Agent Compliance Manual

Anti-Money Laundering
Compliance Guide & Forms

USA PATRIOT Act

Prevention of Terrorism
Financing

Reporting Requirements

RecordKeeping

FinCEN Resources

Certification Forms

Employee Training

MoneyGram International
Why you need to read this Manual and create an anti-money laundering compliance program as outlined in these materials:

- It is the law
- You could lose your business
- You could go to jail for up to 10 years
- You could personally be fined as much as $500,000
- Your business could be victimized by criminals
- Banks may not do business with you and close your bank accounts

What you need to do:

- Establish a written anti-money laundering compliance program
  - Use the materials in this book, which are also available at www.moneygram.com
  - Use the Money Services Business materials available from the federal government at www.msb.gov
  - Call 1-800-328-5678 extension 3385 for help on money orders
  - Call 1-800-642-8050 extension 4899 for help on money transfers
- Designate, in writing, a Compliance Officer for your business
- Train your employees, at least annually, on anti-money laundering compliance
- Report “suspicious activity” to the federal government
- Maintain the records you are required by law to keep
- Have an independent review performed at least annually

Protect yourself!!!
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SHARE THIS MANUAL WITH YOUR EMPLOYEES

As this Manual has made clear, it is extremely important that you and your employees thoroughly understand the requirements of anti-money laundering regulations. We have provided this Manual to you to help in this important task. Make sure that all of your employees read and understand this Manual.

You may obtain additional copies of this Manual from the MoneyGram website, www.moneygram.com or by calling the Compliance Department at 1-800-328-5678 Ext. 3385.

The penalties for non-compliance are severe. Ignorance or confusion about the regulations and laws is not a defense.

This Manual contains legal information, but is not intended to be legal advice. For legal advice, including the interpretation and application of any law, you should consult an attorney.

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Adoption of Compliance Program

By completing the Certification on this page, this entity is formally adopting the materials in this manual as a part of its USA PATRIOT Act required Compliance Program.

This entity should supplement its Compliance Program with the specific procedures of the business, as well as with additional information provided by regulators, licensed Money Services Businesses (MSBs), or other qualified professionals, such as its attorney or accountant.

The adoption of this program is just one step this entity will take to ensure that it maintains an effective Anti-Money Laundering Compliance and Terrorism Financing Prevention Program. Other measures this entity will take include employee training on this program, the designation of a Compliance Officer, and an independent review of the quality of this program.

Certification of Adoption of Compliance Program

I, ________________________________, (name) on behalf of ________________________________, (name of business) certify that this entity has adopted an anti-money laundering compliance program, which includes the policies and procedures contained in the MoneyGram Anti-Money Laundering Compliance Manual. Furthermore, this entity will comply with all of the reporting and recordkeeping requirements imposed by the Bank Secrecy Act, the USA PATRIOT Act and any other applicable anti-money laundering laws or regulations.

Date: ________________________________
Name: ________________________________
Title: ________________________________
Company: ________________________________
Designation of a Compliance Officer

This entity agrees to formally designate a competent individual to serve as its Compliance Officer. The designated individual may be an employee of this entity, but should be in a position of responsibility in the entity's organization to ensure that he or she is able to implement an effective Anti-Money Laundering Compliance Program.

The Compliance Officer’s duties will include: ensuring proper compliance training of all staff involved in Money Services Business (MSB) activities; proper recordkeeping and reporting as mandated by the Bank Secrecy Act; updating the Compliance Program as necessary due to changes in laws or regulations; maintaining compliance with licensing laws and OFAC requirements; and ensuring adherence to any related compliance laws and regulations.

The Compliance Officer is also responsible for ensuring that a periodic review is conducted on the quality of the Compliance Program, but this review may not be conducted by the Compliance Officer. Instead, the review is to be conducted by a senior level employee or a qualified professional who understands the requirements of an effective compliance program.

Designation of Anti-Money Laundering Compliance Officer

____________________________________________ (name of person) is hereby designated as the Anti-Money Laundering Compliance Officer for ___________________________ (name of business). The Compliance Officer, as well as senior management, is responsible for ensuring the ongoing compliance of this entity with all state and federal anti-money laundering laws, and for ensuring that all employees are trained on anti-money laundering requirements before conducting any Money Services Business (MSB) activity.

Date: ____________________________________________
Name: ____________________________________________
Title: ____________________________________________
Company: ________________________________________
Employee Training

One of the key components of an effective compliance program is employee training. At a minimum, this training must include: how to identify suspicious activity and structured transactions; recordkeeping and reporting requirements; verifying customer identification and familiarity with anti-money laundering forms.

Before conducting any Money Services Business (MSB) transactions, employees should be required to review all of the information in this Manual and sign a copy of the Acknowledgment form that will be retained in their personnel file or the business’s anti-money laundering files.

Acknowledgment of Employee Training

I have read the materials in this Manual and have been trained and understand the Anti-Money Laundering Compliance Program requirements. In addition, prior to conducting any Money Services Business (MSB) transactions for this entity, I have been instructed on the Bank Secrecy Act reporting and recordkeeping requirements, including the reporting of suspicious activity on the SAR-MSB form.

Employee’s Name: ________________________________
Employee’s Signature: ______________________________
Date: ____________________________________________
Independent Review

Every Money Services Business (MSB) is required by the USA PATRIOT Act to conduct an independent review of its compliance program. A senior level employee of the MSB, or some other qualified party such as the MSB’s attorney or accountant, may conduct the review. However, the MSB’s designated Compliance Officer may not conduct the review.

If an employee of the MSB conducts the review, it should be an employee who is familiar with the MSB’s compliance program and the anti-money laundering requirements that apply to the MSB. The USA PATRIOT Act does not specify the frequency with which MSBs should conduct their review, but it should be conducted at least annually.

A checklist that can be used to perform the independent review of your business's anti-money laundering compliance program is provided in Chapter 3.

Certification of Independent Review

I have completed an independent review of the compliance program of ____________________________ (name of business).

Among other things, this review focused on the requirements of the USA PATRIOT Act and the Bank Secrecy Act. The results of my review are that I find this entity's anti-money laundering compliance program:

Acceptable ____________________________________________________

Acceptable, but recommend the following enhancements

________________________________________________________________
________________________________________________________________
________________________________________________________________

Unacceptable for the following reasons ________________________________

________________________________________________________________
________________________________________________________________
________________________________________________________________

Signature of person conducting the review ________________________________

Print Name ___________________________ Date ___________________________
Dear MoneyGram Agent:

The purpose of this Guide is to help you and your employees:

- Detect and prevent money laundering and terrorist financing;
- Comply with the Bank Secrecy Act’s (BSA) recordkeeping and reporting requirements;
- Comply with the USA PATRIOT Act;
- Identify suspicious activity; and,
- Comply with the requirements of the Office of Foreign Assets Control (OFAC) and other anti-money laundering regulations.

Your knowledge of the information in this Guide may help prevent your business from being victimized by money launderers and help you comply with the law. In addition, your compliance with these requirements may help law enforcement agents in their efforts to track down and capture terrorists who illegally launder money.

It is MoneyGram’s policy to follow the spirit, as well as the letter of the law. We do not want our money orders, money transfers, and other financial services to be used for illegal purposes. We will not do business with anyone who knowingly violates the law. Although we cannot take responsibility for you or your employees’ compliance with the anti-money laundering laws and regulations, we believe this Guide can help you develop your own effective anti-money laundering compliance program.

MoneyGram thanks you for your shared dedication to the fight against money laundering and terrorism.
Guide Contents

Money Services Businesses (MSBs) and their employees who conduct money order sales and money transfer transactions must comply with all anti-money laundering laws and regulations that apply to them.

Section I. Money Laundering Overview
Money laundering is the attempt to conceal or disguise the nature, location, source, ownership, or control of illegally obtained money. The government requires businesses like yours to file reports and maintain records.

Section II. USA PATRIOT Act
You must implement an anti-money laundering program based on the risks associated with your business, such as size, location, volume of business, etc.

Section III. Recordkeeping
You must record information regarding money order purchases and MoneyGram money transfer transactions of $3,000 or more.

Section IV. Currency Transaction Report (CTR)
You must file a CTR for any transaction greater than $10,000 in cash.

Section V. Structuring
Structuring is the illegal act of breaking up a larger transaction into smaller transactions in order to avoid the recordkeeping or reporting requirements.

Section VI. Suspicious Activity Reporting
Suspicious activity involves transactions that appear to be structured or do not have any legitimate purpose. You must file a Suspicious Activity Report by Money Services Business (SAR-MSB) on suspicious activity that involves at least $2,000.

Section VII. OFAC and Other Reports
The U.S. Treasury Department’s Office of Foreign Assets Control (OFAC) prohibits all U.S. entities from conducting business with targeted countries, drug cartels, terrorists and other specially identified individuals.

Section VIII. MSB Registration
All MSBs are required to register with the U.S. Treasury Department. However, most MoneyGram agents are covered by MoneyGram’s registration, so they do not have to register on their own. But, all check cashers must register, even if they are an agent of MoneyGram.

Section IX. Civil and Criminal Penalties
The government can impose severe penalties against individuals and businesses for violating money laundering laws and regulations. The criminal penalties for an individual can include as much as $500,000 in fines, up to 10 years of imprisonment, and the loss of your business.

This Guide is not legal advice. If you need legal advice, you should seek the services of an attorney.
Section I

Money Laundering Overview

Money laundering is the attempt to conceal or disguise the nature, location, source, ownership, or control of illegally obtained money.

This definition covers a wide range of activity. You need to understand how people launder money so that you can identify money laundering and know how to help prevent it.

To help prevent the laundering of cash and to obtain documentation that may be used to prosecute money launderers, the government requires businesses like yours to file specific reports and maintain records on certain cash transactions.

Who Is Covered?

