



# FinCEN NOTICE

FIN-2021-NTC2

March 9, 2021

## **FinCEN Informs Financial Institutions of Efforts Related to Trade in Antiquities and Art**

The Financial Crimes Enforcement Network (FinCEN) is issuing this Notice to inform financial institutions about (1) the Anti-Money Laundering Act of 2020 (the AML Act)<sup>1</sup> efforts related to trade in antiquities and art, (2) select sources of information about existing illicit activity related to antiquities and art, and (3) provide specific instructions for filing Suspicious Activity Reports (SARs) related to trade in antiquities and art. FinCEN encourages financial institutions to continue filing SARs regarding these topics.

### **New AML Act Measures**

- *Antiquities Regulations:* Section 6110(a) of the AML Act amends the definition of “financial institution” under the Bank Secrecy Act (BSA) to include persons “engaged in the trade of antiquities” and directs FinCEN to promulgate implementing regulations. The BSA obligations imposed by Section 6110(a) will take effect on the effective date of those final regulations.
- *Art Study:* Section 6110(c) of the AML Act requires the Secretary of the Treasury, in coordination with the Director of the Federal Bureau of Investigation, the Attorney General, and the Secretary of Homeland Security, to perform a study of the facilitation of money laundering and the financing of terrorism through the trade in works of art. The study will include an analysis of, among other things, which markets should be subject to regulations and the degree to which the regulations, if any, should focus on high-value trade in works of art, and on the need to identify the actual purchasers of such works, in addition to other persons engaged in the art trade.

### **Illicit Activity Associated with Trade in Antiquities and Art**

Financial institutions with existing BSA obligations, including the reporting of suspicious activity, should be aware that illicit activity associated with the trade in antiquities and art may involve their institutions. Crimes relating to antiquities and art may include looting or theft, the illicit excavation of archaeological items, smuggling, and the sale of stolen or counterfeit

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1. The AML Act was enacted into law as part of the National Defense Authorization Act for Fiscal Year 2021, Public Law 116-283.

objects.<sup>2</sup> Crimes relating to antiquities and art also may include money laundering and sanctions violations, and have been linked to transnational criminal networks, international terrorism, and the persecution of individuals or groups on cultural grounds.<sup>3</sup>

## **SAR Filing Instructions**

Financial institutions' SAR reporting, in conjunction with effective implementation of their other BSA compliance requirements, is crucial to identifying and stopping money laundering and other crimes related to trade in antiquities and art.

- FinCEN requests that financial institutions reference "FIN-2021-NTC2" in SAR field 2 (Filing Institution Note to FinCEN) and the narrative portion of the SAR to indicate a connection between the suspicious activity being reported and the activities highlighted in this notice.
- Financial institutions should also select SAR field 36(z) (Money Laundering - other) as the associated suspicious activity type, and note if the suspicious activity relates to "Antiquities," "Art," or both (in some instances, an object could be considered both an antiquity and a work of art).

*SAR Narrative.* FinCEN also requests that filers detail the reported activity in the narrative portion of the SAR, explaining how the suspicious activity relates to "Antiquities," "Art," or both. Filers should provide any available details that may assist in the identification of (1) the objects connected to the financial transactions, (2) other transactions or proposed transactions that may involve antiquities or art, and (3) any other relevant information. Filers should provide all available details (such as names, identifiers, and contact information—including Internet Protocol (IP) and email addresses and phone numbers) regarding (1) the actual purchasers or sellers of the property, and their intermediaries or agents, (2) the volume and dollar amount of the transactions involving an entity that is—or may be functioning as—a dealer in antiquities or art, and (3) any beneficial owner(s) of entities (such as shell companies). In the case of *stolen art or antiquities*, filers should provide a detailed and specific description of the stolen item(s) and indicate whether photographs of the items are available. Filers should also provide information about the place(s) where the reported individuals or entities are operating.

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2. INTERPOL, "[The Issues – Cultural Property](#)," (Last Accessed March 8, 2021).

3. U.S. Senate, Permanent Subcommittee on Investigations, "[The Art Industry and U.S. Policies that Undermine Sanctions](#)," (July 29, 2020); INTERPOL, "[The Issues – Cultural Property](#)," (Last Accessed March 8, 2021); U.S. Department of State, "[Tackling Illicit Trafficking of Antiquities and its Ties to Terrorist Financing](#)," (June 20, 2018); U.N. Office on Drugs and Crime, "[Links Between Terrorism, Crime and Trafficking in Cultural Property/Antiquities](#)," (March 2019); Financial Action Task Force, "[Emerging Terrorist Financing Risks](#)," (October 2015); U.S. Department of the Treasury, Office of Foreign Assets Control, "[Advisory and Guidance on Potential Sanctions Risks Arising from Dealings in High-Value Artwork](#)," (October 30, 2020); Congressional Research Service, "[Transnational Crime Issues: Arts and Antiquities Trafficking](#)," (March 1, 2021).

### **For Further Information**

Additional illicit finance information, including advisories and notices, can be found on FinCEN's website at <https://www.fincen.gov>, which also contains information on how to register for [FinCEN Updates](#). Questions or comments regarding the contents of this notice should be addressed to the FinCEN Regulatory Support Section at [frc@fincen.gov](mailto:frc@fincen.gov).

**The mission of the Financial Crimes Enforcement Network is to safeguard the financial system from illicit use, combat money laundering and its related crimes including terrorist financing, and promote national security through the strategic use of financial authorities and the collection, analysis, and dissemination of financial intelligence.**