Anti-Money Laundering and Terrorist Financing Prevention Compliance Program Creation Guide

Insert Business Name Here

Date of Adoption of this Anti-Money Laundering Program

ANTI-MONEY LAUNDERING AND TERRORIST FINANCING PREVENTION COMPLIANCE PROGRAM

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INTRODUCTION

Overview of the Bank Secrecy Act, USA Patriot Act, OFAC:

Money Services Businesses (MSBs) are governed and regulated by the U.S. Department of the Treasury, the Bank Secrecy Act (BSA), the USA Patriot Act and the Office of Foreign Asset Control (OFAC). These laws and regulations make it clear that their terms are meant to apply to virtually anyone who handles money.

A business that provides any of the below listed products or services in an amount equal to or greater than **$1,000.00** per day to any one person on any day in one or more transactions is a Money Services Business and subject to the BSA, the USA Patriot Act, Office of Foreign Assets Control (OFAC) and other anti-money laundering laws.

Product or Service	Business Activity
Money Orders	Issuer, Seller or Redeemer (casher) of money orders
Traveler's Checks	Issuer, Seller or Redeemer (casher) of traveler's checks
Check Cashing	Check Casher
Currency Dealing	Currency Dealer
Currency Exchanges	Currency Exchanger
Stored Value	Issuer, Seller, Redeemer (casher) of stored value products (ex: prepaid credit cards)
Money Transfer Services	Wire Remittance (In any amount)

The USA Patriot Act and the Bank Secrecy Act requires all MSBs to adopt a **written** “anti-money laundering program” (AML program) designed to prevent money launderers and terrorists from using the financial products and services you provide. The anti-money laundering program must be in **writing** and include the following:

- Internal anti-money laundering policies, procedures, and controls.
- Designation of a person who will act as the business’ anti-money laundering compliance officer.
- A training program for new and current employees.
- An independent review of your anti-money laundering program.

Failure to comply with the BSA, the USA Patriot Act, Office of Foreign Assets Control (OFAC) and other anti-money laundering laws may subject the business, its' owners and employees civil and criminal penalties that may be severe and include forfeiture of assets, fines and prison. Additionally, violations of the law may cause damage to the reputation of the business and owner.

Instructions:

The purpose of the guide is to assist you, the agents of, Merchants Express Money Order Company, Inc., and subsidiaries, to create a customized anti-money laundering program that addresses the risks associated with the sale of money orders by your business. This guide contains several required sections, examples of policies or procedures, and additional space the agent may use to write in policies and procedures specific to their business. Included are forms for use by the agent to train employees, provide guidance regarding the completion of the recordkeeping and reporting forms, to document the anti money laundering program and the training provided to or received by agent employees.

If the agent provides more than one product or service identified under the Overview section above, the agent must either incorporate the policies and procedures of the other products or services into this program or incorporate this program into the other products or services anti-money laundering program.

Identification of Products:

This business offers the following products and services that are subject to regulation by the Bank Secrecy Act, the USA Patriot Act and other anti-money laundering laws and regulations, and OFAC. Check the line next to the product or service the company provides:

Business Offers	Product or Service
_____	**Money Orders**
_____	**Traveler's Checks**
_____	**Check Cashing**
_____	**Currency Dealing or Exchanging**
_____	**Stored Value (ex: prepaid credit cards)**
_____	**Money Transfer Services**

Again, if your business offers more than one of the above products or services, the compliance programs for each product or service must be combined.

CHAPTER 1: BUSINESS POLICIES

This business adopts the following policies, procedures and controls as its written anti-money laundering and terrorist financing prevention program that complies with all Bank Secrecy Act, USA PATRIOT Act and the OFAC requirements. This business will comply with all reporting and recordkeeping requirements and any other applicable federal or state anti-money laundering laws or regulations and will designate a compliance officer, train employees and examine this program for compliance.

FinCEN Registration (check the one that applies):

_____This business is a MSB only because it acts as a seller of money orders for Merchants Express Money Order Company, Inc., or one of its subsidiaries. This business only offers money orders and does not offer any other product or service to the public that is subject to anti-money laundering regulation. Because this business is an agent of Merchants Express Money Order Company, Inc., or one of its subsidiaries, it is not required to register with FinCEN as an MSB.

_____This business offers products or services to the public on its own (example: check cashing) in addition to money orders as an agent for Merchants Express Money Order Company, Inc., or one of its subsidiaries. This business will take all steps required to determine if the business must register with FinCEN as an MSB. If this business must register with FinCEN as an MSB, it will obtain FinCEN Form 107 – Registration of Money Services Business Form from www.fincen.gov/financial_institutions/msb or another source, complete the form and mail it to the address identified in the instructions accompanying FinCEN Form 107 within **180 days** after offering the MSB product or service to the public. The business will renew its registration every 2 years.