Because you sell money orders and/or money transfers, you are subject to the Bank Secrecy Act (BSA), the USA PATRIOT Act, OFAC, other anti-money laundering laws, and to their reporting and recordkeeping obligations. The BSA requires anyone doing business in one or more of the capacities listed below to comply with these laws:

A. A money transmitter;
B. A seller of money orders, or stored value (other than a person who never sells such checks or money orders or stored value in an amount greater than $1,000, to any person, on any day, in one or more transactions);
C. A person engaged in the business of a check casher (other than a person who never cashes checks in an amount greater than $1,000, for any person, on any day, in one or more transactions).

All entities that are covered by the definitions above are known as “MSBs” which stands for Money Services Businesses.

Section II

USA PATRIOT Act  Anti-Money Laundering Compliance Program

The USA PATRIOT Act requires that all MSBs adopt a written anti-money laundering compliance program that is reasonably designed to ensure proper recordkeeping and reporting of certain transactions, and to prevent your business from being used to launder money. Your anti-money laundering compliance program must include, at a minimum, the following:

A. Internal policies, procedures and controls for:
   • Verifying customer identification
   • Filing reports
   • Creating and retaining records
   • Responding to law enforcement requests

B. The designation of a Compliance Officer who is responsible for assuring that:
   • Policies and procedures are followed
   • Procedures are updated as needed
   • Training and education are provided
   • Reports are properly filed
The information contained in this Guide will provide your business with the tools it needs to build an anti-money laundering compliance program that meets the requirements of the USA PATRIOT Act. However, the quality and effectiveness of the program depends on your commitment to it. The only opportunity to verify customer information and identify suspicious activity is at the point of sale. This can only be done with a knowledgeable, well-trained staff.

MoneyGram recommends the following steps in order to satisfy the requirements of the USA PATRIOT Act:

First, your business should formally adopt an anti-money laundering compliance program. This Guide can serve as the basis for that program. See Chapter 1 for a form that can be used to certify adoption of such a program.

Second, your business must designate a Compliance Officer. The Compliance Officer may be an employee who has other duties at your business, but it should be someone in a responsible position. The Compliance Officer is responsible for your business’s day-to-day compliance with the anti-money laundering laws and regulations, and for ensuring the compliance program is updated as needed. The Compliance Officer is also responsible for overseeing your business’s ongoing education and training program. When you designate a Compliance Officer, you should complete the Designation of Compliance Officer form shown in Chapter 1 and then retain it in your anti-money laundering compliance files.

Third, your business must establish an ongoing employee-training program for all employees who will have any involvement with MSB activities. The education and training should include instruction on the employees’ responsibilities under the program, as well as the detection of suspicious transactions. One good tool for training is this Guide. All employees should be required to read this Guide prior to conducting any MSB transactions. In addition, prior to conducting any MSB transactions, employees should sign a copy of the form in Chapter 1 that is then kept in their personnel file. Employees should also receive periodic updates to their training, particularly when there are changes in regulations.

Fourth, your business must subject its anti-money laundering program to an independent review to assure its adequacy. The regulations state that the scope and frequency of this review should be “commensurate with the risk of the financial services provided by the money services business.” Such a review should be conducted periodically based on the risks faced by the MSB. The review may be conducted by an officer or employee of your business, but it cannot be conducted by the person who is designated as the Compliance Officer. A form is shown in Chapter 1 that can be used to help your business comply with this requirement.

Finally, it is important that you create recordkeeping files for your anti-money laundering program. These files can then be readily accessed if your business is examined/audited by state or federal regulators. In addition to files containing the information described above, you should have files that are clearly labeled and contain the following:
1. A copy of this Manual in a file labeled “AML Program” (Anti-Money Laundering Compliance Program) along with any other compliance guides you may receive from other vendors, trade associations, accountants, lawyers, etc. The content in these materials can serve as a guideline for your program. However, you must create a program that includes your business’s internal procedures.

2. A file labeled “Patriot Act” for your completed Adoption of Compliance Program, Designation of Compliance Officer, Employee Training and Independent Review forms. You should also keep your completed MSB Registration form or a document that explains why your business was not required to register.

3. Multiple blank copies of the SAR-MSB and CTR forms in a file labeled “SAR-MSB/CTR.” This is also where you should maintain copies of any completed SAR-MSBs and CTRs that you file with the government, along with any supporting materials.

4. A file labeled “Recordkeeping” for money order Logs and MoneyGram Send and Receive forms or Form Free receipts for transactions of $3,000 or more.

5. In addition to these basic files, you may also want to add a file labeled “Government Communications” containing any updated information you receive from regulators or law enforcement agencies regarding money laundering or terrorism. This file should also contain any OFAC reports you may submit, and any materials you receive regarding OFAC or Executive Orders.

Section III
Recordkeeping

Recordkeeping for Money Orders:

If a customer purchases money orders, checks or other monetary instruments, with cash in the amount of $3,000 to $10,000, certain information must be obtained and retained for five (5) years. The information must be recorded on a Monetary Instrument Log (Log). Only cash purchases are covered by this requirement – purchases by check or credit card are not, regardless of the amount. Likewise, if a customer makes multiple cash purchases throughout the same business day that total between $3,000 and $10,000, you must record the appropriate information on a Log.

Chapter 3 shows a copy of a completed Log and provides a blank Log for you to copy and use. You may obtain copies by calling 1-800-328-5678 extension 3385 or at www.moneygram.com.

Purchases of more than $10,000 require the filing of a Currency Transaction Report (CTR) which is explained later.

Verification of Money Order Purchaser’s Identity.

Before completing a transaction that requires a Log entry, you must verify the name and address of the individual buying the money orders by looking at a valid, government issued, identification document, such as a driver’s license, passport, or alien identification card that contains the purchaser’s name and address.

You must obtain all of the information required for the Log before you complete the transaction.
Recordkeeping Requirements For Money Transfers:

Both sending and receiving agents must obtain and record specific information for money transfers of $3,000 or more regardless of the method of payment.

Money Transfer “Sends” and “Receives”:

For money transfer “Sends” and/or “Receives” of $3,000 or more, you must obtain and record all of the information requested on both the front and back of the Send/Receive form. Form Free agents must obtain a signature on the Form Free receipt. By completing the front and back of the Send and Receive forms, or having the Form Free receipt signed, you will have all of the information that you are required to obtain and retain for five (5) years on money transfers of $3,000 or more.

If you know that the person is sending on behalf of someone else, then you must also obtain the similar information on that other person. Examples might be an employee of a business conducting the transaction for the business, or a relative of an elderly or disabled person conducting the transaction for that person.

MoneyGram’s Identification Requirements:

1. Before completing any “Send” money transfer of $900 or more you must verify the customer’s identity by examining a document that contains the person’s name, address and preferably photograph, such as a driver’s license, passport, alien identification card or other government issued documents verifying nationality or residence.

2. MoneyGram requires the same verification procedure for all “Receives” regardless of the amount. However, test questions are permitted for money transfers up to $900, if the recipient does not have acceptable photo identification. Identification details, or the answer to the test question, must be recorded for all “Receive” amounts.

Section IV

Currency Transaction Reporting Requirements

A Currency Transaction Report (CTR) must be filed with the federal government for any cash transaction of $10,000 or more, conducted in one day, by any person, or on behalf of another person. You must treat multiple cash purchases of money orders or money transfers as a single transaction if you have knowledge that they are by or on behalf of the same person and total over $10,000, during one business day. This $10,000 amount includes both the face amount of the transaction and any fees paid by the customer. You must file the CTR report with the Internal Revenue Service (IRS) on a Currency Transaction Report - Form 104.

Chapter 3 shows a copy of a completed CTR. You may get additional blank copies at www.moneygram.com or by calling 1-800-328-5678 extension 3385.

Identification Requirements for CTRs.

Before conducting any transaction that requires a CTR, you must verify your customer’s name and address in the following manner:

For U.S. citizens and residents, you must see a document that banks normally accept when cashing checks for non-customers, such as a driver’s license, passport, or a state issued identification card. For non-resident aliens, you must see a passport, alien identification card, or other official document that shows nationality and home address. In all situations, you should only accept valid, current identification that contains a photograph of the customer.
The regulations require that you record your customer’s name, address and Social Security Number (or Taxpayer Identification Number or other identifying number) on the CTR. The CTR form also asks for occupation, date of birth, and other information.

If two or more people are conducting the transaction, or if the transaction is being conducted on behalf of someone else, you must obtain similar information for all parties. Examples might be an employee of a business conducting the transaction for the business or a relative of an elderly or disabled person conducting the transaction for that person.

You must obtain all of this information **before you complete the transaction**.

**Identification for Elderly or Disabled Persons.**

Elderly or disabled persons may not have identification documents, such as a driver’s license or state-issued identification card. In these cases, you may accept as appropriate identification a Social Security, Medicare, Medicaid or other insurance card presented along with another document that contains both the name and address of the individual (for example, an organization membership or voter registration card, utility or real estate tax bill). You must maintain a written list of the specific types of documents that you or your employees may accept from elderly or disabled people.

**Filing Requirements for CTRs.** You must prepare and file the CTR within 15 days of the transaction. The CTR form shows the address where it is to be filed. Do NOT send CTRs to MoneyGram.

**Recordkeeping of CTRs.** You must keep a copy of each CTR for at least five (5) years from the date of filing.

**Question: When do you have knowledge of multiple transactions conducted by or on behalf of the same person?**

- A. If you or your employee witness the multiple transactions;
- B. If someone tells you or an employee about the multiple transactions;
- C. If you or an employee know a customer is conducting a transaction for someone else for whom you or your employee know has already conducted another transaction.

**Question: Do you have to verify the information given by the customer?**

You must verify the identity of the customer by viewing an official document that contains the customer’s name, address and photograph. Official documents that may be used to verify the customer’s identity include a driver’s license, passport, national identification card (i.e., Cedula card), alien identification card or state-issued identification card. Although it is not necessary to verify other information obtained from the customer, if you believe the information provided is false, do not complete the transaction and file a Suspicious Activity Report for Money Services Business (SAR-MSB) if applicable.

**Examples of when a CTR must be filed:**

**Example 1:** A customer brings in $12,000 in cash to purchase a money transfer or multiple money orders. You must file a CTR.

