

Survey of the Costs of AML/CFT Compliance

This survey seeks to gather information on the direct costs incurred by certain non-bank financial institutions (NBFIs), specifically, casinos and card clubs (casinos); money services businesses (MSBs); insurance companies; dealers in precious metals, precious stones, or jewels (PMSJs); operators of credit card systems; and loan or finance companies in complying with the Bank Secrecy Act (BSA) and related Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) requirements, and, to the extent these expenses overlap with those of other activities (for instance, fraud monitoring), the amount attributable to AML/CFT compliance. Your responses will help us understand the financial impact of these regulations and will be used to shape deregulatory proposals consistent with the Executive Orders of the Trump Administration. Responses will not be used for supervisory or enforcement purposes.

If your institution maintains an enterprise-wide program for AML/CFT compliance, you may submit one survey response that addresses the questions below on a consolidated basis. It is not necessary to provide a separate survey response for each legal entity subject to the BSA. If your institution reports on a consolidated basis, please indicate here.

Institution Profile Questions: Please provide your institution's [taxpayer identification number (TIN), e.g., employer identification number (EIN)]. (Your TIN will allow agencies to source descriptive information for your institution to help place your survey responses into context.)

1. What was the total estimated direct cost in calendar year 2024 for your institution for compliance with all programs mandated by the BSA and its implementing regulations?

(Please state your answer in U.S. Dollars. For the purpose of your response, "Direct costs" should include labor, transaction monitoring software, and third parties (software, systems, vendors) used in AML/CFT compliance. Please exclude indirect costs such as office space or depreciation on computer systems.)

Separately, approximately what percentage of your institution's total operating expenses did these direct AML/CFT compliance costs represent in calendar year 2024?

2. Please specify which of the following areas your institution uses technological resources, including software, to assist with, as applicable:
 - a. customer identification and verification procedures
 - b. identifying suspicious activity

- c. currency transaction reporting or reports relating to currency in excess of \$10,000 received by a trade or business
 - d. 314(a) information sharing
 - e. Office of Foreign Assets Control (OFAC) compliance
3. Approximately what percentage of the total direct cost of AML/CFT compliance is attributable to the production of Suspicious Activity Reports (SARs), if applicable?

These direct costs include costs associated with AML/CFT staff reviewing alerts, maintaining a transaction monitoring system, and investigating cases arising from alerts, whether or not they lead to the production of a SAR, among other things.

4. **(OPTIONAL)** If your institution is able to provide the following information without significant burden, please provide approximately what percentage of the total cost of AML/CFT compliance is directly attributable to, as applicable:
- a. Customer identification and verification procedures
 - b. Reporting requirements for suspicious activity reporting
 - c. Reporting requirements for currency transaction reporting and exemptions or reports relating to currency in excess of \$10,000 received by a trade or business
 - d. Internal controls related to AML/CFT compliance program
 - e. Independent testing for compliance by internal personnel or an outside party
 - f. Training and staffing employees
 - g. 314(a) information sharing
 - h. Funds transfer record keeping
 - i. Monetary instrument recordkeeping
 - j. Special measures
 - k. Software
 - l. Additional financial institution-specific BSA recordkeeping obligations (e.g., monetary instrument logs, also known as negotiable instrument logs, for casinos; extension of credit, for casinos; additional records that dealers in foreign exchange must retain)
 - m. MSB registration
 - n. Other third-party activities
5. What approximate percentage of the total cost of AML/CFT compliance is attributable to complying with OFAC regulations?
6. Does your institution conduct anti-financial crime activities or maintain systems designed to combat financial crime that are not directly required by the BSA or its implementing regulations? Examples include additional customer due diligence programs or the development and operation of a Financial Intelligence Unit. If so, what is the direct cost (not included in question 1) of these additional activities across all business lines of your institution in calendar year 2024?

Separately, approximately what percentage of your institution's total operating expenses did these direct costs represent in calendar year 2024?

7. Please provide any available data or narrative comments for your institution regarding the extent to which the non-BSA driven expenditures (i.e., the costs referenced in question (6)) generate a substantial portion of either the overall suspicious activity, and/or of national AML/CFT priorities related threat activity, that is described in filed SARs, if applicable.
8. Please provide any available data or narrative comments on whether there are particular types of products, services, customers or delivery channels where AML/CFT-required monitoring, reviews or investigations that have generated limited useful information from your institution's perspective.