Money Laundering Definition:

Money laundering is an attempt by an individual to conceal or disguise the nature, location, source, ownership, or control of money obtained through illegal activity. There are 3 steps to laundering money: placement, layering, and integration. By following those steps, a person can make money obtained from a crime appear to come from a legal or legitimate source, such as income from a business.

Money laundering involves three steps, placement, when a person purchases money orders or one of the other products or services identified in the Overview of Bank Secrecy Act, USA Patriot Act, OFAC section above with the money obtained from a crime. The second step, layering, occurs when a person moves the money from one financial institution to another (ex: check casher, bank, and investment accounts) and changes the form of the money (ex: money orders, wire transfer, travelers' check, checks, credit and debit card transactions, and insurance policies). The last step, integration, happens when the person purchases possessions they will keep for a long period of time (ex: real estate, luxury cars, boats, businesses).

Employee Monitoring Policies:

This business may employ one or more persons to work at the business whose job duties include the sale of money orders. This business follows its employee hiring policies regarding the employment of people whose job duties include the sale of money orders. These hiring policies may include a review of the person's work history, a background check, determining criminal history, and reference checks. This business monitors its employees while they are at work to prevent them from using the business to launder money or engage in any other criminal activity.

To the extent this business is a family owned and operated, it does not have specific employee hiring and monitoring policies or need to perform the checks stated in the previous paragraph. This business will monitor the conduct of family members working for this business to ensure compliance with all applicable anti-money laundering and terrorist financing prevention laws and regulations.

INSERT ADDITIONAL EMPLOYEE POLICIES HERE – IF NECESSARY

Record Retention Policy:

This business will keep a copy of the documents listed below for a period of 5 years:

1. The completed FinCEN Form 107 – Registration of Money Services Business filed with FinCEN.

2. Any response received from FinCEN to the filing of the completed FinCEN Form 107 – Registration of Money Services Business Form.

3. All documents used to complete FinCEN Form 107 – Registration of Money Services Business Form.

4. All completed Suspicious Activity Reports (SAR-MSB) filed with the Internal Revenue Service.

5. All documents used and supporting the filing of a SAR-MSB.

6. All completed MEMO High Dollar Transaction Forms.

7. All completed Currency Transaction Forms filed with the Internal Revenue Service.

8. All documents used to complete or supporting the filing of a Currency Transaction Report with the Internal Revenue Service.

9. All documents evidencing employee training.

This business will keep the original or a copy of the documents listed below for a period of at least 90 days:

1. All daily closeout reports relating to the sale of money orders.

2. All yellow sales copies of money orders printed (if available).

3. All weekly money order sales reports.

Responding to Law Enforcement Requests:

This business will cooperate with law enforcement and will provide them with all the information law enforcement officers seek pursuant to a proper summons, subpoena or court order. This business will not produce a SAR-MSB or disclose any information that might lead one to believe that a SAR-MSB has been prepared or filed unless the person asking for the information is a member of an appropriate law enforcement or supervisory agency. This business will rely on 31 USC §5318(g)(2) and 31 CFR §103.20(d) for its refusal to provide the SAR-MSB information and will immediately notify FinCEN of the improper request.

CHAPTER 2: SUSPICIOUS ACTIVITY REPORTING

This business will create records of and file reports on transactions that meet the requirements in this and Chapters 3 and 4. These records include completion of Suspicious Activity Reports (SAR), MEMO Money Order Transaction Reports and the Currency Transaction Reports (CTR). The Suspicious Activity Report – Money Services Business is addressed in this Chapter.

This business will file a Suspicious Activity Report on the SAR-MSB Form – FinCEN Form 109 when a customer is or is acting suspicious and purchases or attempts to purchase money orders totaling $2,000.00 or more (including fees). This business will determine if a SAR-MSB will be filed on money order purchases totaling less than $2,000.00 on a case by case basis. This business' employees will report suspicious activity to the compliance officer who will file a SAR-MSB when the employee or compliance officer knows, suspects, or has reason to suspect:

1. The money used to purchase money orders came a crime

2. The purchase of money orders is intended to hide money that came from a crime

3. The person is buying money orders in a way intended to avoid the recordkeeping or reporting requirements (structuring)

4. The person is buying money orders for no business or lawful purpose

5. The person is buying money orders using a false or expired identification

6. The person is buying money orders in a way that is unusual for that customer

7. The person is buying money orders with the intention to facilitate a crime

8. Two or more people are working together to buy money orders in a way to avoid the recordkeeping and reporting requirements (structuring)