**Example 2:** A customer brings in cash several times during the same day and purchases money transfers or money orders which add up to more than $10,000 (including fees). You must file a CTR.

**Example 3:** A customer brings in $11,000 in cash and requests an $8,000 money transfer and purchases money orders totaling $3,000. You must file a CTR.
Section V
Structuring

Many money launderers are familiar with the dollar thresholds that require recordkeeping and reporting. Therefore, in order to remain anonymous and avoid the detection of law enforcement officials, they will “structure” their transactions so that the recordkeeping or reporting requirements will not be triggered. Structuring is the act of breaking up a potentially large transaction into several smaller ones.

It is illegal for you or your customers to structure transactions in order to avoid the recordkeeping or reporting requirements. For example, if a customer buys $2,000 of money orders with cash in the morning and $2,000 of money orders with cash at the end of the day, they may be structuring their purchases in order to avoid the recordkeeping “Log”.

Likewise, it is illegal for you or your employees to assist anyone in structuring transactions in order to avoid recordkeeping or reporting requirements. For example, you may not tell or even imply to a customer that they can avoid providing information by conducting a smaller transaction. Some criminals may attempt to trick you or your employees into allowing them to structure transactions by splitting up transactions with several accomplices or by trying to “con” you with a hard luck story. You need to be on the lookout for structuring so that you can prevent it from occurring.

Question: Are all multiple transactions considered structuring?

No. For example, a customer sends two money transfers to separate receivers, one for $2,000 and another for $1,500. Each transfer is less than $3,000, but the total transaction exceeds $3,000. There was nothing suspicious about the transactions, and you learn that the customer is sending money to his children who are attending two different schools. You should record the appropriate information on the back of the Send form in order to fulfill the recordkeeping requirement and to show that there was no attempt to structure the transactions.

Section VI
Suspicious Activity Reporting

“Suspicious activity” is a difficult concept to define, because it can vary from one transaction to another based upon all of the circumstances surrounding the transaction or group of transactions. For example, transactions by one customer may be normal, because of your knowledge of that customer, while similar transactions, by another customer, may be suspicious. Many factors are involved in determining whether transactions are suspicious, including the amount, the location of your business, comments made by your customer, the customer’s behavior, etc. That is why it is important for you to read this Guide in order to help you detect suspicious activity and structured transactions.

The federal government requires you to file a Suspicious Activity Report by Money Services Business (SAR-MSB) for any transaction – or pattern of transactions - that is attempted or conducted with at least $2,000, that you know, suspect, or have reason to suspect:

1. Involves funds derived from illegal activity or is intended to hide funds derived from illegal activity;
2. Is structured to avoid recordkeeping or reporting requirements;
3. Has no business or apparent lawful purpose; or
4. Facilitates criminal activity.

You may file a SAR-MSB on suspicious activity below $2,000, but the regulations do not require it.

Chapter 3 shows a copy of a completed SAR-MSB. You may get additional blank copies at www.moneygram.com or by calling 1-800-328-5678 extension 3385.
Filing Requirements for SAR-MSBs.
You must file a SAR-MSB with the federal government within 30 days of detection of the suspicious event. Do NOT send SAR-MSBs to MoneyGram.

Recordkeeping of SAR-MSBs.
You must keep a copy of the report and all supporting documentation for at least five (5) years from the date of filing.

Federal law provides protection from civil liability for all reports of suspicious activity made to appropriate authorities.

At the time this manual was printed, the federal government proposed a revised SAR-MSB form. Until the new form is released, you should continued to use the existing SAR-MSB form to report suspicious activity. The new form should be available later in 2006. Please watch for the revised form and begin using it when it is released by the federal government.

Never Tell Your Customer That You Filed a SAR-MSB. It is illegal to tell your customer that you are filing a SAR-MSB. If MoneyGram believes that some of your customers may be misusing its money orders or money transfers, our compliance staff may contact you as part of an investigation. You must not tell your customer about such an inquiry.

Question: Should you file supporting documentation with the SAR-MSB?

No. You should retain all original supporting documentation or business records (including copies of instruments, receipts, photographs, surveillance audio or video tapes, etc.) with your copy of the SAR-MSB for five (5) years from the date of filing the SAR-MSB. All supporting documentation must be made available to appropriate authorities upon request. A SAR-MSB must be typed or legibly handwritten.

Examples of suspicious activity:

Example 1: A customer sends a $4,400 money transfer. The next day the customer sends $9,400 to the same person. The customer may be structuring his transactions in order to avoid the CTR reporting requirements. You should consider whether a SAR-MSB should be filed.

Example 2: A customer purchases money orders with cash just below $3,000 over the course of several days. The customer may be structuring his purchases and you should consider whether a SAR-MSB needs to be filed.

Example 3: You see Jim hand cash to Bill and Susan outside your store. Bill and Susan each give you cash and purchase money orders that total less than $10,000 for each of them, but total more than $10,000 together. This appears to be a structured transaction and may require the filing of a CTR and/or a SAR-MSB, and a Log.

Example 4: A customer comes in several times on the same day to pick up money transfers which add up to more than $10,000. You must file a CTR, if you paid out more than $10,000 in cash to the customer. You should also determine whether a SAR-MSB needs to be filed.

Example 5: Jim and Bill each pick up money transfers. Neither money transfer alone exceeds $10,000, but together they exceed $10,000 in cash. You give Jim and Bill cash in the amount of their separate money transfers. You then see Jim and Bill give the cash to Susan. These appear to be structured and suspicious transactions. If you conclude that structured transactions occurred, you must file a SAR-MSB. If you conclude that structured activity has not occurred, but you determine that Jim and Bill are acting on the behalf of Susan, you must file a CTR. If you are unable to fully complete the CTR, you must complete as much as possible and file the CTR.
Example 6: A customer picks up a money transfer from your location. After the customer has left, you discover that the customer also picked up money transfers at some of your other offices on the same day. The customer may be attempting to avoid the reporting requirements. You should consider whether structured or suspicious activity has occurred. If you conclude that structured or suspicious activity has occurred, you must file a SAR-MSB if the total of all the transactions are $2,000 or more. If the total amount of currency paid to the customer in all the transactions exceeds $10,000, you must also file a CTR.

Example 7: A customer says that he wants to send an $11,000 money transfer that he wants to pay for with cash. When you tell the customer that you will need to complete a CTR, he says he no longer wants to do the transaction, or asks how he can avoid having a CTR filed on the transaction. You must file a SAR-MSB on the transaction or attempted transaction.

NOTE: CTRs, SAR-MSBs, and other records and reports are only as good as the information you provide. Therefore, it is very important that the information you provide on such reports is accurate and complete. This is your responsibility. The government and law enforcement agencies depend on this information as they fight against money laundering and terrorism.

Section VII
OFAC and Other Reports

Office of Foreign Assets Control (OFAC)
The Office of Foreign Assets Control (OFAC) is part of the U.S. Department of the Treasury and is responsible for enforcing U.S. government sanctions programs against countries, organizations and individuals. Sanctions programs typically involve blocking assets to further national security. Many of the sanctioned individuals, commonly referred to as “SDNs,” are drug dealers and terrorists. All U.S. entities are prohibited from conducting any financial transactions with SDNs.

You can learn more about OFAC by visiting the Treasury Department’s website at www.ustreas.gov/offices/enforcement/ofac. The site also includes an extensive list of questions and answers to common questions regarding OFAC. A few of those are listed below.

Agent Responsibility
MoneyGram has computer programs that review all money transfer senders and receivers against the government watch lists. MoneyGram’s agents are responsible for coordinating and monitoring their own day-to-day compliance with OFAC and for providing appropriate training to their employees, but they may rely on MoneyGram to conduct the initial review of sender and receiver names. Agents must then follow MoneyGram’s instructions in order to prevent any unauthorized payout or refund.

What is an SDN?
As part of its enforcement efforts, OFAC publishes a list of individuals and companies owned or controlled by, or acting for or on behalf of, targeted countries. It also lists individuals, groups and entities such as terrorists and narcotics traffickers designated under programs that are not country-specific. Collectively, such individuals and companies are called “Specially Designated Nationals” or “SDNs.” Their assets are blocked and U.S. persons are generally prohibited from dealing with them.

How do I get a copy of this list?
The best way to get the list is from OFAC’s website. The list is provided in a number of different formats, including fixed field/delimited files that can be integrated into databases.

What do I do if I have a match to the SDN list?
If you have checked a name manually or by using software and find a match, you should do a little more research. Is it an exact name match, or very close? Is your customer located in the same general area as the SDN? If not, it may be a “false hit.” If there are many similarities, contact OFAC’s “hotline” at 1-800-540-6322 for verification. Unless a transaction involves an exact match, it is recommended that you contact OFAC Compliance before actually blocking assets.
How do I get the OFAC Starter Kit?
The Starter Kit is comprised of the SDN list, the brochure for the industry you represent (financial, travel/tourism, insurance, export/import or securities), and any articles that appear to be of interest based on your specific needs or interest. Those documents can be obtained from OFAC’s website or from OFAC’s fax-on-demand service at 1-202-622-0077.

Is there a dollar limit on which transactions are subject to OFAC regulations?
No. There is no minimum or maximum amount subject to the regulations.

OTHER REPORTING REQUIREMENTS

There are other reporting obligations that you may be subject to under the BSA, the USA PATRIOT Act and other state and federal anti-money laundering laws that may require the filing of additional reports with the government.

Section VIII
MSB Registration

If you engage in MSB activities on your own behalf - apart from serving as our agent - then you may be required to register with the U.S. Department of the Treasury, as an MSB. For example, a supermarket that serves as a money order agent but performs no other MSB services is not required to register. However, registration would be required if the supermarket, in addition to acting as an agent, also cashes checks in an amount greater than $1,000, for any person, on any day, in one (1) or more transactions.

The MSB registration must be filed on the form required by the Department of Treasury and sent to the address provided on the form.

