



## Anti-Money Laundering Agent Manual



# FEDERAL LAW REQUIREMENTS FOR THE SALE OF MONEY ORDERS

EVERY PERSON **PURCHASING** MONEY ORDERS MUST COMPLY WITH THE FOLLOWING FEDERAL REQUIREMENTS:

## **RECORDKEEPING REQUIREMENTS:**

EVERY PERSON **PURCHASING** MONEY ORDERS IN AN AMOUNT **BETWEEN \$3,000 AND \$10,000** (INCLUDING MONEY ORDER FEES) MUST ALLOW THE MONEY ORDER SELLER TO MAKE A RECORD OF THE MONEY ORDER SALE BY PROVIDING THE FOLLOWING INFORMATION **BEFORE COMPLETING THE PURCHASE:**

1. NAME OF PURCHASER;
2. ADDRESS OF PURCHASER;
3. PHOTO IDENTIFICATION (Example: Driver's license/State issued photo ID, Passport);
4. DATE OF BIRTH;
5. SOCIAL SECURITY NUMBER OR ALIEN IDENTIFICATION NUMBER OR TAXPAYER IDENTIFICATION NUMBER (if a business).

## **REPORTING REQUIREMENTS:**

EVERY PERSON **PURCHASING** MONEY ORDERS IN AN AMOUNT **OVER \$10,000** (INCLUDING MONEY ORDER FEES) MUST ALLOW THE MONEY ORDER SELLER TO COMPLETE A **CURRENCY TRANSACTION REPORT** ON-LINE AT: <http://bsaefiling.fincen.treas.gov/main.html> OF THE MONEY ORDER SALE BY PROVIDING THE FOLLOWING INFORMATION **BEFORE COMPLETING THE PURCHASE:**

1. NAME OF PURCHASER;
2. ADDRESS OF PURCHASER;
3. PHOTO IDENTIFICATION (Example: Driver's license/State issued photo ID, Passport);
4. DATE OF BIRTH;
5. SOCIAL SECURITY NUMBER OR ALIEN IDENTIFICATION NUMBER OR TAXPAYER IDENTIFICATION NUMBER (if a business);
6. OCCUPATION.

**IMPORTANT:** IF YOU ARE BUYING MONEY ORDERS FOR SOMEONE ELSE TO USE, YOU MUST PROVIDE THE ABOVE INFORMATION FOR THAT PERSON OR BUSINESS.

**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 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.

# FEDERAL LAW REQUIREMENTS FOR THE SALE OF MONEY ORDERS

EVERY PERSON **SELLING** MONEY ORDERS MUST COMPLY WITH THE FOLLOWING FEDERAL RECORDKEEPING AND REPORTING REQUIREMENTS:

## **RECORDKEEPING REQUIREMENTS:**

EVERY PERSON **SELLING** MONEY ORDERS IN AN AMOUNT **BETWEEN \$3,000 AND \$10,000** (INCLUDING MONEY ORDER FEES) MUST MAKE A RECORD OF THE MONEY ORDER SALE BY OBTAINING THE FOLLOWING INFORMATION AND COMPLETING A MEMO HIGH DOLLAR TRANSACTION FORM **BEFORE COMPLETING THE PURCHASE**:

1. **NAME OF PURCHASER;**
2. **ADDRESS OF PURCHASER;**
3. **PHOTO IDENTIFICATION (Example: Driver's license/State issued photo ID, Passport);**
4. **DATE OF BIRTH;**
5. **SOCIAL SECURITY NUMBER OR ALIEN IDENTIFICATION NUMBER OR TAXPAYER IDENTIFICATION NUMBER (if a business).**

**IMPORTANT:** EVERY BUSINESS MUST KEEP THE **HIGH DOLLAR TRANSACTION FORM** AND THE SUPPORTING DOCUMENTS (DAILY SALES REPORT OR YELLOW MONEY ORDER COPY IF AVAILABLE) FOR **5 YEARS** FROM THE DATE OF SALE.

## **REPORTING REQUIREMENTS:**

### **CURRENCY TRANSACTION REPORTS:**

EVERY PERSON **SELLING** MONEY ORDERS IN AN AMOUNT **OVER \$10,000** (INCLUDING MONEY ORDER FEES) MUST COMPLETE A **CURRENCY TRANSACTION REPORT** OF THE MONEY ORDER SALE BY OBTAINING THE FOLLOWING INFORMATION AND COMPLETING AND FILING A CURRENCY TRANSACTION FORM AT: <http://bsaefiling.fincen.treas.gov/main.html>, **BEFORE COMPLETING THE PURCHASE**:

1. **NAME OF PURCHASER;**
2. **ADDRESS OF PURCHASER;**
3. **PHOTO IDENTIFICATION (Example: Driver's license/State issued photo ID, Passport);**
4. **DATE OF BIRTH;**
5. **SOCIAL SECURITY, ALIEN IDENTIFICATION OR TAXPAYER IDENTIFICATION NUMBER (if a business);**
6. **OCCUPATION.**

**IMPORTANT:** IF A PERSON IS BUYING MONEY ORDERS ON BEHALF OF SOMEONE ELSE, YOU MUST OBTAIN THE ABOVE INFORMATION FOR THAT PERSON OR BUSINESS. EVERY BUSINESS MUST **FILE** A COMPLETED CURRENCY TRANSACTION REPORT ON-LINE AT: <http://bsaefiling.fincen.treas.gov/main.html>, **WITHIN 15 CALENDAR DAYS** OF THE COMPLETED TRANSACTION AND KEEP A COPY OF THE COMPLETED FORM FOR **5 YEARS** FROM THE DATE OF SALE.

### **SUSPICIOUS ACTIVITY REPORTS:**

EVERY PERSON **SELLING** MONEY ORDERS IN AN AMOUNT **EQUAL TO OR GREATER THAN \$2,000** (INCLUDING MONEY ORDER FEES) MUST BE ON ALERT FOR SUSPICIOUS ACTIVITY THAT MAY REQUIRE THE FILING OF A **SUSPICIOUS ACTIVITY REPORT** ON-LINE AT . SOME CONDUCT CONSIDERED SUSPICIOUS INCLUDES:

1. **USE OF FAKE IDS;**
2. **TWO OR MORE CUSTOMERS USING SIMILAR OR SAME ID;**
3. **CUSTOMER CHANGES TRANSACTION AFTER LEARNING OF ID REQUIREMENTS;**
4. **REPEATED RETURNS OF PURCHASED MONEY ORDERS;**
5. **STRUCTURING TRANSACTIONS:**
  - a. **ONE OR MORE INDIVIDUALS PURCHASING MONEY ORDERS WITH THE INTENTION OF AVOIDING THE REPORTING OR RECORD KEEPING REQUIREMENTS OF THE LAW;**
  - b. **ONE PERSON PURCHASES MONEY ORDERS FROM THE SAME STORE AT DIFFERENT TIMES OF THE DAY;**
  - c. **ONE PERSON PURCHASES MONEY ORDERS FROM MORE THAN ONE STORE;**
  - d. **SEVERAL PEOPLE PURCHASE MONEY ORDERS FROM THE SAME STORE ON BEHALF OF THE SAME PERSON;**
  - e. **SEVERAL PEOPLE PURCHASE MONEY ORDERS FROM DIFFERENT STORES ON BEHALF OF THE SAME PERSON.**

**IMPORTANT:** EVERY BUSINESS MUST **FILE** A SUSPICIOUS TRANSACTION REPORT ON-LINE AT: <http://bsaefiling.fincen.treas.gov/main.html>, **WITHIN 30 CALENDAR DAYS** OF DETECTING THE SUSPICIOUS CONDUCT AND KEEP A COPY OF THE COMPLETED FORM AND THE SUPPORTING DOCUMENTS (DAILY SALES REPORT, YELLOW MONEY ORDER COPY AND ANY OTHER AVAILABLE DOCUMENTS) FOR **5 YEARS** FROM THE DATE OF FILING.

**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 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.

# **ANTI-MONEY LAUNDERING AND TERRORIST FINANCING PREVENTION COMPLIANCE PROGRAM CREATION GUIDE**



<b>Insert Business Name</b>
<b>Date of Adoption of this Anti-Money Laundering Program</b>

**ANTI-MONEY LAUNDERING AND TERRORIST FINANCING PREVENTION  
COMPLIANCE PROGRAM**



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This MEMO Agent Anti-money Laundering Manual and its contents are not intended to be a legal document or offer legal advice about the laws and regulations your business must comply with in relation to the sale of products or services offered by MEMO Financial Services, Inc., MEMO Financial Services America, Inc., MEMO Financial Services New York, Inc., MEMO Financial Services USA Inc. For specific information about what laws and regulations apply to you and your business in relation to the sale of MEMO products or services, please consult an attorney.

## 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.

<u>Product or Service</u>	<u>Business Activity</u>
<b>Money Orders</b>	Issuer, Seller or Redeemer (cashier) of money orders
<b>Traveler s Checks</b>	Issuer, Seller or Redeemer (cashier) of traveler's checks
<b>Check Cashing</b>	Check Cashier
<b>Currency Dealing</b>	Currency Dealer
<b>Currency Exchanges</b>	Currency Exchanger
<b>Stored Value</b>	Issuer, Seller, Redeemer (cashier) of stored value products (ex: prepaid credit cards)
<b>Money Transfer Services</b>	Wire Remittance (In any amount)
<b>Bill Payment Services</b>	Bill payment services for payment to Non-Authorized billers.

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 MEMO Financial Services, 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 and Risk Assessment:

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 Exchange**

**Stored Value (ex: prepaid credit cards)**

**Money Transfer Services**

**Bill Payment Services (to Non-Authorized Billers)**

**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.**

Each business selling one or more of the above identified money services business products faces different risks. To better understand the risks associated with the sale of money services business products, this business has identified the below risks and performed the following risk assessment.

Store Location	High Crime Area	Moderate Crime	Low Crime Area
Level of crime in area			

Product Type		YES	NO
Money Orders	Rent/Mortgage	<input type="checkbox"/>	<input type="checkbox"/>
	Utility Bills	<input type="checkbox"/>	<input type="checkbox"/>
	Credit Card Payments	<input type="checkbox"/>	<input type="checkbox"/>
	Car Payment	<input type="checkbox"/>	<input type="checkbox"/>
	Other (identify)		
Wire Remittance	Domestic (within U.S.)	<input type="checkbox"/>	<input type="checkbox"/>
	International (outside U.S.)	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
Check Cashing	Type of Check		
	Payroll	<input type="checkbox"/>	<input type="checkbox"/>
	Government	<input type="checkbox"/>	<input type="checkbox"/>
	Business Checks	<input type="checkbox"/>	<input type="checkbox"/>
	Personal Checks	<input type="checkbox"/>	<input type="checkbox"/>
	Third Party Checks	<input type="checkbox"/>	<input type="checkbox"/>
	Money Order	<input type="checkbox"/>	<input type="checkbox"/>
	Travelers Checks	<input type="checkbox"/>	<input type="checkbox"/>
	Out of State Checks	<input type="checkbox"/>	<input type="checkbox"/>
	Other (identify)		
Stored Value Cards		<input type="checkbox"/>	<input type="checkbox"/>
Currency Dealer/Exchanger	Identify Country Currency (i.e. Mexican Peso)	<input type="checkbox"/>	<input type="checkbox"/>
Travelers' Checks		<input type="checkbox"/>	<input type="checkbox"/>
Bill Payments		<input type="checkbox"/>	<input type="checkbox"/>

<b>Sales Volume Per Week: (Number of Items Sold or</b>	<b>Low Less than 25</b>	<b>Medium 25-80</b>	<b>High More than 80</b>
<u>Money Orders:</u> Money Orders sold per week	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Wire Remittance:</u> Number of wires sent/received per week	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Domestic Wires:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
International Wires:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Check Cashing:</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Stored Value Cards:</u> Stored Value Cards sold per week	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Currency Dealer/Exchanging:</u> Transactions per week	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Travelers' Checks:</u> Travelers' Checks sold per week	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Bill Payments:</u> Bill Payments sold per week	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<b>Sales Volume Per Week: (Dollar Value of Individual</b>	<b>Low Under \$1,000</b>	<b>Medium \$1,000-\$2,000</b>	<b>High Over \$2,000</b>
Money Orders:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Wire Remittance:</u> Domestic Wires:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
International Wires:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Check Cashing:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stored Value Cards:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Travelers' Checks:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bill Payments:			

Remittance Frequency	Daily	Weekly	Other or Not Applicable (Example: twice per week)
Money Orders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wire Remittance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Check Cashing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stored Value Cards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Currency Dealer/Exchanger	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Travelers' Checks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bill Payments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

INSERT ADDITIONAL RISK FACTORS HERE – IF NECESSARY

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## **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 an agent for MEMO Financial Services, Inc., or one of its subsidiaries. This business only offers products or services as an agent of MEMO Financial Services, Inc., and does not offer any other products or services to the public that is subject to anti-money laundering regulation. Because this business is an agent of MEMO Financial Services, 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 products or services as an agent for MEMO Financial Services, 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 do using the BSA E-Filing System at <http://bsaefiling.fincen.treas.gov/main.html>. 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 three (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.

**STEP ONE: PLACEMENT** occurs when a person purchases 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. This includes the purchase of money orders or bill payment services.

**STEP TWO: 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).

**STEP THREE: 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 or bill payment services. This business follows its employee hiring policies regarding the employment of people whose job duties include the sale of money orders or bill payment services. 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

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### Transaction and Employee Training Monitoring: **check one**

To facilitate the monitoring of this business' money service business activity, this business will periodically review the sale of money service business products and services and the training of employees. To help track the sale of money services business products, this business will review its sale reports and its' other anti-money laundering activity periodically.

- ☐ This business will use the **AGENT PERIODIC COMPLIANCE MONITORING REPORT** to identify and track money services business product sales and employee training.
- ☐ This business will use a form it will create to identify and track money services business product sales and employee training.

The business will keep a copy of the **AGENT PERIODIC COMPLIANCE MONITORING REPORT** in section or tab 7 of this Agent Anti-Money Laundering Manual.

### Record Retention Policy:

Where required, this business will keep a copy of the documents listed below for a period of 5 years:

1. Proof of Registration of Money Services Business through the BSA E-Filing System at <http://bsaefiling.fincen.treas.gov/main.html> and any response received from FinCEN.
2. All documents used to complete the Registration of Money Services Business through the BSA E-Filing System at <http://bsaefiling.fincen.treas.gov/main.html>.
3. All completed Suspicious Activity Reports (SAR-MSB) filed through the BSA E-Filing System at <http://bsaefiling.fincen.treas.gov/main.html> and all documents used to support the filing of a SAR-MSB.
4. All completed MEMO Money Order Transaction Report and/or Bill Payment Transaction Report forms.
5. All completed Currency Transaction Report forms filed through the BSA E-Filing System at <http://bsaefiling.fincen.treas.gov/main.html> and all documents used to complete the filing of a Currency Transaction Report.
6. All documents evidencing employee training.
7. All independent review reports and documents used to perform the independent review.

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 and/or bill payments.
2. All yellow sales copies of money orders printed (if available).
3. All weekly money order and/or bill payment sales reports.
4. Copy of bill or substitute payment form.

## 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 §1022.320(d) for its refusal to provide the SAR-MSB information and will immediately notify FinCEN of the improper request.

INSERT ADDITIONAL BUSINESS POLICIES HERE – IF NECESSARY

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. There are no margins, text, or other markings on the paper.