The compliance officer of this business will complete and file a SAR-MSB with the Internal Revenue Service, Detroit Computing Center, ATTN: SAR-MSB at the address in the instructions to the SAR-MSB Form. The compliance officer will file the completed SAR-MSB within **30 calendar days** of an employee's initial detection of the suspicious behavior or acts. The compliance officer will follow the instructions of the SAR-MSB when completing the SAR-MSB Form. **Employees will not tell customers that the business has or will file a SAR-MSB for a transaction.**

Examples of Suspicious Activity include:

1. A person changes the amount of money orders he/she wants to purchase after learning that the business must make a record of or file a CTR on the transaction.

2. A person provides false or expired identification when purchasing money orders.

3. A person attempts to bribe, threaten or convince an employee to sell money orders without making a record of or filing a CTR on the transaction.

4. A person buys money orders several times in one day or over several days in an amount that totals $3,000.00 or more.

5. A person repeatedly buys money orders in an amount just below the $3,000.00 recordkeeping requirement.

6. A person questions an employee about the identification requirement prior to purchasing money orders.

7. A customer normally buys $750.00 in money orders to pay rent around the first of every month and then buys $5,000.00 around the middle of the month.

Structuring of Money Order Purchases

Structuring occurs when a person breaks up a single money order purchase of $3,000.00 or more into more than one money order purchase for amounts below $3,000.00 or $10,000.00 to avoid showing their identification or the completion of a CTR. People who launder money want to remain anonymous and hidden from law enforcement. Money launderers know the dollar amount of money orders they may purchase to avoid the filing of a CTR or the making or a record of a transaction and the showing of their identification.

It is illegal to help a person structure their money order purchases in a way that avoids the recordkeeping and recording requirements such as the completion of the MEMO Money Order Transaction Report or a CTR. Employees must be alert to attempts by people to convince them to allow the structuring of money order purchases in a way that avoids or eliminates the need to complete the MEMO Money Order Transaction Report or the filing of a Currency Transaction Report.

This business and its employees will not help any person structure the purchase of money orders in a way that will result in the failure or elimination of the need to complete the MEMO Money Order Transaction Report or the filing of a Currency Transaction Report. The employees of this business will not tell, imply or knowingly allow a person to structure money order purchases in a way that will result in the failure or elimination of the need to complete the MEMO Money Order Transaction Report or the filing of a Currency Transaction Report.

Examples of structuring that should be investigated and reviewed for the possible filing of a SAR-MSB include:

1. A person purchases $1,000.00 in money orders in the morning, another $1,000.00 in money orders around midday and another $1,000.000 in money orders in the evening to avoid the completion of a MEMO Money Order Transaction Report.

2. A person purchases $1,000.00 in money orders on Monday, $1,000.00 in money orders on Tuesday and $1,000.00 on Wednesday to avoid the completion of a MEMO Money Order Transaction Report.

3. A person gives $1,000.00 in cash to two other people who then purchase $1,000.00 in money orders so each person does not have to show their identification or complete the MEMO Money Order Transaction Report.

INSERT ADDITIONAL SUSPICIOUS ACTIVITY REPORTING REQUIREMENTS HERE – IF NECESSARY

CHAPTER 3 RECORDKEEPING REQUIREMENTS

Federal law prohibits a business from selling money orders in currency amounts between $3,000.00 and $10,000.00 without maintaining records of such purchases. When a person purchases money orders for an amount between $3,000.00 and $10,000.00 (including fees), this business will **verify the purchaser's name and address** by examining any document normally accepted as identification by a bank **before completing the transaction** and record the following information:

1. The name, address, and date of birth of the purchaser;
2. The social security (or alien identification) number and occupation of the purchaser;
3. The purchaser identification type and number;
4. The date of the purchase;
5. The types of instruments purchased (i.e. money orders);
6. The serial numbers of the money orders purchased; and
7. The dollar amount of each money order purchased.

_____This business will use the MEMO Money Order Transaction Report to record all money order purchases of $3,000.00 to $10,000.00 (inclusive of fees).

_____This business will not use the MEMO Money Order Transaction Report to record all money order purchases of $3,000.00 to $10,000.00 (inclusive of fees). Instead, this business will collect the required information on another form which is attached to this AML Program or in the manner described below.

INSERT PROCEDURE FOR RECORDING TRANSACTIONS IF NOT USING THE MEMO MONEY ORDER TRANSACTION REPORT HERE - ATTACH FORM IF NECESSARY

_____

_____

_____

_____

_____

This business will not sell money orders to any person who refuses to provide the information required by federal law and these policies. This business will refer a person's refusal to provide the required information to purchase money orders to the Compliance Officer for further investigation and possible SAR-MSB filing.