The MSB must retain a copy of the registration form and confirmation letter for five (5) years.

Chapter 3 shows a copy of a completed Registration for Money Services Business form. You may get additional blank copies at www.moneygram.com or by calling 1-800-328-5678 extension 3385.

Section IX
Civil and Criminal Penalties

The government can impose harsh civil and criminal penalties against anyone who violates the BSA, USA PATRIOT Act, OFAC, or other anti-money laundering laws and regulations. Civil and criminal fines can quickly reach into the hundreds of thousands or even millions of dollars. Criminal violations can result in prison terms. The criminal penalty for violating a BSA requirement is a fine of up to $500,000 or a jail term of up to 10 years OR BOTH. In addition, the government can seize any property involved in criminal violations of these laws. This includes your business, your bank account, or any other assets the government can link to criminal violations.

Under certain circumstances, the government will hold businesses criminally liable for the acts of their employees. It is important that your employees are trained on anti-money laundering compliance. It is equally important that your business has a program to ensure that your employees are complying with the laws and regulations.

The government requires strict compliance with these laws and regulations. MoneyGram will also immediately cancel the contract of any agent who knowingly or negligently fails to comply with the laws and regulations.

Non-compliance with the law is not worth the risk.
Anti-Money Laundering EXPRESS GUIDE

Reporting

• Currency transactions greater than $10,000 (including consumer fees)
  Report on CTR – Form 104
  File within 15 days
  Follow instructions on form

• Suspicious activity, including structured transactions, of at least $2,000
  Report on SAR-MSB form
  File within 30 days
  Follow instructions on form

Recordkeeping

• Transactions of $3,000 or more

• Verify
  Customer’s name and address
  Use valid, government issued, photo ID (passport, driver’s license, etc.)

• Record
  Customer’s name and address
  Type of ID provided, ID #, and ID issuer
  Customer’s Social Security # or alien ID
  Customer’s date of birth
  Transaction date
  Serial # of money orders or MoneyGram reference #
  Amount of transaction
  Point of sale address
  In addition, for money transfers, record:
    Receiver’s/Sender’s name and occupation, and any other information provided about them
  If transaction is conducted on behalf of someone else, record similar information on that other person

• Record information on
  Log for money orders, or
  Send/Receive form or Form Free receipts for money transfers.
  Applies to any method of payment for money transfers - not just cash.

Maintain copies of all reports and records for 5 years
Anti-Money Laundering EXPRESS GUIDE

USA PATRIOT Act Requirements for MSBs

1) Adopt written anti-money laundering compliance program.
2) Designate Compliance Officer for their business.
3) Train employees on anti-money laundering compliance, including recordkeeping and reporting requirements, as well as identification of suspicious activity.
4) Conduct independent reviews of the anti-money laundering compliance program and make improvements as needed.

MSB Registration

• Register with U.S. Treasury on MSB Registration form.
• Many non-check casher agents are covered by MoneyGram’s registration and do not need to register on their own.
• See Registration form for details.

OFAC Sanctions

• U.S. businesses and individuals are prohibited from doing business with any country, entity or person listed on OFAC sanctions list.

For Further Information:

www.msb.gov
www.fincen.gov
www.treas.gov/ofac
www.moneygram.com

Treasury Department’s Financial Crimes Enforcement Network (FinCEN) “Hotline” at 1-800-949-2732

Money transfers at 1-800-926-9400 Ext. 4899
Money orders at 1-800-328-5678 Ext. 3385
Fraud Prevention EXPRESS GUIDE
For Money Transfers

You are financially responsible for any loss to your business due to fraud. Protect yourself!

✓ Protect your PIN
  o Change the PIN every time an employee leaves
  o Change the PIN periodically

✓ NEVER state your PIN or agent number in front of a customer. Do not post in customer view.

✓ NEVER provide your PIN unless you initiate the call to MoneyGram. Do not share any confidential information with anyone.

✓ NEVER send a ‘test’ or ‘training’ transaction.

✓ NEVER send a transaction without cash in hand and a customer in your location.

✓ If possible, upgrade to a MoneyGram automated process.

✓ Balance your account to detect losses immediately.

✓ Remove or restrict any call forwarding features from your business telephone.

✓ Share this information with your employees who handle MoneyGram transactions.

If you have any questions, contact MoneyGram Agent Services at 1-800-444-3010.
Fraud Prevention *EXPRESS GUIDE*
For Money Orders

You are financially responsible for any loss to your business due to fraud. Protect yourself!

When selling money orders:

✓ Collect cash from the customer for the money order purchase BEFORE you print and give the money order to the customer.

✓ Be sure that the cash you are collecting does not contain any counterfeit bills.

When cashing money orders:

✓ Have your customer endorse the money order exactly as the name appears on the front of the money order.

✓ Obtain the same identification as you would when cashing a check.

✓ Check the warning band at the top of the money order. Be sure the security features described are present in order to avoid cashing a counterfeit money order.

✓ Check the money order for alterations. Look closely at the dollar amount, date, payee, and purchaser information to make sure none of these have been changed.

✓ Check the money order for erasures or thin spots, discolorations, distortions or any damage to the money order.

✓ Call MoneyGram at 1-800-542-3590 to confirm the dollar amount and stop payment status of the money order.
Anti-Money Laundering Compliance
Forms and Samples

Federal law requires the completion of various forms for recordkeeping and reporting purposes. The completion of these forms is triggered by certain monetary thresholds, which may be reached in a single transaction or multiple transactions. For specific information on when the forms must be completed, as well as examples of situations that may require the completion of a form, see the materials in Chapter 2 of this manual.

Some of the forms are created by the federal government and some by MoneyGram, but all are required by federal law. Also, while some forms are to be sent to the federal government, copies of all completed forms must be kept in your files for at least five (5) years.

(Note: Some states may have monetary thresholds that are lower than what is required by federal law.)

<table>
<thead>
<tr>
<th>Threshold</th>
<th>Form Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>At Least $2,000</td>
<td>Suspicious Activity Report For Money Services Business (SAR-MSB). This report must be sent to the federal government within 30 days of becoming aware of the suspicious activity.</td>
</tr>
<tr>
<td>$3,000 Or more</td>
<td>Money Order Log or MoneyGram Money Transfer Send/Receive Form or Form Free Receipt. The required information must be recorded before the transaction is completed.</td>
</tr>
<tr>
<td>More than $10,000</td>
<td>Currency Transaction Report (CTR). This report must be sent to the federal government within 15 days of the transaction.</td>
</tr>
</tbody>
</table>
Suspicous Activity Report by
Money Services Business (SAR-MSB)

A SAR-MSB must be filed whenever any activity is attempted or occurs that involves at least $2,000 in any one or group of transactions... AND... it is suspected that the activity:

- Involves funds derived from illegal activity or is intended to hide funds derived from illegal activity;
- Is structured to avoid recordkeeping or reporting requirements; or
- Has no business or apparent lawful purpose; or
- Facilitates criminal activity.

The following list provides examples of suspicious activity that require the filing of a SAR-MSB.

1. A customer asks an employee how to avoid a reporting requirement.
2. A customer threatens or bribes an employee in order to avoid providing information.
3. A customer refuses to proceed with a transaction when asked for identification.
4. A customer refuses to provide all of the information required.
5. A customer (or group of customers working together) purchases money orders just below the recordkeeping or reporting thresholds with the apparent purpose of evading either of these requirements. This activity is known as structuring.
6. A customer (or group of customers working together) sends or receives money transfers in amounts just below the recordkeeping thresholds with the apparent purpose of evading either of these requirements. This activity is known as structuring.
7. A customer conducts transactions that are unusually large based on their past history, employment, or level of income.

Note: A SAR-MSB is a separate requirement from a CTR. Even if you have filed a CTR on a transaction or set of transactions you must also file a SAR-MSB, if you believe the activity is suspicious.

Additional examples of potentially suspicious activities involving MSB services can be found at www.fincen.gov/msb_prevention_guide.pdf.

Note: Original copy of the SAR-MSB must be filed within 30 days of becoming aware of the activity to:

IRS Detroit Computing Center
Attention: SAR-MSB
PO Box 33117
Detroit, MI 48232-5980
TD F 90-22.56
Treasury Form
October 2002

Suspicious Activity Report by
Money Services Business

Please type or print. Always complete entire report (see instructions).

OMB No. 1505-0015

1 Check the box if this report corrects a prior report. (See instructions, page 7)

2 Type of filer (check all financial services/products offered)
   a  ☐ Issuer of money order(s)
   b  ☐ Redeemer of money order(s)
   c  ☒ Seller of money order(s)
   d  ☐ Issuer of traveler’s check(s)
   e  ☐ Redeemer of traveler’s check(s)
   f  ☐ Seller of traveler’s check(s)
   g  ☒ Money transmitter
   h  ☐ U.S. Postal Service (see instructions)
   i  ☐ Other

Part I  Subject Information

3  ☐ Multiple subjects (See instructions, page 7)

4 Subject type (check only one box)
   a  ☒ Purchaser/Sender
   b  ☐ Payee/Receiver
   c  ☐ Both ("a" & "b")
   d  ☐ Other

5* Individual’s last name or Entity’s full name
   Joe

6* First name
   John

7* Middle initial

8* Address
   456 Side Street

9* City
   Anytown

10* State
   MN

11* Zip code
   55000

12* Country (if not U.S.)