## **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, MEMO Bill Payment 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 electronically using the BSA E-Filing System at <http://bsaefiling.fincen.treas.gov/main.html> when a customer is acting suspicious and purchases or attempts to purchase money orders or bill payment services or both totaling \$2,000.00 or more (including fees). This business will determine if a SAR-MSB will be filed on 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 make the purchase came from a crime
2. The purchase is intended to hide money that came from a crime
3. The person is buying the products or services in a way intended to avoid the recordkeeping or reporting requirements (structuring)
4. The person is buying the products or services for no business or lawful purpose
5. The person is buying the products or services using a false or expired identification
6. The person is buying the products or services in a way that is unusual for that customer
7. The person is buying the products or services with the intention to facilitate a crime
8. Two or more people are working together to buy the products or services in a way to avoid the recordkeeping and reporting requirements (structuring)

The compliance officer of this business will complete and file a SAR-MSB following the instructions on the BSA E-Filing System at <http://bsaefiling.fincen.treas.gov/main.html>. The compliance officer will file a SAR-MSB within **30 calendar days** of an employee's initial detection of the suspicious behavior or acts. **The Compliance Officer and 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 or bills they want to pay 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 or paying bills.
3. A person attempts to bribe, threaten or convince an employee to sell money orders or accept bill(s) for payment without making a record of or filing a CTR on the transaction.
4. A person buys money orders or pays bills 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 or pays bills 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 or paying bills.
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. Alternatively, a customer that normally makes small bill payments is paying one or more bills that total a large amount without a legitimate reason.
8. Several customers purchase money orders or make bill payments for another person.
9. The customer routinely uses a substitute payment form instead of presenting the actual bill for payment.

### Structuring of Purchases

Structuring occurs when a person breaks up a single money order or bill payment purchase of \$3,000.00 or more into more than one purchase for amounts below \$3,000.00 or \$10,000.00 to avoid showing their identification (I.D.) 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 and bill payments they may purchase to avoid the filing of a CTR or the making of a record of a transaction and the showing of their identification.

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

Transaction Report, MEMO Bill Payment Transaction Form or the filing of a Currency Transaction Report.

This business and its employees will not help any person structure the purchase of money orders or bill payment services in a way that will result in the failure or elimination of the need to complete the MEMO Money Order Transaction Report, MEMO Bill Payment 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 their purchases in a way that will result in the failure or elimination of the need to complete the MEMO Money Order Transaction Report, MEMO Bill Payment 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 (or bill payments) in the morning, another \$1,000.00 in money orders (or bill payments) around midday and another \$1,000.000 in money orders (or bill payments) in the evening to avoid the completion of a MEMO Money Order Transaction Report (or MEMO Bill Payment Transaction Report).
2. A person purchases \$1,000.00 in money orders (or bill payments) on Monday, \$1,000.00 in money orders (or bill payments) on Tuesday and \$1,000.00 on Wednesday to avoid the completion of a MEMO Money Order Transaction Report (or MEMO Bill Payment Transaction Report).
3. A person gives \$1,000.00 in cash to two other people who then purchase \$1,000.00 in money orders (or bill payments) so each person does not have to show their identification or complete the MEMO Money Order Transaction Report (or MEMO Bill Payment Transaction Report).

INSERT ADDITIONAL SUSPICIOUS ACTIVITY REPORTING REQUIREMENTS HERE  
– IF NECESSARY

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### **CHAPTER 3: RECORDKEEPING REQUIREMENTS**

Federal law prohibits a business from selling money orders or accepting bill payments for non-authorized billers in currency amounts between \$3,000.00 and \$10,000.00 without maintaining records of such purchases. When a person purchases money orders or bill payment services 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, bill payments);
6. The serial numbers of the money orders purchased, name of the person paying the bill and the name and account number of the account holder; and
7. The dollar amount of each money order purchased or bill paid.

☐ **This business will use** the MEMO Money Order Transaction Report or MEMO Bill Payment Transaction Report to record all money order purchases and bill payments of \$3,000.00 to \$10,000.00 (inclusive of fees).

☐ **This business will not use** the MEMO Money Order Transaction Report or MEMO Bill Payment Transaction Report to record all money order purchases and bill payments 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 FORMS - ATTACH FORM IF NECESSARY**

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This business will not sell money orders or accept non-authorized bill payments to or from 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 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 bill payments 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 or bill payments 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 or bill payments 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

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. There are no margins, text, or other markings on the paper.

## **CHAPTER 4: CURRENCY TRANSACTION REPORTING**

Federal law prohibits a business from selling money orders or bill payments to non-authorized billers in currency amounts in excess of \$10,000.00 without reporting such purchases. When a person purchases money orders or bill payments to non-Authorized billers 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 using the BSA E-Filing System at the FinCEN website. This business will file a completed Currency Transaction Report using the BSA E-Filing System within 15 calendar days of the transaction. This business will not sell money orders or bill payments to non-Authorized billers 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 or bill payments to non-Authorized billers 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 \$8,500.00 and bill payments of \$2,000.00) of the same or different type of products or services 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 the regulated products or services are initially trained on how to comply with the applicable anti-money laundering laws and regulations.
3. Ensuring new employees who will actually sell the regulated products or services are trained on how to comply with the applicable anti-money laundering laws and regulations before beginning to sell money orders or accepting bill payments.
4. Ensuring that all employees who sell the regulated products or services 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 those employees selling the regulated products or services know and understand the changes.
9. Ensuring that all reports and records relating to the sale of the regulated products or services 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").

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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 or bill payments to non-Authorized billers. The training the business will provide employees who sell money orders or bill payments to non-Authorized billers includes:

1. Identifying suspicious activity (What is considered suspicious).
2. Identifying people who are structuring the purchase of money orders or bill payments 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, MEMO Bill Payment Transaction Report, Currency Transaction Report, and when to complete a Suspicious Activity Report, 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 or bill payments to non-Authorized billers, this business will ensure that all employees who sell products or services governed by the Bank Secrecy Act or the USA PATRIOT Act 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. For each employee that sells MEMO products and services, this business will train each employee or have each employee participate in anti-money laundering training annually.

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

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## **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 annually. 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 those products regulated by the Bank Secrecy Act and the USA PATRIOT Act and other applicable laws and regulations. The person conducting the independent review of this business' anti-money laundering program may use the forms set forth in **TAB 2** of this **Agent Anti-Money Laundering Manual**.

This business will have an independent review of its' anti-money laundering program performed annually and its' next independent review will occur on or about \_\_\_\_\_.

- ☐ This business will use the MEMO Independent Examination forms in Tab 2.
- ☐ This business will not use the MEMO Independent Examination forms in Tab 2.

The business will keep a copy of its' completed **Independent Examination** in section or tab 7 of this Agent Anti-Money Laundering Manual.

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

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## **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** 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.

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

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## **CHAPTER 9: PRIVACY AND INFORMATION DATA SECURITY POLICY**

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 may be required by law or contract to obtain personal nonpublic information individual purchasers of MEMO products and services (hereinafter "consumer"). The types of information received 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.

#### **Data and Information Systems:**

This business may physically or electronically store consumer nonpublic personal information as required by law and/or contract. If this business maintains a network that allows employees to access stored information, access is limited to an employee's need for the information to complete their particular job function or duty. Physically or electronically stored nonpublic personal information may include:

1. Completed Money Order Transaction Report forms;
2. Completed Bill Payment Transaction Report forms;
3. Prepaid Card and Load/Reload Purchaser Information;
3. Copies of consumer identification documents relating to the purchase of money orders, bill payments or prepaid cards and loads/reloads;

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

### **Data and Information Safeguards**

This business **does not obtain** personal nonpublic information of individual purchasers of MEMO products and services (hereinafter “consumer”) unless it is required by law or contract to complete a transaction. The types of consumer nonpublic personal information this business may be required to obtain to complete a transaction include the consumer’s name, address, social security number, government issued identification (ex: driver’s license), bank account information, credit reports, credit card numbers, and utility account numbers.

In addition, this business maintains compliance with the Information and Data Security requirements of the Payment Card Industry Data Security Standards (“PCI DSS” or the “Standards”). The requirements include:

1. Building and maintaining a secure network
  - a. Install and maintain a firewall on computers to protect consumer nonpublic personal information.
  - b. Change vendor supplied defaults for passwords and security parameters.
2. Protect Consumer Nonpublic Personal Information
  - a. Protect Consumer Nonpublic Personal Information
  - b. Encrypt Consumer Nonpublic Personal Information transmitted across open, public networks.
3. Maintain a System Vulnerability Management Program
  - a. Use and keep anti-virus software updated.
  - b. Develop, use and maintain a secure system and applications.
4. Implement Access Control Measures
  - a. Restrict access to consumer nonpublic personal information to employees who need to know to perform job duties or functions.
  - b. Assign each person with access to consumer nonpublic personal information a unique access ID.
  - c. Restrict physical access to consumer nonpublic personal information.
5. Test and Monitor Network Regularly
  - a. Make a record when consumer nonpublic personal information is accessed.
  - b. Periodically test computer systems, processes and physical security devices.
6. Maintain an Information Security Policy
  - a. Draft and update information security policies.

All employees who receive consumer nonpublic personal information to complete a transaction are prohibited from copying or retaining any consumer nonpublic personal information received. Employees receiving consumer nonpublic personal information shall place any document containing such information in a secure location until the required recordkeeping time period has passed. Once the required recordkeeping time has passed, this business will destroy all documents containing consumer nonpublic personal information.

Some employees have access to consumer nonpublic personal information to perform his/her job functions. Any employee with access to consumer 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 consumer nonpublic personal information an employee copies, transcribes or otherwise duplicates to perform his/her job functions or duties must destroy such copied, transcribed, or otherwise duplicated information immediately after completing the job function or duty requiring the consumer 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.

### **Evaluation and Testing the Privacy and Information Data Security Program**

This business will perform periodic evaluations of this Privacy and Information/Data Security 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 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 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 does 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. Designation of a Privacy Officer form

## 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.

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Signature

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Date

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Name (printed), Compliance Officer

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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.

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Employee's Signature

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Date

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Employee's Name (Printed) and Position/Title

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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.

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Signature

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Date

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Name (printed), Privacy Officer

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Name of Business

## **AGENT PERIODIC COMPLIANCE MONITORING REPORT**

All agents should complete this report at regular intervals to help demonstrate compliance with applicable anti-money laundering laws.

AGENT NAME: \_\_\_\_\_ FROM: \_\_\_\_\_ TO: \_\_\_\_\_  
Date Date

	Yes	No
<b>SUSPICIOUS ACTIVITY REPORTS (SAR-MSB):</b>		
1. Have there been any money order sales for \$2,000 or more?	_____	_____
2. Have there been any bill payments to non-Authorized billers of \$2,000 or more?	_____	_____
3. If yes, is the transaction suspicious? Examples of suspicious activity: a. Structuring or splitting up purchases b. Buying money order just below the dollar thresholds (\$1,999; \$2,999, etc). c. Use of fake IDs d. Customer changes transaction amount after learning about ID requirement.	_____	_____
4. SAR-MSB form completed as much as possible?	_____	_____
5. Was the SAR-MSB form filed with the IRS within 30 days of detecting the suspicious activity?	_____	_____
<b>MONEY ORDER AND BILL PAYMENT TRANSACTION REPORTS:</b>		
1. Have there been any money order sales totaling between \$3,000 and \$10,000 (including fees)?	_____	_____
2. Have there been any bill payments to non-Authorized billers totaling between \$3,000 and \$10,000 (including fees)?	_____	_____
3. If yes, is the Money Order Transaction Report or Bill Payment transaction Report complete? <b>Needed Information:</b> Purchaser Name, Purchaser Address, Form of ID and ID number, Social Security Number, Date of Birth, Amount of Transaction, and Occupation.	_____	_____
<b>CURRENCY TRANSACTION REPORT (CTR):</b>		
1. Have there been any sales of money orders totaling more than \$10,000 (including fees)?	_____	_____
2. Have there been any bill payments to non-Authorized billers totaling more than \$10,000 (including fees)?	_____	_____
3. If yes, is the CTR accurately and fully completed? <b>Needed Information:</b> Purchaser Name, Purchaser Address, Form of ID, Social Security Number, Date of Birth, Amount of Transaction, Purchaser's occupation.	_____	_____
4. Was the CTR filed with the IRS within 15 days of the money order sale?	_____	_____
<b>EMPLOYEE TRAINING:</b>		
1. Were New Employees trained between the above dates?	_____	_____
2. Were existing employees trained between the above dates?	_____	_____
3. Was all training documented?	_____	_____

Explain all no responses and describe any actions taken to correct deficiencies:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date



# Independent Review

Agent Name \_\_\_\_\_ Agent # \_\_\_\_\_

Review Time Period From:

To:

		Yes	No	Comments/Corrective Action
<b>Policies and Procedures</b>				
	Is the MEMO Manual at the selling location			
	Are there written policies and procedures			
	Does the selling location's anti-money laundering policies and procedures reflect the current laws and regulations?			
	Does the selling location communicate the policies and procedures to employees selling money orders?			
<b>Compliance Officer:</b>				
	Has the business designated a Compliance Officer			
	Does the Compliance Officer perform the duties and requirements written in the business' anti-money laundering program?			
<b>Training</b>				
	Have all employees who sell money orders or bill payment services to consumers received anti-money laundering training during the review period?			
	Are there records showing which employees have been trained?			
	Has the Compliance Officer made sure employees understand the business' compliance policies and procedures relating to anti-money laundering?			
<b>Currency Transaction Reports</b>				
<b>Review money order sales report</b>				
	Has the business sold more than \$10,000 (including fees) in money orders or Bill payment services for non-Authorized billers to a single consumer in a single day, if yes answer the next questions.			
	Did the business submit a CTR for each sale of money orders or bill payment service for non-Authorized billers exceeding \$10,000 to a single consumer in a single day?			
	Are the CTRs properly completed (included signed and dated by Agent)?			
	Were the CTRs filed within 15 days of the transaction?			
	Has the business kept copies of the CTRs for 5 years?			
<b>Suspicious Activity Reports</b>				
<b>Review completed SAR-MSBs</b>				
	Has the business filed any SAR-MSBs? If yes, answer the following questions.			
	Were the SAR-MSBs filed within 30 days of the suspicious activity			
	Were the SAR-MSBs completed properly			
	Has the business kept the SAR-MSB for 5 years			



## **ANTI-MONEY LAUNDERING EXAMINATION GUIDELINE FOR INDEPENDENT AUDITS OF AGENTS**

All MEMO Agents must obtain and independent audit of their anti-money laundering program. Federal law prohibits the Compliance Officer of a money service business from performing the independent audit of that money service business. It is possible for an agent to perform an audit of their own anti-money laundering program when (1) the examiner is not the businesses' Compliance Officer; and (2) the examiner has an understanding of what is required by the Bank Secrecy Act and the USA Patriot Act.

This guideline is designed and intended to fulfill several purposes: (1) provide MEMO agents the tools to create and perform their own independent audit; **OR** (2) ensure the MEMO agent understands what any person employed to perform the independent audit should be examining; **AND** (3) help the MEMO agent prepare for examinations performed by federal (i.e. IRS) and state government agencies.

### **1. BUSINESS INFORMATION:**

The Independent Auditor should identify the following:

Business Name: \_\_\_\_\_

Alternative Name of Business: \_\_\_\_\_

Home Office Address: \_\_\_\_\_

Number of Additional Stores: \_\_\_\_\_

Name of Additional Stores: \_\_\_\_\_  
(If more than 3 list on back)

\_\_\_\_\_

\_\_\_\_\_

Owner's Name: \_\_\_\_\_

Name of Additional Owners/Principals/Partners:  
(If more than 3, list on back)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### Business Structure

Corporation	_____
Sole Proprietorship	_____
Partnership	_____
L.L.C. (Limited Liability Corp.)	_____
Other	_____

Are the money service business products or services the agent sells the primary products or services of the business or are they extra services of the business (i.e. Check casher (primary) vs. grocery store/convenience store (ancillary).