This business will treat the purchase of more than one MSB product or service (**example:** money order purchase of $2,500.00 and wire transfer of $500.00) of the same or different type of instruments totaling $3,000.00 or more as a single transaction and will make a record of the transaction. This business will treat multiple purchases of money orders during one-business day or over several days totaling $3,000.00 or more as a single transaction when this business has knowledge that the purchase of those money orders are by or on behalf of the same person.

INSERT ADDITIONAL POLICIES AND PROCEDURES RELATING TO THE SALE OF MONEY ORDERS AND/OR OTHER PRODUCTS OR SERVICES HERE

CHAPTER 4: CURRENCY TRANSACTION REPORTING

Federal law prohibits a business from selling money orders in currency amounts in excess of $10,000.00 without making report of such purchases. When a person purchases money orders for an amount in excess of $10,000.00 (including fees), this business will **verify the purchaser's name and address** by examining any document normally accepted as identification by a bank **before completing the transaction** and will complete a Currency Transaction Report, FinCEN Form 104. This business will file a completed Currency transaction Report, FinCEN Form 104, within 15 calendar days of the transaction. This business will not sell money orders to any person who refuses to provide the information required by federal law and these policies. This business will refer a person's refusal to provide the required information to purchase money orders to the Compliance Officer for further investigation and possible SAR-MSB filing.

This business will treat the purchase of more than one MSB product or service (**example:** money order purchase of $2,500.00 and wire transfer of $8,000.00) of the same or different type of instruments totaling more than $10,000.00 or more as a single transaction and will file a Currency Transaction Report regarding the transaction. This business will treat multiple purchases of money orders during one-business day totaling more than $10,000.00 as a single transaction when this business has knowledge that the purchase of those money orders are by or on behalf of the same person and will complete a Currency Transaction Report.

INSERT ADDITIONAL POLICIES AND PROCEDURES RELATING TO THE SALE OF MONEY ORDERS AND/OR OTHER PRODUCTS OR SERVICES HERE

_____

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_____

CHAPTER 5: COMPLIANCE OFFICER

Every MSB must designate a person to act as the Compliance Officer for the business and will be responsible for making sure the business complies with federal and state law anti-money laundering and terrorist financing prevention laws and the policies in this AML Program. This business' Compliance Officer and senior management are and will be responsible for the following:

1. Ensuring this business will comply with all federal and state anti-money laundering laws and regulations on a day-to-day basis.

2. Ensuring that all current employees who actually sell money orders are initially trained on how to comply with the applicable anti-money laundering laws and regulations.

3. Ensuring new employees who will actually sell money orders are trained on how to comply with the applicable anti-money laundering laws and regulations before beginning to sell money orders.

4. Ensuring that all employees who sell money orders and/or manage this business receive training on anti-money laundering laws and regulations on a regular basis.

5. Documenting all training provided to employees.

6. Ensuring that this business' anti-money laundering program is reviewed for effectiveness by someone other than the Compliance Officer periodically.

7. Ensuring this business cooperates with law enforcement and MEMO on anti-money laundering investigations.

8. Ensuring the anti-money laundering program is updated as needed to reflect changes in laws and regulations and that employees selling money orders know and understand the changes.

9. Ensuring that all reports and records relating to the sale of money orders and Bank Secrecy Act compliance are filed and/or maintained.

If this business changes the Compliance Officer identified below, it will use the Designation of a Compliance Officer form in **CHAPTER 10: FORMS**. As of the date of adoption of this program, this business hereby designates the individual named below as its Anti-Money Laundering Compliance Officer ("Compliance Officer").

_____ _____

Name of Person (Print) Title

CHAPTER 6: TRAINING

As part of an effective anti-money laundering program, federal law requires every money services business to have an employee training program. This business will ensure that training on the principles of anti-money laundering is provided to all employees who sell money orders and/or are otherwise responsible for employees who sell money orders. The training the business will provide employees who sell money orders includes:

1. Identifying suspicious activity (What is considered suspicious).

2. Identifying people who are structuring the purchase of money orders to avoid the recordkeeping and reporting requirements of the applicable laws and regulations.

3. Verifying purchaser identification.

4. When to complete the MEMO Money Order Transaction Report, Currency Transaction Report (FinCEN Form 104), and when to complete a Suspicious Activity Report (FinCEN Form 109), and/or when to report suspicious activity to the manager and/or Compliance Officer.