13* Government issued identification (if available)
   a  ☒ Driver’s license/State I.D.
   b  ☐ Passport
   c  ☐ Alien registration
   d  ☐ Other

14* SSN/TIN (individual) or EIN (entity)
   123456789

15 Date of birth
   06/01/1955

16 Phone number (include area code)
   (612) 555-5555

17 Vehicle Lic.# / State (Optional)

18 Customer number, if any

19 Occupation/Type of business
   Paint Store Manager

20* Endorser’s (individual or Entity) name, if any

21* Bank account number of endorser, if any

22* Bank of first deposit, if any

Part II  Suspicious Instrument/Money Transfer Information

23 Financial services involved in suspicious transaction(s) (Check all that apply)
   a  ☐ Money Order
   b  ☐ Traveler’s Check
   c  ☒ Money Transfer
   d  ☐ Other

24* Date or date range of suspicious activity
   From
   01/14/2004
   To
   01/14/2004

25 Total dollar amount involved in suspicious activity
   $1,045.00

26* Serial number(s) of [a] money order(s) ☐ or [b] traveler’s check(s)
   a  ☐ Issuer name: MoneyGram
   b  ☐ Ending No. 01222005

26.1 Serial number of [a] money order(s) ☐ or [b] traveler’s check(s)
   a  ☐ Issuer name: MoneyGram
   b  ☐ Ending No. 01222002

26.2 Serial number of [a] money order(s) ☐ or [b] traveler’s check(s)
   a  ☐ Issuer name: MoneyGram
   b  ☐ Ending No. 01222024

26.3 Serial number of [a] money order(s) ☐ or [b] traveler’s check(s)
   a  ☐ Issuer name: MoneyGram
   b  ☐ Ending No. 01222027

27* Money transfer number
   a  ☐ Issuer name: MoneyGram
   b  ☐ No. 12428275

27.1* Money transfer number
   a  ☐ Issuer name: MoneyGram
   b  ☐ No. 124282375

Catalog No. XXXXXX

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<table>
<thead>
<tr>
<th>27.3 Money transfer number</th>
<th>27.4 Money transfer number</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Issuer name</td>
<td>a Issuer name</td>
</tr>
<tr>
<td>b No. 4120943</td>
<td>b No.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>27.5 Money transfer number</th>
<th>27.6 Money transfer number</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Issuer name</td>
<td>a Issuer name</td>
</tr>
<tr>
<td>b No.</td>
<td>b No.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>28* Category of suspicious activity (Check all that apply)</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Money laundering</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>29* Character of suspicious activity (check only one box &quot;a, b, or c&quot;, then check all of (1) through (9) that apply)</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Unusual use of money order(s) or traveler's check(s)</td>
</tr>
</tbody>
</table>

Check all of the following that apply

- (1) Alters transaction to avoid completion of funds transfer record or money order or traveler's check record ($3,000 or more) |
- (2) Alters transaction to avoid filing a CTR form ($10,000 or more) |
- (3) Comes in frequently and purchases less than $3,000 |
- (4) Changes spelling or arrangement of name |
- (5) Individual(s) using multiple or false identification documents |
- (6) Two or more individuals using the similar/same identification |
- (7) Two or more individuals working together |
- (8) Same individual(s) using multiple locations over a short time period |
- (9) Offers a bribe in the form of a tip/gratuity |

### Part III Transaction Location Information

<table>
<thead>
<tr>
<th>30 Multiple selling and/or paying business locations</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>31 Type of business location (check only one box)</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Selling business location</td>
</tr>
<tr>
<td>b Paying business location</td>
</tr>
<tr>
<td>c Both</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>32* Legal name of business</th>
<th>33 Doing business as</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smith LLC</td>
<td>AB Market</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>34* Permanent address (number, street, and suite no.)</th>
<th>35* City</th>
<th>36* State</th>
</tr>
</thead>
<tbody>
<tr>
<td>123 Main Street</td>
<td>Anytown</td>
<td>MN</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>38* EIN (entity) or SSN/TIN (individual)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1234567890</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>39* Business phone number (Include area code)</th>
<th>40 Country (if not U.S.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>612-666-8888</td>
<td></td>
</tr>
</tbody>
</table>

### Part IV Law Enforcement Agency Information

<table>
<thead>
<tr>
<th>41 If a law enforcement agency has already been contacted (excluding submission of a SAR-MSB), check the appropriate box.</th>
</tr>
</thead>
<tbody>
<tr>
<td>a DEA</td>
</tr>
<tr>
<td>b FBI</td>
</tr>
<tr>
<td>c IRS</td>
</tr>
</tbody>
</table>

Include agency name when box g, h, i, or j is checked

<table>
<thead>
<tr>
<th>42 Name of person contacted at law enforcement agency</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>43 Phone number (include area code)</th>
<th>44 Date contacted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MM/DD/YYYY</td>
</tr>
</tbody>
</table>

### Part V Reporting Business Information (if different from Location Information in Part III)

<table>
<thead>
<tr>
<th>45* Legal name of business</th>
<th>46 Doing business as</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>47* Permanent address (number, street, and suite no.)</th>
<th>48* City</th>
<th>49* State</th>
</tr>
</thead>
</table>

| 50* Zip code | |
|--------------||

<table>
<thead>
<tr>
<th>51* EIN (entity) or SSN/TIN (individual)</th>
<th>52* Business phone number (include area code)</th>
<th>53 Country (if not U.S.)</th>
</tr>
</thead>
</table>

### Part VI Contact for Assistance

<table>
<thead>
<tr>
<th>54* Last name of individual to be contacted regarding this report</th>
<th>55* First name</th>
<th>56 Middle initial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smith</td>
<td>Edward</td>
<td>U</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>57* Title/Position</th>
<th>58* Work phone number (include area code)</th>
<th>59 Date report prepared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner</td>
<td>612-666-8888</td>
<td>01/15/2004</td>
</tr>
</tbody>
</table>

**Paperwork Reduction Act Notice:** The purpose of this form is to provide an effective means for a money services business (MSB) to notify appropriate law enforcement agencies of suspicious transactions and activities that occur by, through, or at a MSB. This report is authorized by law, pursuant to authority contained in 31 U.S.C. 5318(g). Information collected on this report is confidential (31 U.S.C. 5318(g)). Federal regulatory agencies, State law enforcement agencies, the U.S. Departments of Justice and Treasury, and other authorized authorities may use and share this information. Public reporting and recordkeeping burden for this form is estimated to average 35 minutes per response, and includes time to gather and maintain information for the required report, review the instructions, and complete the information collection. Send comments regarding this burden estimate, including suggestions for reducing the burden, to the Office of Management and the Budget, Paperwork Reduction Project, Washington, DC 20503 and to the Financial Crimes Enforcement Network, Attn: Paperwork Reduction Act, P.O. Box 39, Vienna, VA 22183-0039. The agency may not conduct or sponsor, and an organization (or a person) is not required to respond to, a collection of information unless it displays a currently valid OMB control number.
Part VII  Suspicious Activity Information - Narrative*

Explaination/description of suspicious activity. This section of the report is critical. The care with which it is completed may determine whether or not the described activity and its possible criminal nature are clearly understood by investigators. Provide a clear, complete and chronological description of the activity, including what is unusual, irregular or suspicious about the transaction(s). Use the checklist below, as a guide, as you prepare your description. The description should cover the material indicated in Parts I, II and III, but the money services business (MSB) should describe any other information that it believes is necessary to better enable investigators to understand the suspicious activity being reported.

a. Describe conduct that raised suspicion.
b. Explain whether the transaction(s) was completed or only attempted.
c. Describe supporting documentation and retain such documentation for your file for five years.
d. Indicate a time period, if it was a factor in the suspicious transaction(s), for example, specify the time and whether it occurred during AM or PM. If the activity covers more than one day, identify the time of day when such activity occurred most frequently.
e. Retain any admission or explanation of the transaction(s) provided by the subject(s) or other persons. Indicate when and to whom it was given.
f. Retain any evidence of cover-up or evidence of an attempt to deceive federal or state examiners, or others.
g. Indicate where the possible violation of laws took place (e.g., main office, branch, agent location, etc.).
h. Indicate whether the suspicious activity is an isolated incident or relates to another transaction.
i. Indicate for a foreign national any available information on subject’s passport(s), visas(s), and/or identification card(s). Include date, country, city of issue, issuing authority, and nationality.
j. Indicate whether any information has been excluded from this report; if so, state reasons.
k. Indicate whether any U.S. or foreign instrument(s) were involved. If so, provide the amount, name of currency, and country of origin.
l. Indicate whether any transfer of money to or from a foreign country, or any exchanges of a foreign currency were involved. If so, identify the currency, country, and sources and destinations of money.
m. Indicate any additional account number(s), and any foreign bank(s) account numbers which may be involved in transfer of money.
n. Identify any employee or other individual or entity (e.g., agent) suspected of improper involvement in the transaction(s).
o. For issuers, indicate if the endorser of money order(s) and/or traveler’s check(s) is different than payee. If so, provide the individual’s name or entity name; bank’s name, city, state and country; ABA routing number; endorser’s bank account number; foreign non-bank name (if any); correspondent bank name and account number (if any); etc.
p. For selling or paying locations, indicate if there is a video recording medium or surveillance photograph of the customer.
q. For selling or paying locations, if you do not have a record of a government issued identification document, describe the type, issuer and number of any alternate identification that is available (e.g., for a credit card specify the name of the customer and credit card number).
r. For selling or paying locations, describe the subject(s) if you do not have the identifying information in Part I or if multiple individuals use the same identification. Use descriptors such as male, female, age, etc.
s. If correcting a prior report, complete the form in its entirety and note the changes here in Part VII.

Information already provided in earlier Parts of this form need not necessarily be repeated if the meaning is clear.

Supporting documentation should not be filed with this report.  Maintain the information for your files.

Enter explanation/description in the space below. If necessary, continue the narrative on a duplicate of this page or a blank page.

This SAR-MSB is being filed because the subject seemed to structure his purchases of ten money orders and three money transfers.

The subject purchased ten money orders and three money transfers on the same day at our business, but came in at three different times during the day.

On January 14, 2005, he purchased five money orders totaling $2,500, from our employee. He came in later that day, went to a different employee and purchased another five money orders totaling $2,500.