Primary \_\_\_\_\_ Ancillary \_\_\_\_\_

How long has current owner operated business: \_\_\_\_\_

Date of Incorporation (if applicable): \_\_\_\_\_

## 2. **ANTI-MONEY LAUNDERING INFORMATION - BASIC**

Examiner's Name: \_\_\_\_\_

Compliance Officer's Name: \_\_\_\_\_

Name of Person Interviewed: \_\_\_\_\_ (If other than Compliance Officer)

Date of Examination: \_\_\_\_\_

Examination Covers the Following Time Period: From: \_\_\_\_\_ To: \_\_\_\_\_

The Independent Auditor should identify all MSB products offered by the Business and the vendor if applicable (check all that apply):

Product Offered	Company: (ex: MEMO)	Agent ID No.: (if applicable)
a. Money Orders	_____	_____
b. Wire Transfer (Remittances)	_____	_____
c. Check Cashier	_____	_____
d. Stored Value Cards (Prepaid Visa)	_____	_____
e. Currency Dealer/Exchanger	_____	_____
f. Traveler's Checks	_____	_____
g. Bill Payments	_____	_____

The Independent Auditor review and ensure the agent has the following:

Check Cashing License (if applicable, insert date): \_\_\_\_\_

Currency Dealer/Exchange License (insert date): \_\_\_\_\_

FinCEN Registration. (if applicable, insert date): \_\_\_\_\_

Does Agent Have a copy of the Trust Agreement? Yes No

Does the Agent have the Sales Kit? Yes No

3. **ANTI-MONEY LAUNDERING RISK FACTORS (not all inclusive):**

Store Location	High Crime Area	Moderate Crime Area	Low Crime Area
Level of crime in area			

Product Type		YES	NO
Money Orders	Rent/Mortgage		
	Utility Bills		
	Credit Card Payments		
	Car Payment		
	Other (identify)		
Wire Remittance	Domestic (within U.S.)		
	International (outside U.S.)		
Check Cashing	Type of Check		
	Payroll		
	Government		
	Business Checks		
	Personal Checks		
	Third Party Checks		
	Money Order		
	Travelers Checks		
	Out of State Checks		
	Other (identify)		
<u>Stored Value Cards</u>			
<u>Currency Dealer/Exchanger</u>	Identify Country Currency (i.e. Mexican Peso)		
<u>Travelers' Checks</u>			
<u>Bill Payments</u>			

<b>Sales Volume Per Week: (Number of Items Sold or</b>	<b>Low Less than 25</b>	<b>Medium 25-80</b>	<b>High More than 80</b>
<u>Money Orders:</u> Money Orders sold per week			
<u>Wire Remittance:</u> Number of wires sent/received per			
<u>Domestic Wires:</u>			
<u>International Wires:</u>			
<u>Check Cashing:</u>			
<u>Stored Value Cards:</u> Stored Value Cards sold per week			
<u>Currency Dealer/Exchanging:</u> Transactions per week			
<u>Travelers' Checks:</u> Travelers' Checks sold per week			
<u>Bill Payments:</u> Bill Payments sold per week			

<b>Sales Volume Per Week: (Dollar Value of Individual Transactions)</b>	<b>Low Under \$1,000</b>	<b>Medium \$1,000-\$2,000</b>	<b>High Over \$2,000</b>
<u>Money Orders:</u>			
<u>Wire Remittance:</u> <i>Domestic Wires:</i>			
<i>International Wires:</i>			
<u>Check Cashing:</u>			
<u>Stored Value Cards:</u>			
<u>Travelers' Checks:</u>			
<u>Bill Payments:</u>			

**PLEASE NOTE: THERE MAY BE RISK FACTORS NOT IDENTIFIED ABOVE THAT MAY APPLY TO YOUR BUSINESS. THESE ADDITIONAL RISK FACTORS SHOULD BE IDENTIFIED AND INCORPORATED INTO THE BUSINESS' RISK ASSESSMENT, THE ANTI-MONEY LAUNDERING PROGRAM, AND INDEPENDENT AUDIT.**

**REMITTANCE FREQUENCY**

The below table is intended to identify how often the Business/agent remits funds to the product or service provider or vendor (Example: How often does MEMO draft the agent account to collect money order proceeds?). **Please place an "X" in the appropriate box for each service provided.**

<b>Remittance Frequency</b>	<b>Daily</b>	<b>Weekly</b>	<b>Other or Not Applicable (Example: twice per week)</b>
<u>Money Orders</u>			
<u>Wire Remittance</u>			
<u>Check Cashing</u>			
<u>Stored Value Cards</u>			
<u>Currency Dealer/Exchanger</u>			
<u>Travelers' Checks</u>			
<u>Bill Payments</u>			

#### 4. **ANTI-MONEY LAUNDERING PROGRAM – GENERAL OVERVIEW:**

There are four (4) parts to an anti-money laundering program for every business offering money services business products or services:

1. Internal Policies, Procedures and Controls that are written and relate to the sale of money services business products or services.
2. Designation of a Compliance Officer who will be responsible for ensuring the Business' day-to-day compliance with all anti-money laundering laws and regulations and the Business' Anti-Money Laundering Program.
3. Development and Implementation of an Employee Training Program that ensures that all employees who sell the money services business products and services to customers know what they are required to do to comply with the anti-money laundering laws and regulations and the Business' Anti-Money Laundering Program.
4. Conducting or Obtaining and Independent Audit of the Business' Anti-Money Laundering Program. The Business' Compliance Officer cannot perform the Independent Audit of the Business' Anti-Money Laundering Program. The information contained in this ANTI-MONEY LAUNDERING EXAMINATION GUIDELINE FOR INDEPENDENT AUDITS OF AGENTS is designed to assist the Business in developing an independent audit for its Business or to understand what an outside auditor may look for when examining the business' Anti-Money Laundering Program.

##### 1. **Policies, Procedures and Controls (Written):**

- i. Does the Business have its own customized written Anti-Money Laundering Program?

Yes      No

If **YES**, **obtain and attach** a copy of the Business' Anti-Money Laundering Program to this audit. **NOTE:** The Independent Auditor should review the Business' written policies and procedures and determine if the Business is complying with its' own written policies and procedures. However, the Business must have in place an anti-money laundering program that meets the basic requirements imposed by law.

If **NO**, the Business should use the Creation Guide to help it develop an Anti-Money Laundering Program that fits the Business' needs.

- ii. Does the Business' Anti-Money Laundering Program contain written internal policies, procedures, and controls relating to the sale of the money service business products and services identified above?

Yes No

- iii. Does the Business' written internal policies, procedures and controls contain rules that prevent the misuse of money services business products or services by employees? (Example: Do rules exist to keep an employee from helping a person launder money through the Business by breaking larger transactions into several smaller transactions or stealing the money service business products or services or the proceeds from the sale of money service business products or services?)

Yes No

- iv. Where does the Business store the excess inventory of money service business products? (Example: money orders, stored value cards, travelers checks, etc.)

- 
- v. How many people have access to the inventory of money service business products?

Answer: \_\_\_\_\_

- vi. How many people can open the money order printer box?

Answer: \_\_\_\_\_

- vii. How many people can print money orders as part of their job?

Answer: \_\_\_\_\_

- viii. Does the Business have written policies and procedures about the filing of legally required reports and the making of a record of certain transactions (i.e. Does the Business' Anti-Money Laundering Program indicate when to file a Suspicious Activity Report, Currency Transaction Report, etc.)?

Yes No

ix. Does the Business have a written policy about the appointment/designation of a Compliance Officer?

Yes No

x. Does the Business have written policies regarding training employees on anti-money laundering principles?

Yes No

xi. Does the Business have written policies regarding an Independent Audit/Examination of the Business' Anti-Money Laundering program?

Yes No

## 2. Designation of a Compliance Officer:

i. Has the Business designated a Compliance Officer?

Yes No

ii. Has the Compliance Officer/employee received any training on the Anti-Money Laundering laws and regulations?

Yes No

If **YES**, the **auditor must obtain documentation** showing the Compliance Officer/employee was trained on Anti-Money Laundering laws and regulations

If **NO**, the auditor should provide training to the Compliance Officer at the completion of the audit and provide documentation to the Compliance Officer of such training.

## 3. Employee Training Program

i. Does the Business have a written anti-money laundering employee training program for employees? (Note: The written training program should include the training topics covered by the Business with each employee.)

Yes No

If **YES**, list training program: \_\_\_\_\_

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If **NO**, the **auditor must provide some Anti-Money Laundering training materials** to the Business help the Business train its' employees.

- ii. Does the Business have documentation showing the Business trained all employees?

Yes      No

If **YES**, the **auditor must obtain documentation** showing that employees were trained on Anti-Money Laundering laws and regulations

If **NO**, the auditor should provide the Compliance Officer (Business owner/manager) a sample form the Business can use to document employee training.

#### **4. Independent Examination**

- i. Does the Business have a written procedure in place for performing a periodic independent examination?

Yes      No

If **YES**, the **auditor must review the materials** to make sure the procedure examines all parts of the Business' Anti-Money Laundering Program.

If **NO**, the **auditor must provide this Examination Guide** to help the Business comply with the examination requirement.

- ii. Has the Business had an independent audit of its' Anti-Money Laundering Program?

Yes      No

If **YES**, the **auditor must obtain a copy of the audit results**, review the report for any problems with the Business' Anti-Money Laundering Program and determine if the Business has corrected those problems. (Note: The report of the independent audit should identify the auditor and provide some details about that person's qualifications and/or relationship to the Business – i.e. educational background, employment, etc.)

If **NO**, the **auditor must provide this Examination Guide** to help the Business comply with the examination requirement.

- iii. List the name and address of the person performing the Independent Audit/Examination.

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5. **ANTI-MONEY LAUNDERING PROGRAM – SPECIFIC REQUIREMENTS:**

1. **RECORDKEEPING AND REPORTING REQUIREMENTS**

**Suspicious Activity Reports:** (BSA E-Filing System at:  
<http://bsaefiling.fincen.treas.gov/main.html>)

- a. Does the Compliance Officer/employee know what type of conduct during a transaction is considered suspicious and requires the filing of a SAR?  
What are examples of suspicious conduct?

Yes      No

Answer: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- b. Does the Business know the dollar amount of a transaction that may require the filing of a SAR?

Yes      No

Answer: \_\_\_\_\_

- c. Does the business know about Structuring? Explain.

Yes      No

Answer: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- d. Does the Compliance Officer know how to file a SAR? (BSA E-Filing System at <http://bsaefiling.fincen.treas.gov/main.html>).

Yes      No

- e. Does the Business know how soon after becoming suspicious of a transaction, it must file a SAR?

Yes      No

Answer: \_\_\_\_\_

- f. Does the business know how long it must retain a copy of the SAR and “supporting documents”?

Yes No

Answer: \_\_\_\_\_

- g. Does the business know what the supporting documents are for each product or service it sells or offers?

Yes No

<b>Product Type</b>	<b>Supporting Documents</b>
<u>Money Orders</u>	
<u>Wire Remittance</u>	
<u>Check Cashing</u>	
<u>Stored Value Cards</u>	
<u>Currency Dealer – Exchanger</u>	
<u>Travelers’ Checks</u>	
<u>Bill Payments</u>	

- h. Has the business ever filed a SAR in the past?

Yes No

If **NO**, the auditor should proceed to the next topic

If **YES**, the **auditor should ask the following questions.**

1. Does the business have a copy of the SAR it filed?

Yes No

If **NO**, the **auditor should** try to determine when the business filed the SAR and if that date is more than record retention time period required by law.

If **YES**, the **auditor should examine a sample of all SARs filed by the business and answer the following:**

- a. Was the SAR completed properly?

Yes No

- b. Was the SAR filed within 30 days of the conduct that made the business suspicious?

Yes No

- c. Has the business kept a copy of the SAR for the time period required by law?

Yes No

- d. Was the SAR filed with the proper place?

Yes No

- i. How many SARs has the business filed within the last 12 months?

Answer: \_\_\_\_\_

The auditor should request and examine reports of transactions for each product or service the business sells or provides. For any transactions on those reports that appear suspicious, the auditor should ask the Compliance Officer about those transactions that appear suspicious.

1. Does the Compliance Officer remember the transaction?

Yes      No

If **NO**, the **auditor should** move to *next topic* below

If **YES**, the **auditor should** ask the following questions:

- a. Was the transaction suspicious pursuant to BSA/Patriot Act requirements?

Yes      No

If **NO**, the **auditor should** have the Compliance Officer explain why the transaction was not suspicious. The auditor can write down the reasons provided below:

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If **YES**, the **auditor should determine** if the business filed a SAR relating to the transaction and document the findings below:

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**Currency Transaction Report:** (BSA E-Filing System at:  
<http://bsaefiling.fincen.treas.gov/main.html>)

- a. Does the Business know what transactions required the filing of a CTR?  
List transactions?

Yes No

Answer: \_\_\_\_\_

- b. Does the Business know how soon after a transaction it must file a CTR?

Yes No

Answer: \_\_\_\_\_

- c. Does the Business know what customer information it must obtain to complete a CTR?

Yes No

Answer: \_\_\_\_\_

- d. Does the Compliance Officer know how to file a CTR (BSA E-Filing System at <http://bsaefiling.fincen.treas.gov/main.html>)

Yes No

- e. Does the Business know what forms of customer identification is acceptable for completion of a CTR?

Yes No

Answer: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- f. Does the Business know how long it is required to retain a copy of the filed CTR? How long?

Yes No

Answer: \_\_\_\_\_

- g. Does the Business know that if it sells or provides multiple MSB products and services (example: wire, money orders, stored value cards) the business may have to include those other products when determining if a CTR must be recorded?

Yes No

- h. Has the business ever filed a CTR?

Yes No

If **NO**, the auditor should proceed to the *next topic*.

If **YES**, the **auditor should ask the following questions.**

1. Does the business have a copy of the CTR it filed?

Yes No

If **NO**, the **auditor should** try to determine when the business filed the CTR and if that date is more than record retention time period required by law.

If **YES**, the **auditor should examine a sample of CTRs filed by the business and answer the following:**

- a. Was the CTR completed properly? Is all the information required by federal law contained on the CTR?

Yes No

- b. Was the CTR filed within 15 calendar days of the transaction?

Yes No

- c. Has the business kept a copy of the CTR for the time period required by law?

Yes No

- d. Was the CTR filed with the proper place?

Yes No

e. Did the Business record the customer's identification properly?

Yes No

f. Did the Business record the proper form of customer identification?

Yes No

ADDITIONAL NOTES:

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**Transaction Recordkeeping/"LOGs":** (\$3,000 to \$10,000 inclusively)

- a. Does the business know what transactions must be recorded? List.

Yes No

Answer: \_\_\_\_\_

- b. Does the Business know what information it must record for transactions between \$3,000 and \$10,000? List.

Yes No

Answer: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- c. Does the Business know what form of customer identification is acceptable for transactions between \$3,000 and \$10,000?

Yes No

Answer: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- d. Does the business know that if it sells or provides multiple MSB products and services (example: wire, money orders, stored value cards) the business may have to include those other products when determining if a transaction must be recorded?

Yes No

- e. Does the business know how long it is required to retain the record of the transaction? How long?

Yes No

Answer: \_\_\_\_\_

- f. Does the Business have any Records/LOGs for transactions of \$3,000 to \$10,000, inclusively?

Yes No

If **NO**, the auditor should proceed to the next topic.