5. The responsibilities of the Compliance Officer.

Before selling any money orders, this business will ensure that all employees who sell money orders review this anti-money laundering program and acknowledge having read it by signing an Employee Training Form identical to the one set forth in **CHAPTER 10: FORMS**. This business will use the Employee Training Form every time an employee receives anti-money laundering training, including periodic refresher training. This business will retain the completed Employee Training Form for five years as stated in the record retention policies of this business.

CHAPTER 7: INDEPENDENT REVIEW OF THE ANTI-MONEY LAUNDERING COMPLIANCE PROGRAM

Every business that is required to have an anti-money laundering program is also required to have an independent review (exam, audit, etc.) of its anti-money laundering program. This business will conduct or arrange to have someone conduct a review of this business' anti-money laundering program. The person who will conduct the review of the anti-money laundering program **will not be** this business' Compliance Officer, as identified in **CHAPTER 5: COMPLIANCE OFFICER** or the most recent Designation of a Compliance Officer form. The person conducting the independent review of the anti-money laundering program will be knowledgeable about the anti-money laundering laws and regulations that apply to this business and the sale of money orders.

CHAPTER 8: OFFICE OF FOREIGN ASSET CONTROL

The Office of Foreign Asset Control (OFAC) administers and enforces United States economic and trade sanctions, travel bans, and targets foreign countries, terrorists, international narcotics traffickers, and those engaged in activities related to the proliferation of weapons of mass destruction pursuant to United States foreign policy and national security goals. OFAC has developed a list of individuals and entities called the Specially Designated Nationals and Blocked Entities list (SDN list). A business is prohibited from selling money orders to a person or entity appearing on the list.

This business will obtain and maintain an updated SDN List or use a searchable database of names appearing on the SDN List and check the names of money order purchasers against this list using a risk based approach. If a money order purchaser's name appears on this list, this business will (check one):

_____ Call the OFAC and/or MEMO to verify the identity of the purchaser before selling the money orders to the purchaser.

_____ Refuse to sell money orders to that particular individual.

CHAPTER 9: PRIVACY POLICY
GRAMM-LEACH-BLILEY COMPLIANCE

Federal law requires every business that collects nonpublic personal information to have a privacy program that complies with the Gramm-Leach-Bliley Act. The following constitutes our Privacy Program which is comprised of several parts, including: (1) Designation of a Privacy Officer; (2) Risk Assessment; (3) Design and implementation of safeguards to limit or control identified risks; (4) oversee service providers; (5) Evaluation of program and adjustment policies. The goals of this Privacy Program is to insure the security and confidentiality of consumer information, 16 CFR § 314.3(b)(1); protect the business against any anticipated threats or hazards to the security or integrity of consumer information, 16 CFR § 314.3(b)(2); and protect the business against unauthorized access to or use of consumer information that may result in substantial harm or inconvenience to a consumer, 16 CFR § 314.3(b)(3).

If this business changes the Privacy Officer identified below, it will use the Designation of a Privacy Officer form in **CHAPTER 10: FORMS**. As of the date of adoption of this program, this business hereby designates the individual named below as its Privacy Officer.

Designation of a Privacy Officer

This business does not maintain the position of Privacy Officer as a separate position. Currently, this business has appointed _____ as its Privacy Officer.

Risk Assessment

Sources of Nonpublic Personal Information

This business obtains personal nonpublic information individual purchasers of MEMO products and services (hereinafter “consumers”). The types of information received by about consumers include names, addresses, social security numbers, government issued identification (ex: driver’s license), bank account information, credit reports, credit card numbers, and utility account numbers. This information is obtained from consumers who conduct transactions with this business.

Employee Training:

MEMO provides training to new and existing employees about the need to keep and maintain all nonpublic personal information they may obtain secure. The employee training includes all applicable requirements of federal and state laws and regulations and this business’ policies. The training also includes how to answer consumers questions about how this business protects and safeguards nonpublic personal information.

Information Systems:

If this business maintains a network that allows employees to access electronically stored information, access is limited to an employee's need for the information to complete their particular job function or duty. Electronically stored nonpublic personal information includes:

1. Completed High Dollar Transaction Forms;
2. Copies of consumer identification documents relating to the purchase of money orders and the completed High Dollar Transaction Forms;
3. Suspicious Activity Reports;
4. Copies of money orders supporting filed Suspicious Activity Reports;
5. Copies of money orders obtained to resolve problems a consumer may have relative to purchase and use of money orders;
6. Documents containing account information relating to the payment of utility or other bills by this business on behalf of MEMO.