That same afternoon he returned and sent a money transfer in the amount of $2,000 to Juan Mendez in Rome, Italy. The same evening, he sent two additional...
Part VII-Suspicious Activity Information - Narrative*

Explanation of suspicious activity. This section of the report is critical. The care with which it is completed may determine whether or not the described activity and its possible criminal nature is clearly understood by investigators. Provide a clear, complete and chronological description of the activity, including what is unusual, irregular or suspicious about the transaction(s). Use the checklist below, as a guide, as you prepare your description. The description should cover the material indicated in Parts I, II and III, but the money services business (MSB) should describe any other information that it believes is necessary to better enable investigators to understand the suspicious activity being reported.

a. Describe conduct that raised suspicion.
b. Explain whether the transaction(s) was completed or only attempted.
c. Describe supporting documentation and retain such documentation for your file for five years.
d. Indicate a time period, if it was a factor in the suspicious transaction(s), for example, specify the time and whether it occurred during AM or PM. If the activity covers more than one day, identify the time of day when such activity occurred most frequently.
e. Retain any admission or explanation of the transaction(s) provided by the subject(s), or other persons. Indicate when and to whom it was given.
f. Retain any evidence of cover-up or evidence of an attempt to deceive federal or state examiners, or others.
g. Indicate where the possible violation of law(s) took place (e.g., main office, branch, agent location, etc.).
h. Indicate whether the suspicious activity is an isolated incident or relates to another transaction.
i. Indicate for a foreign national any available information on subject’s passport(s), visa(s), and/or identification card(s). Include date, country, city of issue, issuing authority, and nationality.
j. Indicate whether any information has been excluded from this report; if so, state reasons.
k. Indicate whether any U.S. or foreign instrument(s) were involved. If so, provide the amount, name of currency, and country of origin.
l. Indicate whether any transfer of money to or from a foreign country, or any exchanges of a foreign currency were involved. If so, identify the currency, country, and sources and destinations of money.
m. Indicate any additional account number(s), and any foreign bank(s) account numbers which may be involved in transfer of money.
n. Identify any employee or other individual or entity (e.g., agent) suspected of improper involvement in the transaction(s).
o. For issuers, indicate if the endorser of money order(s) and/or traveler’s check(s) is different than payee. If so, provide the individual’s name or entity name; bank’s name, city, state and country; ABA routing number; endorser’s bank account number; foreign non-bank name (if any); correspondent bank name and account number (if any); etc.
p. For selling or paying locations, indicate if there is a video recording medium or surveillance photograph of the customer.
q. For selling or paying locations, if you do not have a record of a government issued identification document, describe the type, issuer and number of any alternate identification that is available (e.g., for a credit card specify the name of the customer and the credit card number.)
r. For selling or paying locations, describe the subject(s) if you do not have the identifying information in Part I or if multiple individuals use the same identification. Use descriptors such as male, female, age, etc.
s. If correcting a prior report, complete the form in its entirety and note the changes here in Part VII.

Information already provided in earlier Parts of this form need not necessarily be repeated if the meaning is clear.

Supporting documentation should not be filed with this report. Maintain the information for your files.

Enter explanation/description in the space below. If necessary, continue the narrative on a duplicate of this page or a blank page.

transactions, each for $3,000, to Juan Mendoza, in Rome, Italy. The total amount of activity that day was $11,000.

This activity appears to be suspicious. The subject may be attempting to avoid recordkeeping requirements by purchasing money orders, and sending MoneyGram transactions for less than $3,000. It doesn't make sense that the sender would come in at different times, rather than conducting all of his transactions and money order purchases at the same time.

We were able to complete this report with information on file for previous transactions. We also filed a Currency Transaction Report, since all transactions were paid for in cash. We have copies of the MoneyGram Send forms and the money order sale receipts that show the serial numbers of the money orders and the date and time of the transactions.
TD F 90-22.56B Suspicious Activity Report Instructions

**Safe Harbor**  Federal law (31 U.S.C. 5318(g)(3)) provides complete protection from civil liability for all reports of suspicious transactions made to appropriate authorities, including supporting documentation, regardless of whether such reports are filed pursuant to this report's instructions or are filed on a voluntary basis. Specifically, the law provides that a financial institution, and its directors, officers, employees and agents, that make a disclosure of any possible violation of law or regulation, including in connection with the preparation of suspicious activity reports, “shall not be liable to any person under any law or regulation of the United States, any constitution, law, or regulation of any State or political subdivision of any State, or under any contract or other legally enforceable agreement (including any arbitration agreement), for such disclosure or for any failure to provide notice of such disclosure to the person who is the subject of such disclosure or any other person identified in the disclosure”.

**Notification Prohibited**  Federal law (31 U.S.C. 5318(g)(2)) provides that a financial institution, and its directors, officers, employees, and agents, who report suspicious transactions to the government voluntarily or as required by 31 CFR 103.20, may not notify any person involved in the transaction that the transaction has been reported.

**In situations involving suspicious transactions requiring immediate attention, such as ongoing money laundering schemes, a money transmitter, or issuer, seller, or redeemer of money orders and/or traveler's checks shall immediately notify, by telephone, an appropriate law enforcement authority. In addition, a timely SAR-MSB form shall be filed, including recording any such notification in Part IV on the form.**

**When To File A Report:**

1. Money transmitters and issuers, sellers and redeemers of money orders and/or traveler's checks that are subject to the requirements of the Bank Secrecy Act and its implementing regulations (31 CFR Part 103) are required to file a suspicious activity report (SAR-MSB) with respect to:
   
a. Any transaction conducted or attempted by, at, or through a money services business involving or aggregating funds or other assets of at least $2,000 (except as described in section “b” below) when the money services business knows, suspects, or has reason to suspect that:
   
   i. The transaction involves funds derived from illegal activity or is intended or conducted in order to hide or disguise funds or assets derived from illegal activity (including, without limitation, the nature, source, location, ownership or control of such funds or assets) as part of a plan to violate or evade any Federal law or regulation or to avoid any transaction reporting requirement under Federal law or regulation;
   
   ii. The transaction is designed, whether through structuring or other means, to evade any regulations promulgated under the Bank Secrecy Act; or
   
   iii. The transaction has no business or apparent lawful purpose and the money services business knows of no reasonable explanation for the transaction after examining the available facts, including the background and possible purpose of the transaction.

   b. To the extent that the identification of transactions required to be reported is derived from a review of clearance records or other similar records of money orders or traveler's checks that have been sold or processed, an issuer of money orders or traveler's checks shall only be required to report a transaction or a pattern of transactions that involves or aggregates funds or other assets of at least $5,000.

2. File a SAR-MSB no later than 30 calendar days after the date of initial detection of facts that constitute a basis for filing the report.

3. The Bank Secrecy Act requires that each financial institution (including a money services business) file currency transaction reports (CTRs) in accordance with the Department of the Treasury implementing regulations (31 CFR Part 103). These regulations require a financial institution to file a CTR (IRS Form 4789) whenever a currency transaction exceeds $10,000. If a currency transaction exceeds $10,000 and is suspicious, a money transmitter, or issuer, seller or redeemer of money orders and/or traveler's checks must file two forms, a CTR to report the currency transaction and a SAR-MSB to report the suspicious aspects of the transaction. If the suspicious activity involves a currency transaction that is $10,000 or less, the institution is only required to file a SAR-MSB. Appropriate records must be maintained in each case.

See 31 CFR Part 103
A. Abbreviations and Definitions

1. AKA-- also known as (individual)
2. DBA-- doing business as (entity)
3. DEA-- Drug Enforcement Administration
4. EIN-- Employer Identification Number
5. FBI-- Federal Bureau of Investigation
6. IRS-- Internal Revenue Service
7. ITIN-- Individual Taxpayer Identification Number
8. SSN-- Social Security number
9. USPS-- U.S. Postal Service
10. Instruments-- As used in this form includes Money order(s) and/or Traveler’s Check(s)

B. How To Make A Report

1. Send each completed suspicious activity report to:

   Detroit Computing Center
   ATTN: SAR-MSB
   P.O. Box 33117
   Detroit, MI 48232-5980

2. Leave blank any items that do not apply or for which information is unavailable.

3. Items marked with an asterisk * are considered critical and are required to be completed if known.

4. Complete each suspicious activity report by providing as much information as possible on initial and corrected reports.

5. Do not include supporting documentation with the suspicious activity report filed. Identify and retain a copy of the suspicious activity report and all supporting documentation or business record equivalent for your files for five (5) years from the date of the suspicious activity report. All supporting documentation such as, copies of instruments; receipts; sale, transaction or clearing records; photographs, surveillance audio and/or video recording medium, must be made available to appropriate authorities upon request.

6. If more than one subject is being reported, make a copy of page 1 and complete only the subject information in Part I, and attach the additional page(s) behind page 1. If more space is needed to complete any other item(s), identify that item in Part VII by “item number”, and provide the additional information.

7. Type or complete the report using block written letters.

8. Enter all dates in MM/DD/YYYY format where MM=month, DD=day, and YYYY=year. Precede any single number with a zero, i.e., 01, 02, etc.

9. Enter all telephone numbers with (area code) first and then the seven numbers, using the format, i.e., (XXX) XXX-XXXX. List international telephone and fax numbers in Part VII.

10. Always enter an individual’s name by entering the last name, first name, and middle initial (if known). If a legal entity is listed, enter its name in the last name field.

11. Enter all identifying numbers (alien registration, driver’s license/state ID, EIN, ITIN, Foreign National ID, passport, SSN, vehicle license number, etc.) starting from left to right. Do not include spaces, dashes or other punctuation.

12. Enter all Post Office ZIP codes with at least the first five numbers (all nine ZIP + 4, if known) and listed from left to right.

13. Enter all monetary amounts in U.S. dollars. Use whole dollar amounts rounded up when necessary. Use this format: $0,000,000.00. If foreign currency is involved, state name of the currency and country of origin.
14. **Addresses, general.** Enter the permanent street address, city, two letter state/territory abbreviation used by the U.S. Postal Service and ZIP code (ZIP + 4, if known) of the individual or entity. A post office box number should not be used for an individual, unless no other address is available. For an individual also enter any apartment number or suite number, road or route number. If a P.O. Box is used for an entity, enter the street name, suite number, and road or route number. If the address of the individual or entity is in a foreign country, enter the city, province or state, postal code and the name of the country. Complete any part of the address that is known, even if the entire address is not known. If from the United States, leave country blank.