If **YES**, the **auditor should examine a sample of the Records/LOGs the Business has and answer the following:**

1. Was the record completed properly? Is all the information required by federal law contained in the Record/LOG?

Yes No

2. Did the Business record the customer's identification properly?

Yes No

3. Did the Business record the proper form of customer identification?

Yes No

4. Has the business kept a copy of the record of the transaction for the time period required by law?

Yes No

ADDITIONAL NOTES:

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**MEMO Financial Services, Inc.**  
**MEMO Financial Services America, Inc.**  
**MEMO Financial Services New York, Inc.**  
**MEMO Financial Services USA, 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: \_\_\_\_\_  
Date of Birth: \_\_\_\_\_  
Occupation: \_\_\_\_\_

Agent ID #: \_\_\_\_\_  
Agent Name: \_\_\_\_\_  
Agent Address: \_\_\_\_\_  
Agent Phone: \_\_\_\_\_  
Agent Signature: \_\_\_\_\_

**Social Security/ Alien ID #:** \_\_\_\_\_ **Date of Purchase:** \_\_\_\_\_

**Driver's License #** \_\_\_\_\_ **OFAC Check:**    ☐ YES                      ☐ NO

**Other ID TYPE (must be photo ID):**    ☐ Passport;    ☐ Other (Please Identify) \_\_\_\_\_

**ID ISSUER and NUMBER (State/Government – Ex: PA 123456789):** \_\_\_\_\_

**\*IF PURCHASER IS BUYING MONEY ORDER(S) ON BEHALF OF ANOTHER PERSON, THE FOLLOWING INFORMATION IS NEEDED FOR THE PERSON ON WHOSE BEHALF THE MONEY ORDER(S) IS BEING PURCHASED:**  
(Complete a separate form for each person and attach all forms relating to same purchaser together.)

Name: \_\_\_\_\_ Social Security or Alien ID #: \_\_\_\_\_  
Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

**MONEY ORDER INFORMATION**

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.)

**FAX OR EMAIL A COPY OF THE COMPLETED FORM TO MEMO FINANCIAL SERVICES, INC. AT 717-214-5966  
OR EMAIL TO COMPLIANCE@MEMOCO.COM**

**FEDERAL LAW REQUIRES YOUR BUSINESS 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.



MEMO FINANCIAL SERVICES, INC.,  
MEMO FINANCIAL SERVICES AMERICA, INC., MEMO FINANCIAL SERVICES USA, INC.  
MEMO FINANCIAL SERVICES NEW YORK, INC.

**BILL PAYMENT TRANSACTION REPORT**  
*To Be Completed At Time of Sale And Sent To MEMO*  
**For One or More Bill Payments Totaling \$3,000.00 to \$10,000.00**

**CUSTOMER (SENDER) INFORMATION**

Name: \_\_\_\_\_ **CUSTOMER/SENDER ID TYPE, ISSUER AND NUMBER**  
Address: \_\_\_\_\_ **(must be photo ID, Ex: PA 123456789; for Passports: USA 123456789)**  
\_\_\_\_\_  
\_\_\_\_\_  
Occupation: \_\_\_\_\_ ☐ Driver's license (ISSUER & No.) \_\_\_\_\_  
Social Security \_\_\_\_\_ ☐ Passport (ISSUER & No.) \_\_\_\_\_  
Or Alien ID #: \_\_\_\_\_ ☐ Other (Please Identify) \_\_\_\_\_  
Date of Birth: \_\_\_\_\_

**ACCOUNT HOLDER INFORMATION (If different from above)**

Name: \_\_\_\_\_ **ACCOUNT HOLDER ID TYPE, ISSUER AND NUMBER**  
Address: \_\_\_\_\_ **(must be photo ID, Ex: PA 123456789; for Passports: USA 123456789)**  
\_\_\_\_\_  
\_\_\_\_\_  
Occupation: \_\_\_\_\_ ☐ Driver's license (ISSUER & No.) \_\_\_\_\_  
Social Security \_\_\_\_\_ ☐ Passport (ISSUER & No.) \_\_\_\_\_  
Or Alien ID #: \_\_\_\_\_ ☐ Other (Please Identify) \_\_\_\_\_  
Date of Birth: \_\_\_\_\_

**BILL PAYMENT INFORMATION**

Name of Biller	Account Number on Bill	Amount Paid
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

TRANSACTION # \_\_\_\_\_ OFAC Check: ☐ YES ☐ NO

**TOTAL AMOUNT OF BILL PAYMENTS:** \$ \_\_\_\_\_ (If additional space is needed, please use an additional form and attach to this form.)

**AGENT INFORMATION**

Agent Name: \_\_\_\_\_ Agent ID #: \_\_\_\_\_  
Agent Address: \_\_\_\_\_  
Agent Signature: \_\_\_\_\_ DATE OF PURCHASE: \_\_\_\_\_

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## Suspicious Activity Report

Version Number: 1.2

OMB No. 1506-0065 (Report)

OMB No. 1506-0001, 1506-0006, 1506-0015, 1506-0019, 1506-0029, and 1506-0061 (Regulations)

### How to File:

1. Complete the report in its entirety with all required and known requested data provided.
2. Select **VALIDATE** to ensure the report has no errors.
3. Select **SIGN WITH PIN** to electronically sign the report.
4. Select **SAVE** to save a local copy of the report.
5. Select **READY TO FILE** to access the **FILE FINCEN REPORTS** page.
6. **ATTACH** the report, **RE-ENTER** your PIN, and **SUBMIT**.

Filing name

### \*1 Type of filing

(Check all that apply)

☐ Initial report

☐ Correct/Amend prior report

☐ Continuing activity report

☐ Joint report

Prior report BSA Identification  
Number (BSA ID)

2 Filing Institution Note to FinCEN

Attachment

By providing my PIN, I acknowledge that I am electronically signing the BSA report submitted.

Sign with PIN

Release Date: June 2021

### PAPERWORK REDUCTION ACT NOTICE

Public reporting and recordkeeping burden for this collection of information is estimated to average 2 hours per response. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. Send comments regarding this burden estimate or any other aspect of this collection of information to the Department of Treasury, Financial Crimes Enforcement Network, PO Box 39, Vienna, VA 22183.

Part IV Filing Institution Contact Information

*79 Type of financial institution	<input type="text"/>		<input type="text"/>																		
*75 Primary federal regulator	<input type="text"/>																				
*76 Filer name (Holding company, lead financial institution, or agency, if applicable)	<input type="text"/>																				
*77 TIN	<input type="text"/>	*78 TIN type	<input type="text"/>																		
80 Type of Securities and Futures institution or individual filing this report - check box(es) for functions that apply to this report	<table border="0"><tr><td><input type="checkbox"/> Clearing broker-securities</td><td><input type="checkbox"/> Introducing broker-securities</td><td><input type="checkbox"/> SRO Securities</td></tr><tr><td><input type="checkbox"/> CPO/CTA</td><td><input type="checkbox"/> Investment Adviser</td><td><input type="checkbox"/> Subsidiary of financial/bank holding company</td></tr><tr><td><input type="checkbox"/> Execution-only broker securities</td><td><input type="checkbox"/> Investment company</td><td><input type="checkbox"/> Other <input type="text"/></td></tr><tr><td><input type="checkbox"/> Futures Commission Merchant</td><td><input type="checkbox"/> Retail foreign exchange dealer</td><td></td></tr><tr><td><input type="checkbox"/> Holding company</td><td><input type="checkbox"/> Self-clearing broker securities</td><td></td></tr><tr><td><input type="checkbox"/> Introducing broker-commodities</td><td><input type="checkbox"/> SRO Futures</td><td></td></tr></table>			<input type="checkbox"/> Clearing broker-securities	<input type="checkbox"/> Introducing broker-securities	<input type="checkbox"/> SRO Securities	<input type="checkbox"/> CPO/CTA	<input type="checkbox"/> Investment Adviser	<input type="checkbox"/> Subsidiary of financial/bank holding company	<input type="checkbox"/> Execution-only broker securities	<input type="checkbox"/> Investment company	<input type="checkbox"/> Other <input type="text"/>	<input type="checkbox"/> Futures Commission Merchant	<input type="checkbox"/> Retail foreign exchange dealer		<input type="checkbox"/> Holding company	<input type="checkbox"/> Self-clearing broker securities		<input type="checkbox"/> Introducing broker-commodities	<input type="checkbox"/> SRO Futures	
<input type="checkbox"/> Clearing broker-securities	<input type="checkbox"/> Introducing broker-securities	<input type="checkbox"/> SRO Securities																			
<input type="checkbox"/> CPO/CTA	<input type="checkbox"/> Investment Adviser	<input type="checkbox"/> Subsidiary of financial/bank holding company																			
<input type="checkbox"/> Execution-only broker securities	<input type="checkbox"/> Investment company	<input type="checkbox"/> Other <input type="text"/>																			
<input type="checkbox"/> Futures Commission Merchant	<input type="checkbox"/> Retail foreign exchange dealer																				
<input type="checkbox"/> Holding company	<input type="checkbox"/> Self-clearing broker securities																				
<input type="checkbox"/> Introducing broker-commodities	<input type="checkbox"/> SRO Futures																				
81 Financial institution identification	Type	<input type="text"/>																			
	Number	<input type="text"/>																			
*82 Address	<input type="text"/>																				
*83 City	<input type="text"/>																				
*84 State	<input type="text"/>	*85 ZIP/Postal Code	<input type="text"/>																		
		*86 Country	<input type="text"/>																		
87 Alternate name, e.g., AKA - individual or trade name, DBA - entity	<input type="text"/>																				
88 Internal control/file number	<input type="text"/>																				
89 LE contact agency	<input type="text"/>																				
90 LE contact name	<input type="text"/>																				
91 LE contact phone number (Include Area Code)	<input type="text"/>	Ext.	<input type="text"/>																		
92 LE contact date	<input type="text"/>																				
*93 Filing institution contact office	<input type="text"/>																				
*94 Filing institution contact phone number (Include Area Code)	<input type="text"/>	Ext.	<input type="text"/>																		
95 Date filed	<input type="text"/>	(Date filed will be auto-populated when the form is signed.)																			

Part III Information about Financial Institution Where Activity Occurred 1 of 1

\*51 Type of financial institution

\*52 Primary federal regulator

53 Type of gaming institution

☐ State licensed casino ☐ Tribal authorized casino ☐ Card club ☐ Other (specify)

54 Type of Securities and Futures institution or individual where activity occurred - check box(es) that apply to this report

☐ Clearing broker-securities ☐ Execution-only broker securities ☐ Futures Commission Merchant ☐ Holding company ☐ Introducing broker-securities ☐ Investment Adviser ☐ Investment company ☐ Retail foreign exchange dealer ☐ Self-clearing broker securities ☐ Subsidiary of financial/bank holding company ☐ Other

55 Financial institution identification

Type

Number

56 Financial institution's role in transaction ☐ Selling location ☐ Paying location ☐ Both

\*57 Legal name of financial institution ☐ Unknown

58 Alternate Name, e.g., AKA - individual or trade name, DBA - entity

\*59 TIN ☐ Unknown  60 TIN type

\*61 Address ☐ Unknown

\*62 City ☐ Unknown

63 State

\*64 ZIP/Postal Code ☐ Unknown

\*65 Country ☐ Unknown

66 Internal control/file number

67 Loss to financial institution \$  .00

Branch where activity occurred information

If no branch activity involved, check this box ☐

Branch Information

68 Branch's role in transaction ☐ Selling location ☐ Paying location ☐ Both

69 Address of branch or office where activity occurred

71 City  70 RSSD Number

72 State  73 ZIP/Postal Code  \*74 Country

WARNING: PRINTED VERSIONS OF THE BSA E-FILING FORMS ARE NOT FOR SUBMISSION AND WILL NOT BE PROCESSED by FinCEN.

Part I Subject Information 1 of 1

3 Check: ☐ if entity, ☐ if all critical\* subject information is unavailable (Does not include item 27)

\*4 Individual's last name or entity's legal name ☐ Unknown

\*5 First name ☐ Unknown

6 Middle name/initial

7 Suffix

8 Gender

\*19 Date of birth ☐ Unknown

9 Alternate name, e.g., AKA - individual or trade name, DBA - entity

10 Occupation or type of business

10a NAICS Code

\*16 TIN ☐ Unknown 17 TIN type

21 Phone number Ext. 20 Type

22 E-mail address

22a Website (URL) address

23 Corroborative statement to filer? 28 Subject's role in suspicious activity

Subject Address Information

\*11 Address ☐ Unknown

\*12 City ☐ Unknown

\*13 State ☐ Unknown \*14 ZIP/Postal Code ☐ Unknown

\*15 Country ☐ Unknown

\*18 Form of identification for subject Unknown ☐

Type

Number Country Issuing State

24 Relationship of the subject to an institution listed in Part III or IV (check all that apply)

a Institution TIN

b ☐ Accountant e ☐ Attorney h ☐ Director k ☐ Officer

c ☐ Agent f ☐ Borrower i ☐ Employee l ☐ Owner or Controlling Shareholder

d ☐ Appraiser g ☐ Customer j ☐ No relationship to institution z ☐ Other

25 Status of relationship 26 Action date

\*27 Financial institution TIN and account number(s) affected that are related to subject No known accounts involved ☐

Institution TIN ☐ Non-US Financial Institution

account number Closed? Yes ☐

## Part II Suspicious Activity Information

\*29 Amount involved in this report ☐ Amount Unknown ☐ No amount involved \$ \_\_\_\_\_ .00

\*30 Date or date range of suspicious activity for this report From \_\_\_\_\_ To \_\_\_\_\_

31 Cumulative amount (only applicable when "Continuing activity report" is checked in Item 1) \$ \_\_\_\_\_ .00

When completing item 32 through 42, check all that apply

### 32 Structuring

- |   |   |
|---|---|
| a <input type="checkbox"/> Alters or cancels transaction to avoid BSA recordkeeping requirement                 | d <input type="checkbox"/> Transaction(s) below BSA recordkeeping threshold |
| b <input type="checkbox"/> Alters or cancels transaction to avoid CTR requirement                               | e <input type="checkbox"/> Transaction(s) below CTR threshold               |
| c <input type="checkbox"/> Suspicious inquiry by customer regarding BSA reporting or recordkeeping requirements | z <input type="checkbox"/> Other _____                                      |

### 33 Terrorist Financing

- a ☐ Known or suspected terrorist/terrorist organization z ☐ Other \_\_\_\_\_

### 34 Fraud

- |  |  |   |  |
|--|--|---|--|
| a <input type="checkbox"/> ACH           | e <input type="checkbox"/> Consumer loan                                 | i <input type="checkbox"/> Mass-marketing   | m <input type="checkbox"/> Wire        |
| b <input type="checkbox"/> Advance fee   | f <input type="checkbox"/> Credit/Debit card                             | j <input type="checkbox"/> Ponzi scheme     | z <input type="checkbox"/> Other _____ |
| c <input type="checkbox"/> Business loan | g <input type="checkbox"/> Healthcare/Public or private health insurance | k <input type="checkbox"/> Pyramid scheme   |  |
| d <input type="checkbox"/> Check         | h <input type="checkbox"/> Mail  | l <input type="checkbox"/> Securities fraud |  |

### 35 Gaming activities

- |  |  |
|--|--|
| a <input type="checkbox"/> Chip walking                                | d <input type="checkbox"/> Unknown source of chips |
| b <input type="checkbox"/> Minimal gaming with large transactions      | z <input type="checkbox"/> Other _____             |
| c <input type="checkbox"/> Suspicious use of counter checks or markers |  |