Information Safeguards

This business obtains personal nonpublic information individual purchasers of MEMO products and services (hereinafter "consumers"). The types of information received by about consumers include names, addresses, social security numbers, government issued identification (ex: driver's license), bank account information, credit reports, credit card numbers, and utility account numbers. This information is obtained from consumers who conduct transactions with this business.

All employees provided nonpublic personal information by consumers about themselves to pay a fee associated with a product or service are prohibited from copying or retaining any nonpublic personal information. Employees receiving nonpublic personal information from consumers to pay for services shall place any document containing such information in a secure location until the required recordkeeping time period has passed. Employees may obtain copies of documents containing nonpublic personal information about consumers as part of their daily operations.

Some employees have access to a consumer's nonpublic personal information to perform his/her job functions. Any employee with access to a consumer's nonpublic personal information is strictly prohibited from copying, transcribing or otherwise duplicating that information for a purpose unrelated to their particular job function or duties. Any nonpublic personal information an employee copies, transcribes or otherwise duplicates to perform his/her job functions or duties must destroy or shred such copied, transcribed, or otherwise duplicated information immediately after completing the job function or duty requiring the nonpublic personal information.

Employee Training:

This business provides training to new and existing employees about the need to keep and maintain all nonpublic personal information they may obtain secure. The employee training includes all applicable requirements of federal and state laws and regulations and this business' policies. All employees are informed of the policy that this business does not disclose nonpublic personal information to the nonaffiliated third parties except to MEMO or as required by law pursuant to a subpoena or other legal process.

Information Systems:

If this business maintains a network that allows employees to access electronically stored information, access is limited to an employee's need for the information to complete their particular job function or duty. Electronically stored nonpublic personal information includes:

1. Completed High Dollar Transaction Forms;
2. Copies of consumer identification documents relating to the purchase of money orders and the completed High Dollar Transaction Forms;
3. Suspicious Activity Reports;
4. Copies of money orders supporting filed Suspicious Activity Reports;
5. Copies of money orders obtained to resolve problems a consumer may have relative to purchase and use of money orders;
6. Documents containing account information relating to the payment of utility or other bills by this business on behalf of MEMO.

This business' employees can only access that nonpublic personal information about a consumer that is necessary to perform his/her particular job functions or duties. The business has established safeguards that deny employees access to documents containing nonpublic personal information that is not essential to the particular employees' job function or duties.

Evaluation, Testing and Adjustments to Privacy Program

This business will perform periodic evaluations of this Privacy Program. Upon receipt of the results of the evaluation, the Privacy Officer will address any recommendations made by the auditor.

EXHIBIT A

The following are notices this business provides to consumers about this business' privacy policies.

PRIVACY POLICY: This business do not disclose any nonpublic personal information about money order purchasers to any company, person, or individual except to MEMO or as otherwise required by law. This business restricts access to nonpublic personal information to those who need to know the information to facilitate the money order purchase or for any other lawful purpose. This business maintains information safeguards that comply with all federal laws and regulations relating to the protection of nonpublic personal information.

PRIVACY POLICY: This business do not disclose any nonpublic personal information about walk-in bill pay consumers to any company, person, or individual except to MEMO, MEMO's service provider, or as otherwise required by law. This business restricts access to nonpublic personal information to those who need to know the information to facilitate the money order purchase or for any other lawful purpose. This business maintains information safeguards that comply with all federal laws and regulations relating to the protection of nonpublic personal information.

CHAPTER 10: FORMS

1. Designation of a Compliance Officer form
2. Employee Anti Money Laundering Training form
3. Suspicious Activity Report, FinCEN Form 109
4. MEMO Money Order Transaction Report
5. Currency Transaction Report, FinCEN Form 104

DESIGNATION OF COMPLIANCE OFFICER

As of the date set forth below, this Money Services Business ("MSB") hereby designates the individual named below as its Anti-Money Laundering Compliance Officer ("Compliance Officer"). The Compliance Officer and senior management are responsible for ensuring the ongoing compliance of this MSB with all federal and state anti-money laundering laws and regulations. The Compliance Officer and senior management are also responsible for ensuring that all employees involved in the sale of money orders receive training on the applicable anti-money laundering and terrorist financing requirements. This training will take place before selling money orders for new employees and on an ongoing basis as needed for all existing employees.

_____ _____

Signature Date

_____

Name (printed), Compliance Officer

_____

Name of Company or MSB

EMPLOYEE ANTI-MONEY LAUNDERING TRAINING

I acknowledge receiving a copy of this Money Services Business' ("MSB") Anti-Money Laundering Compliance Program for review. I received training on the Bank Secrecy Act/USA PATRIOT Act reporting and recordkeeping requirements, including reporting suspicious activity, and the OFAC Requirements.