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**C. Specific Suspicious Activity Report Preparation Instructions**

**Item 1**-- Check box, corrects prior report, if this report is filed to correct a previously filed SAR-MSB. To correct a report, a new SAR-MSB must be completed in its entirety. Also note corrected information in Part VII (see line “s”).

**Item 2**-- **Type of filer.** Check the appropriate box(es) for the type of filer. USPS only required to check box “h”.

**Part I  Subject Information**

**Item 3**-- **Multiple subjects.** Check box if multiple subjects are involved. Attach additional copy(s) of Part 1 to this report.

**Item 4**-- **Subject type.** Check box “a” if the subject purchased a money order(s) or traveler’s check(s) or sent a money transfer(s). Check box “b” if the subject cashed a money order(s) or traveler’s check(s) or received payment of a money transfer(s). Check box “c” if both “a & b” apply. Check box “d” Other, and describe in Part VII, if the subject is an individual other than a customer, such as, an employee of an MSB or an individual serving as an agent of an MSB.

**Items 5, 6, and 7**-- **Name of subject.** See General Instruction B10. If the name of the subject is known, complete Items 5 through 7. If the MSB knows that the individual has an “aka” or “dba” name, enter the name in Part VII. If the subject is an entity, enter its “dba” name in Item 5 if the legal name is not known. If there is more than one subject, make copies of page 1 and provide the information about each subject in Part I. Attach the additional copies to the SAR. When there is more than one purchaser and/or payee (e.g., two or more transactions), indicate whether each subject is a purchaser or payee and list the instrument or money transfer numbers associated with each customer in Part VII.

**Items 8, 9, 10, 11 and 12**-- **Permanent address.** See General Instructions B12 and B14.

**Item 13**-- **Government issued identification (if available).** See General Instruction B11. Check the appropriate box showing the type of document used to verify the subject’s identity. If you check box “d” (Other), be sure to specify the type of document used. In box “e” list the number of the identifying document. In box “f” list the issuing state or country. If more space is required, enter the information in Part VII.

**Item 14**-- **SSN/ITIN (individual) or EIN (entity).** See General Instruction B11 and definitions. If the subject named in Items 5 through 7 is a U.S. Citizen or an alien with a SSN, enter his or her SSN in Item 14. If that person is an alien who has an ITIN, enter that number. If the subject is an entity, enter the EIN.

**Item 15**-- **Date of birth.** See General Instruction B8. If an individual is named in Items 5 through 7, enter the date of birth. If the month and/or day is not available or unknown, fill in with zeros (e.g., “01/00/1969” indicates an unknown date in January, 1969).

**Item 16**-- **Telephone number.** See General Instruction B9. Enter home or business number for individual or entity listed in Items 5 through 7. List any additional number(s) (e.g., hotel, etc.) in Part VII.

**Item 17**-- **Vehicle license number (optional).** Enter the subject’s vehicle license plate number and issuing state if known or available. Do not ask for or make a special effort to obtain the license plate number.

**Item 18**-- **Customer number, if any.** Enter a preferred customer card number or a frequent user card number, etc.
Item 19—Occupation/Type of business. If known, identify the occupation, profession or business that best describes the individual in Part I (eg., attorney, car dealer, carpenter, doctor, farmer, plumber, truck driver, etc.). Do not use nondescript terms such as businessman, merchant, store owner (unless store’s name is provided), self employed, unemployed, or retired, unless the regular or former occupation is provided. If the individual’s business activities can be described more fully, provide the additional information in Part VII. Indicate in Item 19 if “unknown.”

Item 20—*Endorser’s (individual or entity) name, if any. If the reported activity involves instruments and the endorser’s name (found on the reverse side of the instrument) can be determined, enter the name in Item 20.

Item 21—*Bank account number of endorser, if any. See General Instruction B11. If the reported activity involves instruments and the endorser’s bank account number (found on the reverse side of the instrument) can be determined, enter the account number.

Item 22—*Bank of first deposit, if any. Enter the bank name as shown on the reverse side of the instrument.

Part II Suspicious Instrument/Money Transfer Information

Item 23—Financial services involved in suspicious transaction(s). Check appropriate box(es) to indicate the type of financial service(s) involved in the suspect transaction(s). If you check box “d” for “Other”, specify briefly the type of services involved but not listed in Item 23 and describe the character of such services in Part VII.

Item 24—*Date or date range of suspicious activity. See General Instruction B8. Enter the date of the reported activity in the “From” field. If more than one day, indicate the duration of the activity by entering the first date in the From field and the last date in the To field.

Item 25—Total dollar amount. See General Instruction B13. Enter the total dollar value involved in the reported activity. If the amount cannot be determined or estimated, enter zero (0). If multiple instruments and/or money transfer(s) are reported, enter the total dollar amount in Item 25. If more than one type of financial service is involved, list separately each financial service with its name and dollar value in Part VII. For foreign currency convert amount to US dollars.

Item 26—*Serial number(s) of money order(s) or traveler’s check(s). If the suspicious activity involves a single instrument or a series of instruments with consecutive serial numbers, check the appropriate box for money order, “a”, or traveler’s check “b” and enter in “c” the name of the issuer. Enter in “d” the serial number for each instrument involved in the reported activity, when the instruments are not consecutively numbered. In the case of instruments with consecutive serial numbers, enter the first number in the series in “d” and the last number in the series in “e”. Enter up to 22 non-consecutive or 22 sets of consecutive serial numbers in “d” and/or “e” in Items 26.1 through 26.22 on pages 1 and 4 (Continuation). If the suspicious activity involves more than 22 make as many copies of page 4 of the form as necessary. Attach the additional page(s) to the report. If the filer is the issuer and the name of the issuer is entered in Part III or V, “a” may be left blank.

Item 27—*Money transfer number(s). If the suspicious activity involves a money transfer number, enter in “a” the name of the money transfer company. Enter in “b” the identifying number of each money transfer involved in the reported activity. Enter up to 40 money transfer numbers in Items 27.1 through 27.40 on pages 1, and 5 (Continuation). If the suspicious activity involves more than 40 make as many copies of page 5 of the form as necessary. Attach the additional page(s) to the report. If the filer is the issuer and the name of the issuer is entered in Part III or V, “a” may be left blank.

Item 28—Category of Suspicious activity. Check the box(es) which best identify the suspicious activity. Check box “b” for Structuring when it appears that a person acting alone, or in conjunction with, or on behalf of other persons, conducts or attempts to conduct activity designed to evade any record keeping or reporting requirement; promulgated under the Bank Secrecy Act. If you check box “d” specify briefly the type of suspicious activity which occurred, but is not listed in Item 28, then describe the character of such activity in Part VII. Box “d” should only be used if no other type of suspicious activity box adequately categorizes the transaction.

Item 29—*Character of suspicious activity. Check box “a” for unusual use of instruments, check box “b” for unusual use of money transfer(s), or check box “c” for both. Check box(es) 1 through 9 for each description that applies.
Part III  Transaction Location Information

Item 30-- Multiple selling and/or paying business locations. If the reported activity occurred at multiple selling and/or paying business locations, check the box, make as many copies of page 2 of the form as necessary, and provide the additional information in duplicate Part III. Attach the additional copies of page 2 to the SAR.

Item 31-- Type of business location(s). Check box “a” if this is the selling location where the customer purchased a money order(s) or traveler’s check(s) or initiated a money transfer(s). Check box “b” if this is the paying location where the customer cashed a money order(s) or traveler’s check(s) or received payment of a money transfer(s). Check box “c” if multiple transactions are reported and the business functioned as both a selling and paying location for one or more transactions.

Item 32-- *Legal name of business. Enter the legal name of the business where the transactions took place. If the transactions occurred at more than one place make as many copies of page 2 of the form as necessary, and provide the additional information in duplicates of Part III. Attach the additional copies of page 2 to the SAR.

Item 33-- Doing business as. Enter the trade name by which the business is commonly known (if other than the legal name).

Items 34, 35, 36, 37-- *Permanent address. See General Instructions B12 and B14.

Item 38-- *EIN (entity) or SSN/ITIN (individual). See General Instruction B11 and definitions. If the business identified in Item 32 has an EIN, enter that number in Item 38. If not, enter individual owner’s SSN or ITIN.

Item 39-- Business telephone number. See General Instruction B9. Enter the number of the business listed in item 32.

Item 40-- Country. Leave blank if U.S.

Part IV  Law Enforcement Contact Information

Item 41-- Contacting Enforcement Authorities. If no contact go to Part V or Part VI, as appropriate. See general Instructions “Abbreviations and Definitions” for law enforcement identities. If the MSB has advised any law enforcement agency of the suspicious activity, by telephone or written communication (excluding submission of a SAR-MSB), check the appropriate box and complete Items 42 through 44. If you check boxes “g, h, i, or j” specify the agency name on the line provided.

Item 42, 43 and 44-- Law enforcement contact. Complete only if a contact (Item 41) has been made. Identify the individual contacted, the telephone number and the date contacted. List any additional contacts in Part VII. Contact with law enforcement agencies does not eliminate the requirement to file the SAR-MSB.

Part V  Reporting Business Information (complete only if different from Location Information in Part III).

Items 45 through 53-- *See instructions for completing items 32 through 40 above.

Part VI  Contact for Assistance

Items 54, 55 and 56-- *Contact individual. See general instruction B10.

Item 57-- *Title/Position. Enter the job title/position of the contact individual.

Item 58-- *Work phone number. See General Instruction B9.

Item 59-- Date report prepared. See General Instruction B8.

Part VII  Suspicious Activity Information — Narrative* See Page 3 for instructions.
What to write in the Narrative or explanation section of the SAR-MSB (Part VII)

This section of the report is critical. Write a clear and complete explanation that includes all the details. It should contain:

**Who** is conducting the criminal or suspicious activity? Give as much information as you have about the suspect, such as a description of the suspect and their behavior, how long they have been a customer of your business, and their occupation and employer.