### 36 Money Laundering

- |   |  |
|---|--|
| a <input type="checkbox"/> Exchange small bills for large bills or vice versa                 | h <input type="checkbox"/> Suspicious receipt of government payments/benefits      |
| b <input type="checkbox"/> Funnel account   | i <input type="checkbox"/> Suspicious use of multiple accounts                     |
| c <input type="checkbox"/> Suspicion concerning the physical condition of funds               | j <input type="checkbox"/> Suspicious use of noncash monetary instruments          |
| d <input type="checkbox"/> Suspicion concerning the source of funds                           | k <input type="checkbox"/> Suspicious use of third-party transactors (straw-man)   |
| e <input type="checkbox"/> Suspicious designation of beneficiaries, assignees or joint owners | l <input type="checkbox"/> Trade Based Money Laundering/Black Market Peso Exchange |
| f <input type="checkbox"/> Suspicious EFT/wire transfers                                      | m <input type="checkbox"/> Transaction out of pattern for customer(s)              |
| g <input type="checkbox"/> Suspicious exchange of currencies                                  | z <input type="checkbox"/> Other _____   |

### 37 Identification/Documentation

- |   |   |
|---|---|
| a <input type="checkbox"/> Changes spelling or arrangement of name              | e <input type="checkbox"/> Refused or avoided request for documentation |
| b <input type="checkbox"/> Multiple individuals with same or similar identities | f <input type="checkbox"/> Single individual with multiple identities   |
| c <input type="checkbox"/> Provided questionable or false documentation         | z <input type="checkbox"/> Other _____                                  |
| d <input type="checkbox"/> Provided questionable or false identification        |   |

### 38 Other Suspicious Activities

- |  |  |   |
|--|--|---|
| a <input type="checkbox"/> Account takeover                          | h <input type="checkbox"/> Human trafficking   | o <input type="checkbox"/> Suspicious use of multiple transaction locations                   |
| b <input type="checkbox"/> Bribery or gratuity                       | i <input type="checkbox"/> Identity theft  | p <input type="checkbox"/> Transaction with no apparent economic, business, or lawful purpose |
| c <input type="checkbox"/> Counterfeit instruments                   | j <input type="checkbox"/> Little or no concern for product performance penalties, fees, or tax consequences | q <input type="checkbox"/> Transaction(s) involving foreign high risk jurisdiction            |
| d <input type="checkbox"/> Elder financial exploitation              | k <input type="checkbox"/> Misuse of position or self-dealing  | r <input type="checkbox"/> Two or more individuals working together                           |
| e <input type="checkbox"/> Embezzlement/theft/disappearance of funds | l <input type="checkbox"/> Suspected public/private corruption (domestic)                                    | s <input type="checkbox"/> Unlicensed or unregistered MSB                                     |
| f <input type="checkbox"/> Forgeries                                 | m <input type="checkbox"/> Suspected public/private corruption (foreign)                                     | z <input type="checkbox"/> Other _____  |
| g <input type="checkbox"/> Human smuggling                           | n <input type="checkbox"/> Suspicious use of informal value transfer system                                  |   |

**WARNING: PRINTED VERSIONS OF THE BSA E-FILING FORMS ARE NOT FOR SUBMISSION AND WILL NOT BE PROCESSED by FinCEN.**

39 Insurance

- |  |   |
|--|---|
| a <input type="checkbox"/> Excessive insurance   | e <input type="checkbox"/> Suspicious termination of policy or contract |
| b <input type="checkbox"/> Excessive or unusual cash borrowing against policy/annuity            | f <input type="checkbox"/> Unclear or no insurable interest             |
| c <input type="checkbox"/> Proceeds sent to or received from unrelated third party               | z <input type="checkbox"/> Other <input type="text"/>                   |
| d <input type="checkbox"/> Suspicious life settlement sales insurance (e.g., STOLI's, Viaticals) |   |

40 Securities / Futures / Options

- |  |   |
|--|---|
| a <input type="checkbox"/> Insider trading     | d <input type="checkbox"/> Unauthorized pooling       |
| b <input type="checkbox"/> Market manipulation | e <input type="checkbox"/> Wash trading               |
| c <input type="checkbox"/> Misappropriation    | z <input type="checkbox"/> Other <input type="text"/> |

41 Mortgage Fraud

- |   |   |
|---|---|
| a <input type="checkbox"/> Application fraud            | d <input type="checkbox"/> Loan Modification fraud    |
| b <input type="checkbox"/> Appraisal fraud              | e <input type="checkbox"/> Origination fraud          |
| c <input type="checkbox"/> Foreclosure/Short sale fraud | z <input type="checkbox"/> Other <input type="text"/> |

42 Cyber event

- |  |   |
|--|---|
| a <input type="checkbox"/> Against Financial Institution(s)          | z <input type="checkbox"/> Other <input type="text"/> |
| b <input type="checkbox"/> Against Financial Institution Customer(s) |   |

45 Were any of the following product type(s) involved in the suspicious activity? (Check all that apply)

- |  |   |  |   |
|--|---|--|---|
| a <input type="checkbox"/> Bonds/Notes         | g <input type="checkbox"/> Forex transactions         | m <input type="checkbox"/> Microcap securities       | s <input type="checkbox"/> Stocks                             |
| b <input type="checkbox"/> Commercial mortgage | h <input type="checkbox"/> Futures/Options on futures | n <input type="checkbox"/> Mutual fund               | t <input type="checkbox"/> Swap, hybrid, or other derivatives |
| c <input type="checkbox"/> Commercial paper    | i <input type="checkbox"/> Hedge fund                 | o <input type="checkbox"/> Options on securities     | z <input type="checkbox"/> Other (List below)                 |
| d <input type="checkbox"/> Credit card         | j <input type="checkbox"/> Home equity line of credit | p <input type="checkbox"/> Prepaid access            | <input type="text"/>  |
| e <input type="checkbox"/> Debit card          | k <input type="checkbox"/> Home equity loan           | q <input type="checkbox"/> Residential mortgage      |   |
| f <input type="checkbox"/> Deposit account     | l <input type="checkbox"/> Insurance/Annuity products | r <input type="checkbox"/> Security futures products |   |

46 Were any of the following instrument type(s)/payment mechanism(s) involved in the suspicious activity? (Check all that apply)

- |   |   |  |   |
|---|---|--|---|
| a <input type="checkbox"/> Bank/Cashier's check | d <input type="checkbox"/> Gaming instruments | g <input type="checkbox"/> Personal/Business check | z <input type="checkbox"/> Other (List below) |
| b <input type="checkbox"/> Foreign currency     | e <input type="checkbox"/> Government payment | h <input type="checkbox"/> Travelers checks        | <input type="text"/>                          |
| c <input type="checkbox"/> Funds transfer       | f <input type="checkbox"/> Money orders       | i <input type="checkbox"/> U.S. Currency           |   |

43 IP Address (enter the IP address/date/timestamp of the subject's electronic internet based contact with the financial institution, if known)

<input type="text"/>	Date <input type="text"/>	Timestamp (UTC) <input type="text"/>
----------------------	---------------------------	--------------------------------------

44 Cyber Event Indicators (select the appropriate indicator(s) from the drop-down list and provide the associated supporting information)

Event type <input type="text"/>	<input type="text"/>
Event value <input type="text"/>	Date <input type="text"/> Timestamp (UTC) <input type="text"/>

47 Commodity type (if applicable)

48 Product/Instrument description (if needed)

49 Market where traded 

50 CUSIP® number

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**Part V Suspicious Activity Information - Narrative\***



# BSA E-FILING SYSTEM

## FINANCIAL CRIMES ENFORCEMENT NETWORK

## BSA E-Filing System

---

The BSA E-Filing System supports electronic filing of Bank Secrecy Act (BSA) forms (either individually or in batches) through a FinCEN secure network. BSA E-Filing provides a faster, more convenient, more secure, and more cost-effective method for submitting BSA forms. The BSA E-Filing System is hosted on a secure website accessible on the Internet. Organizations that file BSA forms with FinCEN can securely access the system after they apply for and receive a User ID and password from FinCEN.

### BECOME A BSA E-FILER

---

Complete the following four steps to enroll your organization in BSA E-Filing:

- 1 Identify Your Organizations Point of Contact**  
This person will serve as a liaison between BSA E-Filing and the filing organization and will complete the process to enroll him/herself as well as the filing organization.
  - 2 Fill Out and Submit the Supervisory User Application Form**  
To obtain a User ID, the Supervisory User must fill out and submit the Supervisory User Application Form.
  - 3 Obtain Authorization as Supervisory User**  
Once FinCEN verifies the identity/designation of the Supervisory User, he/she will receive a User ID to access the E-Filing system.
  - 4 Download the Forms Viewer**  
The Forms Viewer allows preparation of CTR/SAR electronic forms, viewing of BSA E-Filing alerts, and transmittal of secure messages to FinCEN.
- 

This enrollment process is for use by individuals who have been designated as the initial BSA E-Filing Supervisory User for their filing organizations. All other users from the filing organization, including any backup Supervisory Users, will enroll via a distinctly different process only **after** the Supervisory User has successfully enrolled him/herself and the filing organization.



# BSA E-FILING SYSTEM

## FINANCIAL CRIMES ENFORCEMENT NETWORK



### Identify Your Organizations Point of Contact

---

The point of contact identified for your organization will be designated as the Supervisory User for BSA E-Filing. Determining who will act as your organization's Supervisory User is the first step in the BSA E-Filing enrollment process. The Supervisory User serves as a liaison between BSA E-Filing and his/her filing organization and has primary responsibility for the filing organization's use of BSA E-Filing. Consider the information below before choosing your Supervisory User. Once you choose your Supervisory User, that person will complete the enrollment process (steps 2, 3, and 4) for your organization.

#### The Supervisory User will have:

- Responsibility for facilitating the process of creating general user accounts for members of your organization
- Day-to-day oversight of your BSA compliance efforts from a filing standpoint
- Access to system functionality not available to regular users, such as ability to update filing organization information and track the status of filings submitted by all users from across the organization

#### The Supervisory User you choose:

- Should have insight into all BSA filing activities across the entire filing organization
- Should be knowledgeable about the individuals responsible for preparing and submitting BSA filings and the processes by which filings are submitted
- Must be designated by your organization's headquarters Bank and Secrecy Act compliance department
- Must be confirmed as such by the Chief Compliance Officer (or equivalent)

### When you have designated a Supervisory User you have completed Step 1

**Your designated Supervisory User should continue this enrollment process completing the remaining steps in sequence.**



# BSA E-FILING SYSTEM

## FINANCIAL CRIMES ENFORCEMENT NETWORK



### Fill Out and Submit the Supervisory User Application Form

A system user ID is required to access the secure portion of the BSA E-Filing System.

#### Follow the instructions below to apply for a User ID:

1. Click [Supervisory User Application Form \(https://bsaefiling1.fincen.treas.gov/AddUser\)](https://bsaefiling1.fincen.treas.gov/AddUser) to open the form.
2. Follow the instructions on the form, noting that mandatory fields are identified with an asterisk (\*) and shaded in yellow.
  - **User Information**
    - Ensure your email address is correct in order to receive enrollment codes and your User ID.
    - The **Type** field default is *Supervisory* and cannot be changed.
  - **User Login Information**
    - It is recommended to use your email address as your User ID.
  - **Organization Information**
    - EIN - Employer Identification Number
    - Micr # = Magnetic Ink Character Recognition Number
    - TCC, Transmitter Control Code, is only required if your organization currently files CTR or SAR batches.
3. Click **Submit**.

**When you have submitted the form  
you have completed Step 2**

**To continue this enrollment process complete the remaining steps in sequence.**



# BSA E-FILING SYSTEM

## FINANCIAL CRIMES ENFORCEMENT NETWORK



### Obtain Authorization as Supervisory User

---

As the Supervisory User, you are responsible for completing the remaining steps of the enrollment process. After you submit your Supervisory User Application Form, FinCEN will process your application and provide an e-mail confirmation to you with a confirmation link. Please click on this confirmation link within five calendar days to complete your account setup. The confirmation link will provide your BSA E-Filing login and connect you to the BSA E-Filing System in order to:

- Setup your BSA E-Filing password
- Setup your challenge phrase questions to allow you to reset your password if you are unable to remember your password
- Login to the application and start E-Filing

Please note, after your initial login to the application a Personal Identification Number (PIN) will be generated and sent to your secure messaging mailbox. Please click on the View Inbox link under Secure Messaging on the left hand portion of the application to open and retrieve your PIN. The PIN is necessary to digitally sign all FinCEN reports prior to submission. All filings need to be Signed, then Saved before the Submit button will be available.

**When you have been authorized as the  
Supervisory User you have completed Step**

**Continue this enrollment process by completing the remaining step.**



# BSA E-FILING SYSTEM

## FINANCIAL CRIMES ENFORCEMENT NETWORK



### Download the Forms Reader

---

The required version of the Adobe Reader is 9.1 or 10.0.2

To determine what version of Adobe Reader is installed on your computer (if any), follow these instructions:

1. Go to your **Start Menu**.
2. Select **Settings** and then **Control Panel**.
3. In the Control Panel window, select **Add or Remove Programs**.
4. A list of your currently installed programs will be displayed.
5. If you see Adobe Reader 9.1 or 10.0.2 in the list, you have the required software.

If you do not have this software or specific version on your computer, you may download it for free directly from the [Adobe website \(http://get.adobe.com/reader/otherversions\)](http://get.adobe.com/reader/otherversions) or through [FinCEN's website \(http://www.fincen.gov/forms/bsa\\_forms/\)](http://www.fincen.gov/forms/bsa_forms/) and click on the link under Forms.

### Follow the instructions below to complete the download:

**NOTE:** If you are unable to download or install the Adobe Reader, check with your system administrator to make sure that you have the security permissions to install new programs on your system.

1. Go to the [Adobe website \(http://get.adobe.com/reader/otherversions\)](http://get.adobe.com/reader/otherversions).
2. Select your Operating System. If you do not know what Operating System you have, you may find it by following these steps:
  - Go to your **Start Menu**.
    1. Select **Settings** and then **Control Panel**.
    2. In the Control Panel window, select **System**.
    3. Your **System Properties** will be displayed within the **General** tab selected.
  - You will find your Operating System information there.

**Instructions are continued on next page**



# BSA E-FILING SYSTEM

## FINANCIAL CRIMES ENFORCEMENT NETWORK

3. Select your Language (English, Spanish, etc).
4. Press **Continue**.
5. The available versions of the Adobe Reader will be displayed.

**NOTE:** Versions **10.0.** and **.1** are compatible with the BSA E-Filing system. System requirements can be viewed for each of these versions. We recommend use of version **10.0.** unless your organization or system will not support this version.

6. Select version 10.0.2 and press the **Download** button.
7. Follow the instructions provided by Adobe to complete your download.

**When you have downloaded the Forms Viewer you have completed the enrollment process**

### Next Steps

**Once you've completed the process:**

- You will receive an email message from FinCEN with your User ID and login instructions.
- You will find a document entitled "**Next Steps**" on the BSA E-Filing secure site homepage to assist you and your organization in submitting BSA forms using the BSA E-Filing System.
- If you will be submitting batch files, you will be able to submit test files through the BSA E-Filing User Test System. Further information is contained in the [BSA E-Filing System Batch File Testing Procedures \(http://bsaefiling.fincen.treas.gov/docs/TestingProcedures.pdf\)](http://bsaefiling.fincen.treas.gov/docs/TestingProcedures.pdf).
- You will find a list of your regular user and Supervisory User privileges on the BSA E-Filing secure site homepage.
- You will have access to the Supervisory User and General User Manuals.
- You can initiate the enrollment of additional individuals within your organization.