_____ _____

Employee's Signature Date

_____

Employee's Name (Printed) and Position/Title

_____

Name of Company or MSB

DESIGNATION OF PRIVACY OFFICER

As of the date set forth below, this Business hereby designates the individual named below as its Privacy Officer. The Privacy Officer and senior management are responsible for ensuring the ongoing compliance of this Business with all federal and state privacy laws and regulations. The Privacy Officer and senior management are also responsible for ensuring that all employees involved in the sale of money orders or walk-in bill payment services receive training on the applicable privacy requirements. This training will take place before selling money orders or walk-in bill payment services for new employees and on an ongoing basis as needed for all existing employees.

_____ _____

Signature Date

_____

Name (printed), Privacy Officer

_____

Name of Business

SUSPICIOUS ACTIVITY REPORT (SAR)

FinCEN Form 109
March 31, 2007
Previous editions will not be accepted after September 30, 2007
(Formerly Form TD F 90-22.56)

Suspicious Activity Report by Money Services Business

▶ Please type or print. Always complete entire report. Items marked with an asterisk * are considered critical. (See instructions.)

OMB No. 1506-0015

1 ☐ Check this box only if amending or correcting a prior report (see item 1 instructions) 1a ☐ Check this box if this is a recurring report

Part I Subject Information 2 ☐ Multiple subjects (see item instructions)

3 Subject type (check only one box): a ☐ Purchaser/sender b ☐ Payee/receiver c ☐ Both a & b z ☐ Other

*4 Individual's last name or entity's full name | *5 First name | 6 Middle initial

*7 Address

*8 City | *9 State | *10 Zip Code | *11 Country Code (If not U.S.)

*12 Government issued identification (if available)

a ☐ Driver's license/state I.D. b ☐ Passport c ☐ Alien registration z ☐ Other _____

e Number | f Issuing state/country

*13 SSN/ITIN (individual) or EIN (entity) | *14 Date of birth MM/DD/YYYY | *15 Telephone number ( )

Part II Suspicious Activity Information

*16 Date or date range of suspicious activity: From MM/DD/YYYY To MM/DD/YYYY

*17 Total amount involved in suspicious activity $ .00 a ☐ Amount unknown

*18 Category of suspicious activity (check all that apply):

a ☐ Money laundering b ☐ Structuring c ☐ Terrorist financing z ☐ Other (specify) _____

*19 Financial services involved in the suspicious activity and character of the suspicious activity, including unusual use (check all that apply):

a ☐ Money order b ☐ Traveler's check c ☐ Money transfer

z ☐ Other _____ e ☐ Currency exchange

Check all of the following that apply:

(1) ☐ Alters transaction to avoid completing funds transfer record or money order or traveler's check record ($3,000 or more)

(2) ☐ Alters transaction to avoid filing CTR form (more than $10,000)

(3) ☐ Comes in frequently and purchases less than $3,000

(4) ☐ Changes spelling or arrangement of name

(5) ☐ Individual(s) using multiple or false identification documents

(6) ☐ Two or more individuals using the similar/same identification

(7) ☐ Two or more individuals working together

(8) ☐ Same individual(s) using multiple locations over a short time period

(9) ☐ Offers a bribe in the form of a tip/gratuity

(10) ☐ Exchanges small bills for large bills or vice versa

If mailing, send each completed SAR report to:
Enterprise Computing Center - Detroit
Attn: SAR-MSB
P.O. Box 33117
Detroit, MI 48232-0980

A free secure e-filing system is available to file this report. Go to http://bsaefiling.fincen.treas.gov for more information and to register.

Catalog No. 49340J (Rev. 3/07)

MONEY ORDER TRANSACTION REPORT

MERCHANTS EXPRESS MONEY ORDER COMPANY, INC.
MEMO MONEY ORDER COMPANY, INC., MERCHANTS EXPRESS USA, INC.
MEMO MONEY ORDER COMPANY OF NEW YORK, INC.

MONEY ORDER TRANSACTION REPORT

To Be Completed At Time Of Sale
For Money Order Sales $3,000.00 up to $10,000.00

PURCHASER INFORMATION

Name: _____
Address: _____
_____
_____
Occupation: _____
Social Security
Or Alien ID #: _____

Date of Birth: _____

AGENCY INFORMATION

Agent ID #: _____
Agent Name: _____
Agent Address: _____
_____
Agent Signature: _____

DATE OF PURCHASE: _____

ID TYPE (must be photo ID): ☐ Driver's license; ☐ Passport; ☐ Other (Please Identify) _____

ID ISSUER and NUMBER (State/Government – Ex: PA 123456789): _____

PURPOSE OF MONEY ORDER PURCHASE (What will the purchaser do (pay for) with the money orders?):

_____

MONEY ORDER INFORMATION

Alpha Letter	Serial Number of Money Order	Amount of MO
		$
		$
		$
		$
		$
		$
		$
		$
		$
		$
		$
		$
		$
		$
		$

TOTAL AMOUNT OF SALE: $ _____ (If additional space is needed, please use an additional form and attach to this form.)

