



REPORTING GUIDE

New York State Department of Financial Services  
(NYS DFS): Annual Filing of Part 504 Transaction  
Monitoring and Watchlist Filtering Program  
Compliance Certification for Regulated Institutions

# NYS DFS Part 504 Annual Transaction Monitoring and Watchlist Filtering Program Compliance Certification Reporting Guide

All NYS DFS Covered Entities are required to establish and maintain transaction monitoring and watchlist filtering programs designed to address and prevent potential anti-money laundering (“AML”) violations under the Bank Secrecy Act (“BSA”). As part of the requirements, regulated institutions must annually certify compliance by submitting a **Certification of Compliance**.



**Who needs to submit a Certification of Compliance?**

Covered Entities, include bank-regulated and nonbank-regulated institutions, which are required to operate under a license, registration, charter or similar authorization under the Banking, Insurance or Financial Services Law of the State of New York.



**When is the Certification of Compliance due?**

Covered Entities must submit the Certification of Compliance under Part 504 for the previous calendar year by April 15 of the following year, which must be attested to and signed by each member of the board of directors or senior officers.



**What is submitted with the Certification of Compliance?**

The certification is intended to be a stand-alone document required by the regulation and NYS DFS does not require regulated institutions to submit additional documentation or explanatory materials. Only the form, [Attachment A](#), is submitted which represents the Annual Board Resolution or Senior Officer/s Compliance Finding for the previous year.



**Are there documents or records to be maintained to support the Certification of Compliance?**

Even if Covered Entities are not required to submit documents or records to support the certification, the Covered Entity must maintain and document the following, should documentation be requested by NYS DFS or for future Covered Entity examinations:

- *Transaction Monitoring program requirements;*
- *Watchlist Filtering program requirements;*
- *Identification and remedial efforts planned or performed to address areas, systems or processes requiring material improvement, update or redesign.*



**What if a Covered Entity fails to comply?**

There are no specific penalties identified under Part 504, however, NYS DFS expects full compliance with the requirements under Part 504. Penalties will vary depending on the applicable law, if a regulated institution violates any portion of Part 504.



**How is the Certification of Compliance filed?**

The Certification of Compliance is electronically filed through the NYS DFS Portal: <https://myportal.dfs.ny.gov/>. An account must be created and signed into to access the filing system.

The NYS DFS Portal also requires the filer to use an identifying number (e.g. a NYS License number, NAIC/NY Entity number, NMLS number, Institution number, etc.) to ensure that reports match to the correct entity or individual. Transaction Monitoring filings or compliance questions or inquiries can be directed to: [TransactionRegComments@dfs.ny.gov](mailto:TransactionRegComments@dfs.ny.gov).

## Reporting Tips

- *Documentation, records and data supporting the Part 504 regulation and compliance filing must be retained and readily available for inspection for a period of 5 years.*
- *Once the Certification is submitted, an online confirmation will appear containing a receipt number, the signatories and their roles, the submitter, and the date of submission.*
- *Start early as NYS DFS will review the adequacy of an applicant's compliance with Part 504 during the application process to become a Covered Entity.*
- *During an examination of a Covered Entity, NYS DFS will review the Covered Entity's process and documentation for its Certification of Compliance for each line item under Part 504.*



For more information, you can visit NYS DFS' [Transaction Monitoring](#) page under Industry Guidance.