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## Currency Transaction Report

Version Number: 1.3

OMB No. 1506-0004, OMB No. 1506-0005, OMB No. 1506-0064

### How to File:

1. Complete the report in its entirety with all required and known requested data provided.
2. Select **VALIDATE** to ensure the report has no errors.
3. Select **SIGN WITH PIN** to electronically sign the report.
4. Select **SAVE** to save a local copy of the report.
5. Select **READY TO FILE** to access the **FILE FINCEN REPORTS** page.
6. **ATTACH** the report, **RE-ENTER** your PIN, and **SUBMIT**.

Filing Name

\*1 Type of filing

☐ Initial report ☐ Correct/amend prior report ☐ FinCEN directed Backfiling

Prior report BSA Identifier

Save

Validate

Print

By providing my PIN, I acknowledge that I am electronically signing the BSA report submitted.

Sign with PIN

Release Date: June 2021

### PAPERWORK REDUCTION ACT NOTICE

Public reporting and recordkeeping burden for this collection of information is estimated to average 40 minutes per response. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. Send comments regarding this burden estimate or any other aspect of this collection of information to the Department of Treasury, Financial Crimes Enforcement Network, PO Box 39, Vienna, VA 22183.

**Part IV Filing Institution Contact Information**

\*52 Type of financial institution

Other (specify)

\*43 Primary federal regulator

53 If 52a - Casino/Card Club is checked, indicate type (check only one)

☐

State licensed casino

☐

Tribal authorized casino

☐

Card club

☐

Other

\*44 Legal name of filing institution

45 Alternate name, e.g. trade name, DBA

\*46 EIN

\*47 Address

\*48 City

\*49 State

\*50 ZIP Code

\*51 Country

54 Filing institution ID type

ID number

\*55 Contact office

\*56 Phone number

Ext.

\*57 Date filed

(Date filed will be auto-populated when the form is signed.)

Part III Transaction Location 1 of 1



\*38 Type of financial institution

Other (specify)

\*29 Primary federal regulator

39 If 38a - Casino/Card Club is checked, indicate type (check only one)

☐ State licensed casino

☐ Tribal authorized casino

☐ Card club

☐ Other

\*30 Legal name of financial institution

31 Alternate name, e.g. trade name, DBA

\*32 EIN ☐ Unknown

\*33 Address

\*34 City

\*35 State

\*36 ZIP Code

\*37 Country

40 Financial institution ID type

ID number

\*41 Cash in amount for transaction location

\*42 Cash out amount for transaction location

Part I Person Involved in Transaction(s) 1 of 1

\*2 a ☐ Person conducting transaction on own behalf b ☐ Person conducting transaction for another c ☐ Person on whose behalf transaction was conducted d ☐ Common carrier  
3 ☐ Multiple transactions

Check ☐ If entity

\*4 Individual's last name or entity's legal name ☐ Unknown

\*5 First name ☐ Unknown

6 Middle name

Suffix

7 Gender

8 Alternate name

9 Occupation or type of business

9a NAICS Code

\*10 Address ☐ Unknown

\*11 City ☐ Unknown

\*12 State ☐ Unknown \*13 ZIP/Postal Code ☐ Unknown

\*14 Country ☐ Unknown

\*15 TIN ☐ Unknown 16 TIN type

\*17 Date of birth ☐ Unknown

18 Contact phone number Ext.

19 E-mail address

\*20 Form of identification used to verify identity ☐ Unknown

☐ Driver's license/State ID ☐ Passport ☐ Alien Registration ☐ Other

Number Country Issuing State

21 Cash in amount for individual or entity listed in Item 4 \$

Account number

22 Cash out amount for individual or entity listed in Item 4 \$

Account number

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

\*23 Date of transaction

24 ☐ Armored car (FI Contract) ☐ ATM ☐ Mail deposit or shipment ☐ Night deposit ☐ Aggregated transactions ☐ Shared branching

\*25 CASH IN: (in U.S. dollar equivalent)

a Deposit(s)	\$	.00
b Payment(s)		.00
c Currency received for funds transfer(s) out		.00
d Purchase of negotiable instrument (s)		.00
e Currency exchange(s)		.00
f Currency to prepaid access		.00
g Purchases of casinos chips, tokens and other gaming instruments		.00
h Currency wager(s) including money plays		.00
i Bills inserted into gaming devices		.00
z Other (specify):		.00
Total cash in \$ .00		

\*27 CASH OUT: (in U.S. dollar equivalent)

a Withdrawal(s)	\$	.00
b Advance(s) on credit (including markers)		.00
c Currency paid from funds transfer(s) in		.00
d Negotiable instrument(s) cashed		.00
e Currency exchange(s)		.00
f Currency from prepaid access		.00
g Redemption(s) of casino chips, tokens, TITO tickets and other gaming instruments		.00
h Payment(s) on wager(s) (including race and OTB or sports pool)		.00
i Travel and complimentary expenses and book gaming incentives		.00
j Payment for tournament, contest or other promotions		.00
z Other (specify):		.00
Total cash out \$ .00		

26 Foreign cash in

Foreign Country

+ -

28 Foreign cash out

Foreign Country

+ -

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# BSA E-FILING SYSTEM

## FINANCIAL CRIMES ENFORCEMENT NETWORK

### BSA E-FILING SYSTEM

---

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To obtain a User ID, the Supervisory User must fill out and submit the Supervisory User Application Form.

3

#### **Obtain Authorization as Supervisory User**

Once FinCEN verifies the identity/designation of the Supervisory User, he/she will receive a User ID to access the E-Filing system.

4

#### **Download the Forms Viewer**

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# BSA E-FILING SYSTEM

## FINANCIAL CRIMES ENFORCEMENT NETWORK



### Identify Your Organizations Point of Contact

---

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### When you have designated a Supervisory User you have completed Step 1

**Your designated Supervisory User should continue this enrollment process completing the remaining steps in sequence.**



# BSA E-FILING SYSTEM

## FINANCIAL CRIMES ENFORCEMENT NETWORK



### Fill Out and Submit the Supervisory User Application Form

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  - **User Information**
    - Ensure your email address is correct in order to receive enrollment codes and your User ID.
    - The **Type** field default is *Supervisory* and cannot be changed.
  - **User Login Information**
    - It is recommended to use your email address as your User ID.
  - **Organization Information**
    - EIN - Employer Identification Number
    - Micr # = Magnetic Ink Character Recognition Number
    - TCC, Transmitter Control Code, is only required if your organization currently files CTR or SAR batches.
3. Click **Submit**.

**When you have submitted the form  
you have completed Step 2**

**To continue this enrollment process complete the remaining steps in sequence.**



# BSA E-FILING SYSTEM

## FINANCIAL CRIMES ENFORCEMENT NETWORK



### Obtain Authorization as Supervisory User

---

As the Supervisory User, you are responsible for completing the remaining steps of the enrollment process. After you submit your Supervisory User Application Form, FinCEN will process your application and provide an e-mail confirmation to you with a confirmation link. Please click on this confirmation link within five calendar days to complete your account setup. The confirmation link will provide your BSA E-Filing login and connect you to the BSA E-Filing System in order to:

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### When you have been authorized as the Supervisory User you have completed Step

**Continue this enrollment process by completing the remaining step.**



# BSA E-FILING SYSTEM

## FINANCIAL CRIMES ENFORCEMENT NETWORK



### Download the Forms Reader

---

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### Follow the instructions below to complete the download:

**NOTE:** If you are unable to download or install the Adobe Reader, check with your system administrator to make sure that you have the security permissions to install new programs on your system.

1. Go to the [Adobe website \(http://get.adobe.com/reader/otherversions\)](http://get.adobe.com/reader/otherversions).
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  - Go to your **Start Menu**.
    1. Select **Settings** and then **Control Panel**.
    2. In the Control Panel window, select **System**.
    3. Your **System Properties** will be displayed within the **General** tab selected.
  - You will find your Operating System information there.

**Instructions are continued on next page**



# BSA E-FILING SYSTEM

## FINANCIAL CRIMES ENFORCEMENT NETWORK

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6. Select version 10.0.2 and press the **Download** button.
7. Follow the instructions provided by Adobe to complete your download.

**When you have downloaded the Forms Viewer you have completed the enrollment process**

## Next Steps

**Once you've completed the process:**

- You will receive an email message from FinCEN with your User ID and login instructions.
- You will find a document entitled "**Next Steps**" on the BSA E-Filing secure site homepage to assist you and your organization in submitting BSA forms using the BSA E-Filing System.
- If you will be submitting batch files, you will be able to submit test files through the BSA E-Filing User Test System. Further information is contained in the [BSA E-Filing System Batch File Testing Procedures \(http://bsaefiling.fincen.treas.gov/docs/TestingProcedures.pdf\)](http://bsaefiling.fincen.treas.gov/docs/TestingProcedures.pdf).
- You will find a list of your regular user and Supervisory User privileges on the BSA E-Filing secure site homepage.
- You will have access to the Supervisory User and General User Manuals.
- You can initiate the enrollment of additional individuals within your organization.

**MEMO FINANCIAL SERVICES, INC AND  
SUBSIDIARIES' ANTI-MONEY LAUNDERING TRAINING MATERIAL**

Under Federal Law we are required to provide you with Anti-Money Laundering Training.

Aside from money orders, do you do any of the following:

- |    |   |     |    |
|----|---|-----|----|
| 1. | send wires (ex: Western Union, MoneyGram wires) | Yes | No |
| 2. | money orders                                    | Yes | No |
| 3. | sell travelers checks                           | Yes | No |
| 4. | sell stored value items (prepaid visa cards)    | Yes | No |
| 5. | cash checks                                     | Yes | No |
| 6. | exchange currency (ex: pounds to US Dollars)    | Yes | No |
| 7. | bill payment (non-authorized billers)           | Yes | No |

By sending wires in any amount or doing any of the other items things for \$1,000 per day to one person, your business is considered a money services business (MSB) that must comply with the USA Patriot and Bank Secrecy Act requirements.

**MSB Registration**

As long as you act as an agent for MEMO or another company, you do not have to register with the Financial Crimes Enforcement Network. (FinCEN). If you do any of the above on your own, not as an agent, for \$1,000 per day to one person, you must register as an MSB with FinCEN. You can get the registration form from the website:

[http://www.fincen.gov/financial\\_institutions/msb](http://www.fincen.gov/financial_institutions/msb)

You are solely responsible for having an anti-money laundering program that complies with all Federal and State laws and regulations.

## **MEMO On-Line AML Training**

MEMO offers AML training online for your convenience. Now it is easier and more convenient to satisfy the AML training the law requires. The online training can be used to train new employees or as a review for existing personnel. The AML online training is also available in Spanish by clicking on Espanol located at the top right corner of the screen. The online AML training is a short video followed by a quiz. The training and quiz may be taken as many times as needed. Once the quiz is passed, MEMO is notified and a Certification of Training Completion will be emailed to you if you do not print it out. The on-line is simple to use.

1. Please log on to [www.memoco.com](http://www.memoco.com)
2. Choose “Agents Only” menu
3. Choose “AML Compliance” from the drop down menu.
4. Scroll down and Click on "AML Training Video & Compliance Quiz."  
A new page will be displayed “
5. Enter your MEMO Agent Number and Store telephone number to login.
6. After logging in, you will be required to enter information pertaining to your AML Compliance Program. Please enter all information to the best of your knowledge then click continue.
7. Once you have submitted the AML Compliance program information select the first “Click Here” link to access the BSA/AML training video which will be open in a separate window.

After completing the video select the second “Click Here” button to take the online quiz.

## **Anti-Money Laundering Program Requirements**

**EVERY AGENT MUST HAVE A WRITTEN ANTI-MONEY LAUNDERING PROGRAM.** Your anti-money laundering program must have all of the following:

1. policies, procedures and controls that include:
  - a. verifying customer identification;
  - b. filing reports;
  - c. creating and retaining records;
  - d. responding to law enforcement requests;
2. appointment of a compliance officer;
3. an ongoing employee training program; and
4. an independent audit.

## **Internal Anti-Money Laundering Policies, Procedures, and Controls**

You must know how and when to file reports and make records of certain money order and bill payment sales. The two (2) reports you must file are Suspicious Activity Reports and Currency Transaction Reports. You must make a record of money order and bill payment sales between \$3,000 and \$10,000 (including fees).

### **Suspicious Activity Reports (SAR)**

You must file SARs for money order and bill payment sales that are **suspicious and involve \$2,000.00 or more**. You must file the SAR using the BSA E-Filing System at <http://bsaefiling.fincen.treas.gov/main.html> within thirty (30) days of becoming suspicious of the money order or bill payment sale. You can file a SAR on the purchaser of money orders or bill payment services and your own employees if believe they are involved. You cannot tell the person (purchaser or employee) that you filed or are filing a SAR on the money order or bill payment sale.

You must keep a copy of the SAR and the store copy (if applicable) of the money orders for five (5) years from the date you filed the SAR. You must keep a copy of the SAR and the bill(s) paid for five (5) years from the date you filed the SAR. You must provide law enforcement or the IRS a copy of the SAR if they request it.

The following may be suspicious and require you to file a SAR-MSB on the sale of money orders or bill payment services:

1. using money that came from a crime;
2. buying money orders or bill payment services as part of a plan to break or avoid any federal law;
3. buying money orders or bill payment services in a way that avoids making a report or record;
4. buying money orders or bill payment services that serve no business or apparent lawful purpose;
5. trying to use MEMO or your business to facilitate criminal activity;

6. a money order or bill payment purchaser refuses to give you the information required to make a report or record of the sale;
7. the money order or bill payment purchaser gives you false information (such as a fake ID);
8. the money order or bill payment purchaser tries to change or cancel the transaction **after** you ask for the purchaser's ID and tell the purchaser that a report or record of the sale must be made;
9. the money order or bill payment purchase is unusually large for the customer;
10. the customer buys money orders or bill payment services more frequently than normal;
11. the money order or bill payment purchase is unusual for the customer;
12. two or more customers use similar IDs;
13. the customer comes into your store several times and buys money orders or bill payment services that fall just below the amounts that require making a record;
14. several people working together to break one large money order or bill payment purchase into two or more purchases.

**Again, you cannot inform money order or bill payment purchasers of your intention to file, or that you have filed a SAR.** If the money order or bill payment purchase is suspicious, you must file a SAR even if you complete and file a CTR or make a record of the sale.

### **Making a Record of Money Order or Bill Payment Purchases**

If you sell between **\$3,000.00 and \$10,000.00** (including fees) in money orders or bill payment services to one person, you must make a record of that purchase. Please use the MEMO Money Order Transaction Report or MEMO Bill Payment Transaction Report. When you sell money orders worth \$3,000 and \$10,000 (including fees) you must get the following from the purchaser:

1. name, address, and date of birth
2. social security (or alien identification) number and occupation
3. purchaser identification type and number
4. put the date of purchase on the form
5. put what was purchased on the form (i.e. money orders, bill payment)
6. list the money order numbers on the form
7. the total amount of money orders purchased
8. the amount of each money order purchased

**Before selling the money orders or paying the customer's bill(s)**, you must **verify the purchaser's name and address** by looking at any picture ID or other ID that a bank accepts to cash a check, such as:

1. a driver's license;
2. state issued identification card;
3. passport;
4. alien identification card;
5. other official document with a picture showing nationality and home address.

You must treat the purchase of different types of MSB products totaling \$3,000.00 or more as a single purchase. Also, you must treat several purchases during one-business day totaling \$3,000.00 or more as a single transaction when you know the money orders or bill payment services are being bought by or for the same person. Businesses selling money orders or bill payment services must keep a record of money order or bill payment sales between \$3,000.00 and \$10,000.00 for five (5) years.