FORWARD A COPY OF THE COMPLETED FORM TO MEMO/MERCHANTS EXPRESS MONEY ORDER COMPANY, INC., **TO FAX NUMBER 717-214-5966.** PURSUANT TO FEDERAL LAW, YOUR BUSINESS IS REQUIRED TO **KEEP A COPY OF THIS DOCUMENT FOR 5 YEARS.**

PRIVACY POLICY: This business does not disclose any nonpublic personal information about money order purchasers to any company, person, or individual except to MEMO or as otherwise required by law. This business restricts access to this document and its contents to those who need to know the information to facilitate the money order purchase or other lawful purpose. This business maintains information safeguards that comply with all federal laws and regulations relating to the protection of nonpublic personal information.

MM014 2/09

CURRENCY TRANSACTION REPORT (CTR)

FINCEN Form **104**
(Formerly Form 4789)
(Rev. December 2003)
Department of the Treasury
FinCEN

Currency Transaction Report

▶ Previous editions will not be accepted after August 31, 2004.

▶ Please type or print.

(Complete all parts that apply—See instructions)

OMB No. 1506-0004

1 Check all box(es) that apply: a ☐ Amends prior report b ☐ Multiple persons c ☐ Multiple transactions

Part I Person(s) Involved In Transaction(s)

Section A--Person(s) on Whose Behalf Transaction(s) Is Conducted

2 Individual's last name or entity's name | 3 First name | 4 Middle initial

5 Doing business as (DBA) | 6 SSN or EIN

7 Address (number, street, and apt. or suite no.) | 8 Date of birth ___/___/___ MM DD YYYY

9 City | 10 State | 11 ZIP code | 12 Country code (if not U.S.) | 13 Occupation, profession, or business

14 If an individual, describe method used to verify identity: a ☐ Driver's License/State ID. b ☐ Passport c ☐ Alien registration

d ☐ Other e Issued by: f Number:

Section B--Individual(s) Conducting Transaction(s) (if other than above).

If Section B is left blank or incomplete, check the box(es) below to indicate the reason(s)

a ☐ Armored Car Service b ☐ Mail Deposit or Shipment c ☐ Night Deposit or Automated Teller Machine d ☐ Multiple Transactions e ☐ Conducted On Own Behalf

15 Individual's last name | 16 First name | 17 Middle initial

18 Address (number, street, and apt. or suite no.) | 19 SSN

20 City | 21 State | 22 ZIP code | 23 Country code (if not U.S.) | 24 Date of birth ___/___/___ MM DD YYYY

25 If an individual, describe method used to verify identity: a ☐ Driver's License/State ID. b ☐ Passport c ☐ Alien registration

d ☐ Other e Issued by: f Number:

Part II Amount and Type of Transaction(s). Check all boxes that apply.

26 Total cash in $ 0.00 | 27 Total cash out $ 0.00 | 28 Date of transaction ___/___/___ MM DD YYYY

26a Foreign cash in 0.00 (see instructions, page 4) | 27a Foreign cash out 0.00 (see instructions, page 4)

29 ☐ Foreign Country | 30 ☐ Wire Transfer(s) | 31 ☐ Negotiable Instrument(s) Purchased

32 ☐ Negotiable Instrument(s) Cashed | 33 ☐ Currency Exchange(s) | 34 ☐ Deposit(s)/Withdrawal(s)

35 ☐ Account Number(s) Affected (if any): | 36 ☐ Other (specify)

Part III Financial Institution Where Transaction(s) Takes Place

37 Name of financial institution | Enter regulator or BSA examiner code number ▶

38 Address (number, street, and apt. or suite no.) | 39 EIN or SSN

40 City | 41 State | 42 ZIP code | 43 Routing (MICR) number

Sign Here ▶ 44 Title of approving official | 45 Signature of approving official | 46 Date of signature ___/___/___ MM DD YYYY

47 Type or print preparer's name | 48 Type or print name of person to contact | 49 Telephone number ( ) -

▶ For Paperwork Reduction Act Notice, see page 4. Cat. No. 37233A FinCEN Form 104 (Formerly Form 4789) (Rev. 08-03)