

From: [Edward C. Ferraro](#)
To: [Comments_Regulation](#)
Subject: Attention: BSA-SAR Database... Comments
Date: Friday, October 15, 2010 12:14:14 PM

Attention: BSA-SAR Database

Gentlemen / Ladies:

Let me start off by saying that my comments are mine alone and do not reflect opinions/positions of Foster Bank nor of any employees/directors of Foster Bank.

In my opinion, the overall SAR process is fundamentally flawed. The original "Criminal Referral Form" from which it evolved defined specific activities and limitations. The resulting data was consistent with those "standardized" expectations. The existing SAR process leaves too much to the subjective nature of the person analyzing the data and ultimately the subjectivity of the individual how ultimately is responsible for the decision to file a SAR... or not. What occurs at a specific financial institution may not be viewed as suspicious individually, but when combined with data from other financial institutions reveals potential criminal activity. And again, what happens at a financial institution will be based on the subjective decision-making process of individuals – with differing opinions.

As a former National Bank Examiner, I wholeheartedly agree with FinCEN's overall objectives of helping to identify financial crimes. Furthermore, I also agree that improved data, and more importantly the ability to ingrate that data throughout the financial community, is critical to the process.

If it were up to me, I would devise some sort of process whereby defined activities and defined parameters / limitations would guide the "dumping" of all such data to the FinCEN database. That data can then be accumulated, sliced, and diced to reveal all the potentially criminal activity across all financial institutions. I believe that ability to accumulate all related data and allow an objective analysis, by trained law enforcement personnel, will be the only way financial data can be effectively used.

Respectfully submitted,

Edward C. Ferraro
Chief Compliance Officer and BSA / AML Officer
Foster Bank
773-588-7700 x4930
773-279-4930 (direct)

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