#### Currency Transaction Reports

You must file a **Currency Transaction Report (CTR)** when you sell money orders or bill payment services for an amount **over \$10,000.00** to one person during any one-business day. You must file the CTR using the BSA E-Filing System at <http://bsaefiling.fincen.treas.gov/main.html> within 15 calendar days of the purchase and you must keep a copy of the CTR for five (5) years.

**Before selling money orders or bill payment services for an amount over \$10,000**, you must **verify and record the identity of the customer**. When you sell money orders or bill payment services worth more than \$10,000 (including fees) you must get the purchaser's:

1. name and address;
2. the identification the purchaser used to complete the transaction;
3. a. the social security, or taxpayer identification number of the purchaser;  
**or**  
b. social security, or taxpayer identification number of any person or entity on whose behalf the transaction is being conducted (if applicable).
4. job – occupation;
5. date of birth;

**Before selling the money orders or paying the customer's bill(s), you must verify the purchaser's name and address** by looking at any current picture ID or other ID that a bank accepts to cash a check, such as:

- a. a driver's license;
- b. state issued identification card;
- c. passport;
- d. alien identification card;
- e. other official document with a picture showing nationality and home address.

If you know a person is buying money orders or bill payment services several times a day and the total amount sold is more than \$10,000 during one (1) business day, you must complete and file a CTR.

### Structuring

“Structuring” is when someone acting alone or with another person, makes several separate purchases of money orders or bill payment services to avoid completing a CTR or making a record of the purchase. “Structuring” can occur in a single day or over several days.

### **AGENT'S AND THEIR EMPLOYEES CANNOT**

1. Help someone “structure” or attempt to “structure” a money order or bill payment service purchase.
2. Tell or imply to a person that buying smaller amounts of money orders or bill payments over several purchases will allow the buyer to avoid making a record of the purchase or the completion of a CTR.

### Customer Privacy

When making a record of money order or bill payment sales or completing a CTR, you will collect personal and private information about the money order purchaser. You must adopt privacy policies that that complies with section 501 of the Gramm-Leach-Bliley Act and protects that information from misuse, theft, or abuse.

## Appointment of a Compliance Officer

You are required to have a Compliance Officer whose job is to make sure your business complies with all anti-money laundering and terrorist financing laws. You do not need to hire a person to be the Compliance Officer, someone working for your business now can be the Compliance Officer. The Compliance Officer's duties include:

1. Making sure the business complies with federal and state anti-money laundering and terrorist financing laws; and
2. Training employees that sell money orders about the Bank Secrecy Act and USA PATRIOT Act requirements.

## Anti-Money Laundering Training Program

You must train every employee that sells money orders or bill payment services about the Bank Secrecy Act and USA PATRIOT Act requirements. You should train your employees on:

1. What is structuring;
2. What is considered suspicious activity;
3. How and when to complete a SAR-MSB; this is for money order or bill payment sales that are both **suspicious and in an amount of \$2000 or more** this report must be **filed using the BSA E-Filing System at <http://bsaefiling.fincen.treas.gov/main.html> within 30 days**
4. How and when to complete a CTR; this is for money order or bill payment sales or sales to the same person that total **more than \$10,000**, this report must be **filed using the BSA E-Filing System at <http://bsaefiling.fincen.treas.gov/main.html> within 15 days.**
5. How and when to make a record of money order or bill payment sales; this is for a **sale of money orders or bill payment services between \$3000 and \$10,000**. We suggest you use the **MEMO Money Order Transaction Report or the MEMO Bill Payment Transaction Report** to log these transactions.

## Independent Audit Function

You must have an examination of your Anti-Money Laundering Program to make sure it meets all the requirements of all federal and state laws and regulations. The person who is the Compliance Officer for the business cannot perform the examination of the anti-money laundering program.

## **OFFICE OF FOREIGN ASSET CONTROL (OFAC)**

You are not allowed to sell money orders or bill payment services to anyone who appears on OFAC's Specially Designated Nationals and Blocked Persons ("SDN list"). Some countries and groups appearing on the SDN List include Cuba, North Korea, Libya, Iraq, Iran, Syria, Sudan and the Taliban.

### Responding to Law Enforcement Requests

You must appoint a person who will speak for the business when FinCEN requests information – usually the Compliance Officer. You need written policies about:

1. searching records for the preceding six (6) months;
2. how long you will take to respond to law enforcement requests;
3. Creating reports in response to law enforcement requests;
4. Obtaining answers to questions regarding the scope of law enforcement's request;
5. Keeping law enforcement requests private or confidential.



## Bank Secrecy Act - USA Patriot Act Compliance

### Federal Laws Regulating Money Service Businesses

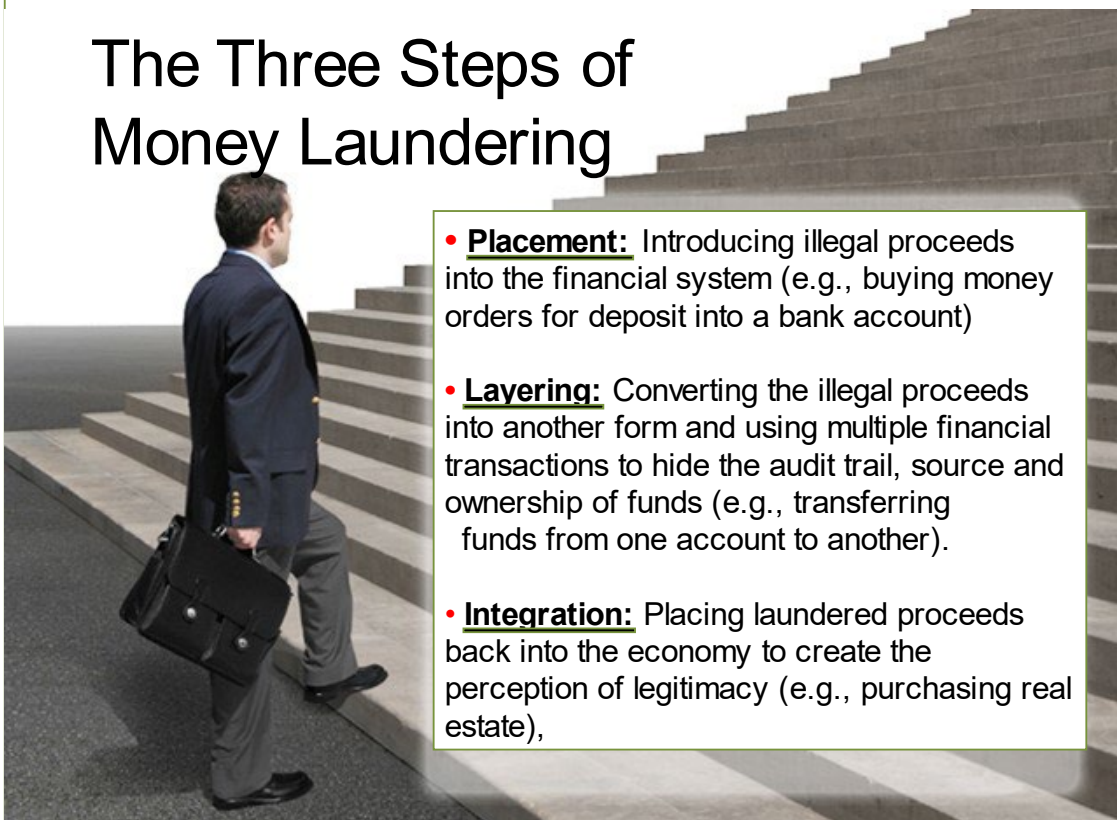
- Bank Secrecy Act (1970)
  - Establishes recording of high dollar transactions & the reporting of suspicious activity
- USA Patriot Act (2001)
  - Strengthens compliance standards and penalties for structuring
  - Makes reporting suspicious activity and transactions over \$10,000.00 mandatory (title III)
- Gramm-Leach-Bliley Act (1999)
  - Requires written policy and safeguards to protect consumer nonpublic personal information

# What is Money Laundering?

- Money laundering is a process intended to:
  - Hide the existence, illegal source, or use of income from criminal activity; and
  - The disguising of the source of that income to make it appear legitimate.

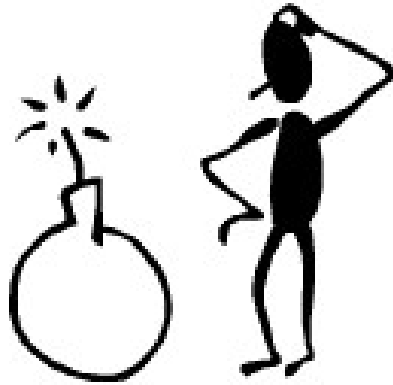


## The Three Steps of Money Laundering



- **Placement**: Introducing illegal proceeds into the financial system (e.g., buying money orders for deposit into a bank account)
- **Layering**: Converting the illegal proceeds into another form and using multiple financial transactions to hide the audit trail, source and ownership of funds (e.g., transferring funds from one account to another).
- **Integration**: Placing laundered proceeds back into the economy to create the perception of legitimacy (e.g., purchasing real estate),

## How do I comply with the Bank Secrecy and USA PATRIOT Acts?



## Am I an MSB?

You are an money services business (MSB) if you are doing business in one or more of the following capacities, and perform these services in an amount greater than \$1,000 per day to any one person on any day in one or more transactions:

- **Issuer, Seller or Redeemer of Money Orders;**
- **Issuer, Seller or Redeemer of Traveler's Checks;**
- **Check Casher;**
- **Currency Dealer or Exchanger; or**
- **Issuer, Seller, or Redeemer of Stored Value (prepaid cards).**

## Money Services Business Registration

If you provide money transfer services in any amount, you are an MSB and subject to the anti-money laundering requirements.

Every MSB must register with the Department of the Treasury.

If you are an MSB only because you are an agent of an MSB, you do not need to register.

## Money Services Business Registration

- Must be completed and signed by the controlling person or owner of business
- Must be renewed every 2 years
- Copy of registration and supporting documents must be maintained for 5 years

# Agent List

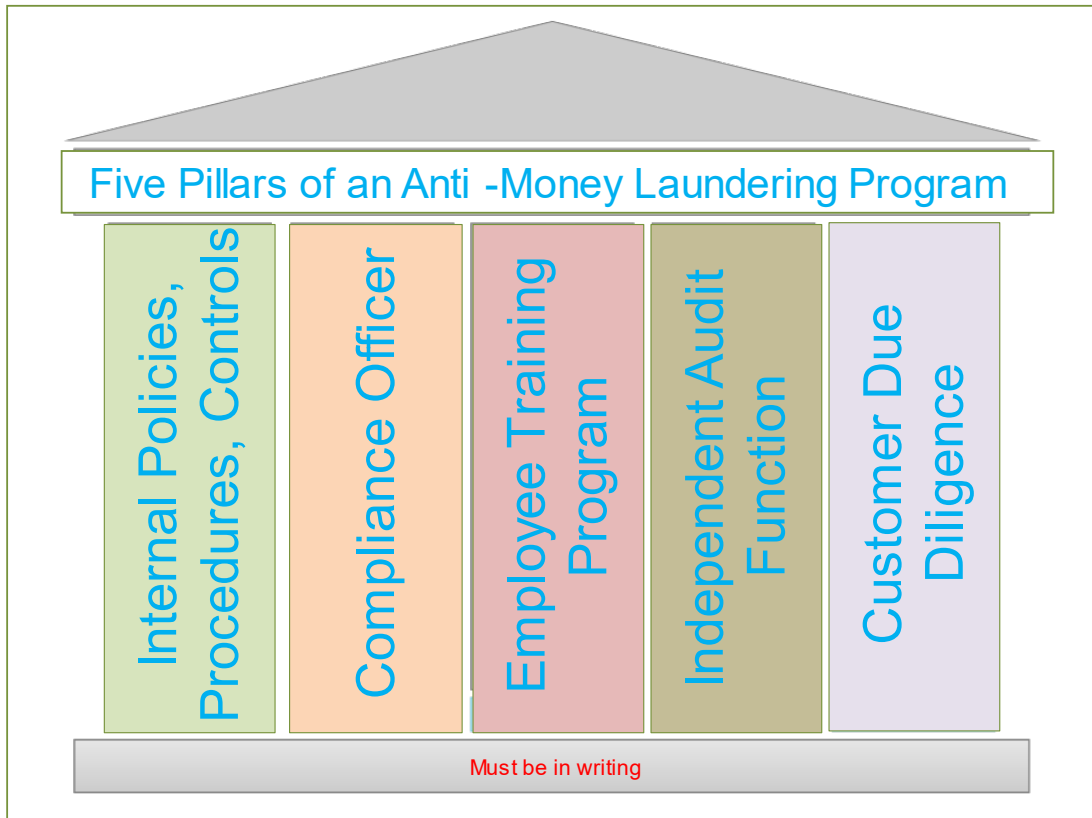
Every registered money services business must maintain a list of its' agents



# Agent List

- Upon request, the list(s) must be made available to the Financial Crimes Enforcement Network, its' designee or the Internal Revenue Service.
- The list must be revised annually and contain agent information for the previous year.
- A copy of the agent list must be kept for 5 years.





## Internal Policies, Procedures and Controls

- Know Your Employee Program
  - Work history, background, criminal history, and reference checks.
  - Drug testing, if permissible.
  - Monitor employee activity while at work.
  - Recognize changes in employee behavior.



## Internal Policies, Procedures and Controls

- Most helpful for long term employees familiar with repeat customers.
- Look for changes in the customer's money order purchasing habits.
- Verify ID for purchases of \$3,000 or more.
- Does the money order serve an apparent lawful purpose?
- Can the customer's source of funds be determined?
- What is the location of the selling store?



## Internal Policies, Procedures and Controls

- Filing reports with FinCEN and maintaining records of suspicious and high dollar transactions.
  - Suspicious Activity Reports (SARs)
  - Money Order Transaction Report
  - Currency Transaction Reports (CTRs)



## Suspicious Activity Reporting

- Suspicious activity by a **customer** and/ or **employee** must be reported to the federal government.
- Reports are made by using the BSA E-Filing System at <http://bsaefiling.fincen.treas.gov/main.html>

## Suspicious Activity Reporting

Intentional failure to file a SAR -MSB  
can constitute a criminal act.



“Willful Blindness” is defined as the deliberate avoidance of the facts. Any business location that ignores obvious signs of suspicious activity may be held responsible for failing to report that suspicious activity.”

# Suspicious Activity Reporting

- Requirements for filing a SAR-MSB:
  - One or more transactions of \$2,000 or more; and
  - You know or believe the transactions conducted or attempted are suspicious.



# Suspicious Activity Reporting

Using the Customer Awareness Program the following conduct may be suspicious:

- Customer is using money from an illegal activity;
- The money order purchase is unusual for customer;
- There is no apparent lawful purpose;
- Customer is using false, expired or otherwise suspicious identification.



# Suspicious Activity Reporting

## STRUCTURING TRANSACTIONS:

1. Involves two or more people acting together to split up a large transaction to avoid providing recordkeeping information (e.g., ID); **or**



2. One person making purchases at different times, over one or more days to avoid providing recordkeeping information (e.g., ID) .



## SUSPICIOUS ACTIVITY REPORTING

- Must be filed within 30 days of detecting suspicious activity.
- A copy must be kept for 5 years along with supporting documentation (i.e. store reporting copy of money order if applicable).

Use secure e-filing system

<http://bsaefiling.fincen.treas.gov>

Registration is required to use this system

## Recordkeeping Requirements

- No business location may sell or redeem money orders in currency amounts of \$3,000 to \$10,000 unless it maintains a record of the transaction.
- No business location may conduct a bill payment transaction in currency amounts of \$3,000 to \$10,000 unless it maintains a record of the transaction.
- No business location may sell prepaid cards in currency amounts of \$3,000 to \$10,000 (in one or more transactions) unless it maintains a record of the transaction(s).
- Purchaser must present a valid Photo ID (e.g., Drivers license, state ID, Alien ID, Passport) before the transaction is completed.
- A record of a transaction must be made if a person purchases multiple money service business products or services (money orders and/or bill payments and/or prepaid cards) that total \$3,000 to \$10,000.

