is presented in an Excel format to allow readers to download and manipulate the information to achieve maximum management and compliance needs for their institution or agency.

As always, we welcome your suggestions and comments. Questions regarding present, past, or future issues of *The SAR Activity Review – By the Numbers* may be directed to FinCEN's Analytics Division, Office of Regulatory Support at (703) 905-3863 or by contacting webmaster@fincen.gov.

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[3] Also includes 85 forms filed in August 1996.

[4] Note: Item 23 on the FinCEN Form 101 does not provide a category for Checks; therefore, some filers may report transactions in which checks were used by marking box "b" for Cash or equivalent.