### For transactions of \$3,000 or more, you must record the following:

- Purchaser's name, address, and date of birth;
- Purchaser's social security number and occupation;
- Purchaser's identification type and number;
- Purchase Date;
- The type(s) of instruments purchased, such as money orders, and the serial numbers of instruments purchased;
- The amount in dollars of each of the money orders purchased.

## Money Order Transactions

### \$3,000 - \$10,000

[illegible]

MEMO Money Order Transaction Report can be used to record money order transaction information.

A copy must be faxed to the  
MEMO Compliance Department  
and kept for 5 years.

You can order more copies by  
calling MEMO customer service

1-800-922-8079

## Bill Payment Transactions

<b>MEMPHIS INVESTMENT SERVICES, INC.</b> <b>MEMPHIS FINANCIAL SERVICES, INC.</b> <b>MEMPHIS INVESTMENT SERVICES, INC.</b>		
<b>BILL PAYMENT TRANSACTION REPORT</b> <i>Trade Company (if Not Your And Not Self-Employed)</i> <i>For One Month Payment Period Ending 12/01/01 to 12/01/01</i>		
<b>CUSTOMER INFORMATION</b>		
Name	CUSTOMER NAME (if TYPE, BILLING AND NUMBER)	
Address	BILLING ADDRESS (if TYPE, BILLING AND NUMBER)	
City/State/Zip	Customer (TYPE IF N/A), Payment (TYPE IF N/A), Billing (TYPE IF N/A)	
Phone	Customer (TYPE IF N/A), Payment (TYPE IF N/A), Billing (TYPE IF N/A)	
Alt. Phone	N/A (If None)	
<b>ACCOUNT INFORMATION (if different from above)</b>		
Name	ACCOUNT NUMBER (if TYPE, BILLING AND NUMBER)	
Address	Billing Address (TYPE IF N/A), Payment Address (TYPE IF N/A), Billing Address (TYPE IF N/A)	
City/State/Zip	Customer (TYPE IF N/A), Payment (TYPE IF N/A), Billing (TYPE IF N/A)	
Phone	Customer (TYPE IF N/A), Payment (TYPE IF N/A), Billing (TYPE IF N/A)	
Alt. Phone	N/A (If None)	
<b>BILL PAYMENT INFORMATION</b>		
Name of Biller	Account Number (if bill)	Account Paid
		\$
		\$
		\$
		\$
TOTAL DEDUCTIONS:      0.00      0.00      0.00		
<b>AGENCY INFORMATION</b>		
Agency Name	AGENCY ADDRESS	
City/State/Zip	AGENCY PHONE	
FAX A COPY OF THIS REPORT FROM MEMPHIS FINANCIAL SERVICES, INC. AT 707 224-0446. FEDERAL LAW PROHIBITS THE DISCLOSURE OF THIS INFORMATION TO ANY OTHER PARTY.		
© 1999 MEMPHIS FINANCIAL SERVICES, INC. <a href="http://www.memserv.com">www.memserv.com</a>		

MEMO Bill Payment Transaction Report can be used to record bill payment transaction information.

A copy must be faxed to the  
MEMO Compliance Department  
and kept for 5 years.

You can order more copies by  
calling MEMO customer service  
at:

1-800-922-8079

## Transactions over \$10,000

### Currency Transaction Report (CTR)

- You must file a CTR, for a cash sale of money orders and/or other money services over \$10,000 during any one-business day (calendar day).
- Purchaser must present a valid Photo ID (e.g., Drivers license, state ID, Alien ID, Passport) before the transaction is completed.



## Transactions over \$10,000

### Currency Transaction Report (CTR)

- You must file a CTR, for a cash sale of money orders and/or other money services over \$10,000 during any one-business day (calendar day).
- Purchaser must present a valid Photo ID (e.g., Drivers license, state ID, Alien ID, Passport) before the transaction is completed.



# Transactions over \$10,000

## Currency Transaction Report (CTR)

- Must be filed with FinCEN within 15 calendar days.
- A copy must be kept for 5 years along with any supporting documentation ( i.e. copy of drivers' license)

Use secure e-filing system

<http://bsafiling.fincen.treas.gov>

Registration is required to use this system

## Compliance Officer

- All MSBs must appoint a Compliance Officer.
- The Compliance Officer does not have to be a separate position.



# Compliance Officer

- Duties of the Compliance Officer include:
  - Ensuring compliance with federal and state anti-money laundering and terrorist financing laws; and
  - Training and educating those employees that sell money orders.



# Training Program

- All MSBs and their agents are required to provide anti-money laundering training to every employee that sells money orders.
- Training should include:
  - Completing all required reports;
  - Recognizing structuring;
  - Recognizing suspicious activity.



## Audit Function

- Federal law requires MSBs and their agents to audit their Anti - Money Laundering Programs.
- The Compliance Officer may not perform the audit of the Anti -Money Laundering Program.



## Customer Due Diligence

- Some MSB's must conduct background checks on individuals.
  - MEMO must conduct background checks on agent owners.
- Agents need a Know Your Customer program.
  - Look for changes in the customer's money order purchasing habits.
  - Verify ID for purchases of \$3,000 or more.
  - Does the money order serve an apparent lawful purpose?
  - Can the customer's source of funds be determined?

## Office of Foreign Assets Control (OFAC)

- OFAC administers and enforces economic and trade sanctions based on US foreign policy and national security goals. Transactions with those sanctioned are prohibited.
- OFAC targets foreign countries, terrorists, international narcotics traffickers, and those engaged in activities related to the proliferation of weapons of mass destruction.
- OFAC maintains a list of Specially Designated Nationals and Blocked entities (SDN list). This list identifies individuals and entities that have OFAC restrictions against them. A search of this list is available at:

<https://www.memoco.com/agentsonly/links/>

## OFAC

The range of regulations and business restrictions vary based on the particular OFAC economic sanctions program. Further information can be obtained from the OFAC web site at:

[www.ustreas.gov/ofac](http://www.ustreas.gov/ofac)

# MEMO Compliance

- The compliance department adheres to the following federal guidelines:
  - Registering as an MSB every 2 years.
  - Keeps all records for 5 years—including copies of SAR supporting documents (cleared money orders).
  - Annual updates to the agent list.
  - Reporting suspicious transactions of cleared money orders of \$5,000 or more.
  - Electronically filing SARs (MEMO does NOT file CTRs).



## Resources Available

MEMO Website: [www.memoco.com](http://www.memoco.com)

IRS Website: [www.irs.gov](http://www.irs.gov)

MSB Website:

[http://www.fincen.gov/financial\\_institutions/msb](http://www.fincen.gov/financial_institutions/msb)

BSA E-Filing System:

<http://bsaefiling.fincen.treas.gov/main.html>

**MEMO FINANCIAL SERVICES, INC., AND SUBSIDIARIES'**  
**ANTI-MONEY LAUNDERING AGENT TRAINING TEST**

**Agent Name and Number:** \_\_\_\_\_

**Name of Person Trained** \_\_\_\_\_ **Date** \_\_\_\_\_

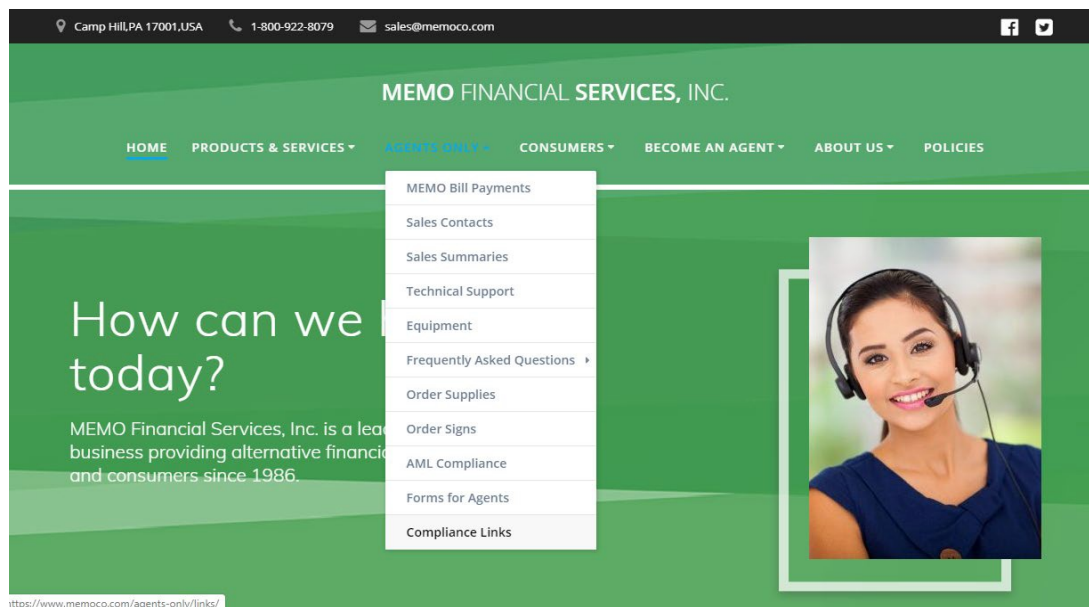
1. At what dollar amount must you file a Suspicious Activity Report on a money order sale?
  - a. \$2,000
  - b. \$3,000 to \$10,000
  - c. over \$10,000
2. At what dollar amount must you make a record of a money order sale?
  - a. \$2,000
  - b. \$3,000 to \$10,000
  - c. over \$10,000
3. At what dollar amount must you file a Currency Transaction Report on a money order sale?
  - a. \$2,000
  - b. \$3,000 to \$10,000
  - c. over \$10,000
4. How soon after becoming suspicious of a money order purchase must you file a Suspicious Activity Report?
  - a. 5 days
  - b. 15 days
  - c. 30 days
5. How soon after selling over \$10,000 must you file a Currency Transaction Report?
  - a. 5 days
  - b. 15 days
  - c. 30 days
6. Which of the following is considered suspicious?
  - a. A person buys \$1,000 in money orders to pay for rent.
  - b. A person buys \$2,500 in money order to buy a car at an auto auction.
  - c. A person buys \$3,500 in money orders using a fake or false identification (ID).
7. Which of the following information must you collect from someone who buys \$3,000 or more in money orders?
  - a. credit card number
  - b. bank account number
  - c. social security number or alien identification number.
8. Every money service business must have a compliance officer?  
True \_\_\_\_\_ False \_\_\_\_\_
9. Every money service business must have a written anti-money laundering policy?  
True \_\_\_\_\_ False \_\_\_\_\_
10. Every money service business must train their employees about preventing money laundering?  
True \_\_\_\_\_ False \_\_\_\_\_

## **AGENT OFFICE OF FOREIGN ASSET CONTROL (OFAC) INSTRUCTIONS**

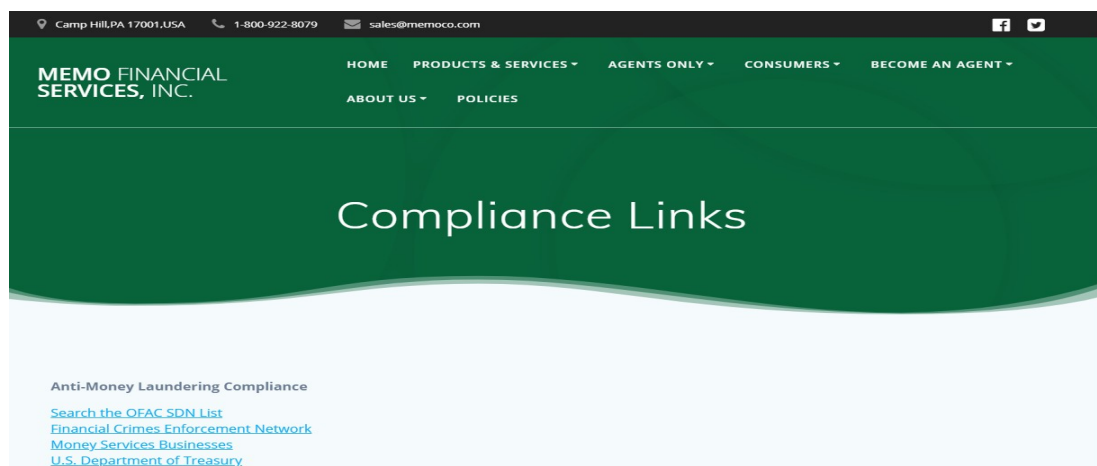
OFAC regulations require businesses to identify and freeze the assets of oppressive governments, terrorists, narcotic traffickers and other specially designated persons. OFAC prohibits U.S. persons from engaging in trade or financial transactions with countries and Specially Designated Nationals and Blocked Persons (“SDN List”).

In order to facilitate agent compliance, a link to the search option for the OFAC-SDN List has been provided at [www.memoco.com](http://www.memoco.com).

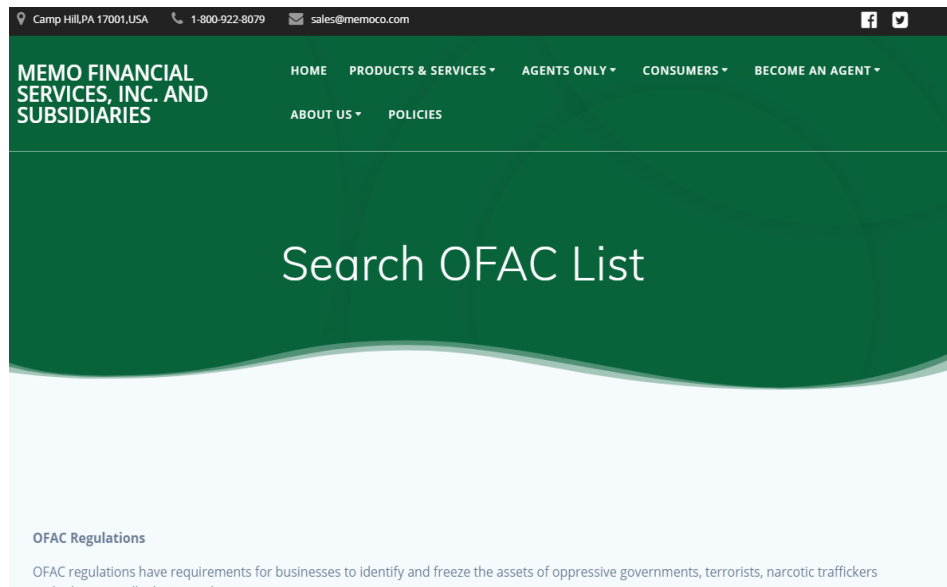
To find the search page, choose the “Agents Only” menu, then “Compliance Links”.



By clicking on this option, a new page will be displayed.



Select “Search the OFAC SDN List”. This will display the following page to select the link to access the OFAC SDN List.



Scroll down to Select “Search the OFAC SDN List”. This will direct you to OFAC’s SDN Search application on the US Department of the Treasury website.

An agent can either directly contact OFAC (1-800-540-6322) or MEMO’s Compliance Department (1-800-922-8079) for assistance determining if the money order purchaser is the same individual appearing on the SDN list.

If a separate OFAC-SDN List is needed, both text and PDF formats are available, for download, at the United States Department of Treasury web site:

<http://www.treas.gov/offices/enforcement/ofac/sdn>. If a paper copy is needed, contact the MEMO Compliance Department (1-800-922-8079).



**MEMO Financial Services, Inc.  
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