**What** type of money services did the suspect use to commit the criminal or suspicious activity? Specify if the suspect purchased a money order, sent or received a money transfer, or if the suspect did a combination of transactions. Also, describe how the suspect paid. Identify if they paid with cash or cashed a check or money order.

**When** did the criminal or suspicious activity occur? Specify if this suspect has committed this activity before. If the suspect has committed this type of activity before, describe when and note any SAR-MSBs that you have previously filed on this suspect.

**IMPORTANT:** Give the date that your business first identified the criminal or suspicious activity. You have 30 days from this date to file the SAR-MSB.

**Where** did the criminal or suspicious activity take place? Identify if any additional locations, beside the one in Part III of the SAR-MSB form, were involved.

**Why** do you think the activity is criminal or suspicious? Include any information about the suspicious activity that your business knows about.

**How** did the criminal or suspicious activity occur? Paint the picture of how the suspect accomplished or attempted to accomplish the criminal or suspicious activity. Do not assume that the reader knows anything about your business. Map out exactly what happened and how the pieces fit together.

**IMPORTANT:** Do **NOT** include any supporting documentation or attachments with the SAR-MSB when filed with the IRS Detroit Computing Center. It must be kept at your business with your copy of the SAR-MSB for a minimum of 5 years.
Example 1
The SAR-MSB is being filed on a suspect who sent three money transfers through MoneyGram in a way that seemed like it was intended to avoid identification and recordkeeping requirements.

On October 21, 2005, at about 10 a.m., the subject sent a money transfer to a receiver named James Doe. The destination city was Miami, FL. The amount of the transaction was $890.

On the same day, at approximately 10:30 a.m., the subject sent another money transfer to a receiver named James Dean. The destination city was Miami, FL. The amount of the transaction was $890.

On the same day, at approximately 1:30 p.m., the subject sent a third money transfer to a receiver named James Brown. The destination city was Miami, FL. The amount of the transaction was $890.

These transactions were considered suspicious because MoneyGram requires the sender to provide identification at $900. Each transaction was just below $900. The subject used the same test question for each transaction. The test question was “How is the weather?” The answer to the test question was “Snow.” All three transactions were conducted by the same employee. The employee thought that the transactions were unusual and asked the subject why he was sending these transactions to Miami. The subject appeared to be very nervous and would not provide an answer. The subject has been a regular customer and had not conducted transactions that were unusual before.

We will continue to watch the subject’s activity for any more suspicious transactions. We have the MoneyGram “Send Forms” for each transaction in our files.

Example 2
The SAR-MSB is being filed on three suspects who received three money transfers in a way that seemed like it was intended to avoid identification and recordkeeping requirements.

On October 21, 2005, at about 3 p.m., subject James Doe received a money transfer for $890. On the same day, at about 3:15 p.m., subject James Brown received a money transfer for $890. Then, on the same day, at about 4 p.m., subject James Dean received a money transfer for $890.

These transactions seemed suspicious because they were all sent by the same sender, John Doe, from Minneapolis, MN. All three transactions were under $900, so no ID is required if the sender uses a test question. All the subjects had the same test question and all the answers were the same too. All the subjects had similar addresses and they all had the same phone number.

We will continue to watch the subjects’ future activity for any more suspicious transactions. We have the MoneyGram “Receive Forms” for each transaction and pictures of the three subjects in our files.
Example 3
The SAR-MSB is being filed on a suspect who seems to be buying numerous money orders and structuring the transactions to avoid the recordkeeping requirements or showing ID.

The suspicious activity involves 15 money orders that were bought between October 21, 2005 and October 23, 2005. We discovered that the activity was suspicious on October 25, 2005.

On October 23, 2005, in the afternoon, the subject purchased five $500 money orders. The employee noticed that the subject had a lot of cash in his wallet. It was also noticed that the subject had other money orders in his wallet.

After the transaction, the employee discussed this transaction with the store manager. An investigation revealed that two other employees also remembered selling money orders to the subject. One employee sold five $500 money orders to the subject on October 21, 2005, in the evening. Another employee sold five $500 money orders to the subject in the morning on October 22, 2005.

The subject is a white male who is about 35 years old. He is about 5’ 5” tall and has an average build. He has short, dark brown hair, walks with a noticeable limp and has a tattoo of a snake on his left hand.

We will ask for ID the next time the subject comes in to purchase money orders, no matter what the amount. We have the point of sale receipts that show the serial numbers of the money orders and the dates and times of the transactions. There are also photographs of the subject waiting in line. These also show that the dates and times are the same as on the sale receipts.
Currency Transaction Report (CTR)

A Currency Transaction Report (CTR) must be filed with the Federal Government for any cash transaction(s), greater than $10,000, conducted in one (1) business day, by any person or on behalf of any person. The $10,000 threshold includes the total of the amount of the transaction and fees.

**Examples of transactions that require a CTR are:**

1. A customer receiving single or multiple MoneyGram money transfer transactions totaling more than $10,000 in one (1) business day.

2. A customer sending single or multiple MoneyGram money transfer transactions totaling more than $10,000 in one (1) business day.

3. A customer obtaining more than $10,000 in cash from any combination of cashed checks and MoneyGram money transfer receive transactions in one (1) business day.

4. A customer purchasing money orders with more than $10,000 cash in one (1) business day.

5. A customer combining money order purchases and MoneyGram money transfer send transactions in one (1) business day for more than $10,000.

**Note:** If you are aware that more than one (1) currency transaction has been conducted by the same customer or on behalf of the same customer, and the total amount is more than $10,000 during the same business day, you should file a CTR.

**3rd Party Information. If the customer who is conducting the transaction is doing so for someone else, the information must be obtained for both parties. Examples of 3rd parties are an employee of a business conducting the transaction for the business, or a relative of an elderly or disabled person conducting the transaction for that person. Complete the Multiple Persons pages if multiple transactions are conducted on behalf of a 3rd party. The Multiple Persons sections are the same as in Part I, Section A, and can be found on the second page of the CTR form.**

**Note:** Original copy of CTR must be filed within 15 days of the day of the transaction to:

IRS Detroit Computing Center  
Attention: CTR  
PO Box 33604  
Detroit, MI 48232-5604
## Multiple Persons

Complete applicable parts below if box 1b on page 1 is checked

### Part 1  Person(s) Involved in Transaction(s)

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

<table>
<thead>
<tr>
<th>2</th>
<th>Individual's last name or entity's name</th>
<th>3</th>
<th>First name</th>
<th>4</th>
<th>Middle initial</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Doing business as (DBA)</td>
<td>6</td>
<td>SSN or EIN</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Address (number, street, and apt. or suite no.)</td>
<td>8</td>
<td>Date of birth MM DD YYYY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>City</td>
<td>10</td>
<td>State</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>ZIP code</td>
<td>12</td>
<td>Country code (if not U.S.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>If an individual, describe method used to verify identity:</td>
<td>a</td>
<td>Driver's license/State ID.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>d</td>
<td>Other</td>
<td>e</td>
<td>Issued by:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>f</td>
<td>Number:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

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

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

| 20 | City |
| 21 | State |
| 22 | ZIP code |
| 23 | Country code (if not U.S.) |
| 24 | Date of birth MM DD YYYY |
| 25 | If an individual, describe method used to verify identity: | a | Driver's license/State ID. |
| d | Other |
| f | Number: |

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Suspect Transactions

This Currency Transaction Report (CTR) should NOT be filed for suspect transactions involving $10,000 or less in currency OR to note that a transaction of more than $10,000 is suspect. Any suspicious or unusual activity should be reported by a financial institution in the manner prescribed by its appropriate federal regulator or BSA examiner. (See the instructions for Item 37i). If a transaction is suspicious and in excess of $10,000 in currency, then both a CTR and the appropriate Suspicious Activity Report form must be filed.

In situations involving suspicious transactions requiring immediate attention, such as when a reported transaction is ongoing, the financial institution shall immediately notify, by telephone, appropriate law enforcement and regulatory authorities in addition to filing a timely suspicious activity report.

General Instructions

Who Must File. Each financial institution (other than a casino, which instead must file FinCEN Form 103), and the U.S. Postal Service for which there are separate rules must file FinCEN Form 104 (formerly 4789) CTR for each deposit, withdrawal, exchange of currency, or other payment or transfer, by, through, or to the financial institution which involves a transaction in currency of more than $10,000. Multiple transactions must be treated as a single transaction if the financial institution has knowledge that (1) they are by or on behalf of the same person, and (2) they result in either currency received (Cash In) or currency disbursed (Cash Out) by the financial institution totaling more than $10,000 during any one business day. For a bank, a business day is the day on which transactions are routinely posted to customers’ accounts, as normally communicated to depository customers. For all other financial institutions, a business day is a calendar day.

Generally, financial institutions are defined as banks, other types of depository institutions, brokers or dealers in securities, money transmitters, currency exchangers, check cashers, and issuers and sellers of money orders and traveler’s checks. Should you have questions, see the definitions in 31 CFR Part 103.

Where and When To File. This form should be e-filed through the Bank Secrecy Act E-filing System. Go to http://bseafiled.fincen.treas.gov/index.jsp to register. This form is also available for download on the Financial Crimes Enforcement Network’s Web site at www.fincen.gov, or may be ordered by calling the IIRS Forms Distribution Center at (800) 829-3676. File this CTR by the 15th calendar day after the day of the transaction with the:

IIRS Detroit Computing Center
ATTN: CTR
PO. Box 33604
Detroit, MI 48232-5604

Keep a copy of each CTR for five years from the date filed.

A financial institution may apply to file the CTRs magnetically. To obtain an application to file magnetically, write to the:

IIRS Detroit Computing Center
ATTN: CTR Magnetic Media Coordinator
PO. Box 33604
Detroit, MI 48232-5604

Identification Requirements. All individuals (except a employees of armored car services) conducting a reportable transaction(s) for themselves or for another person, must be identified by means of an official document(s). Acceptable forms of identification include driver’s license, military and military/dependent identification cards, passport, state issued identification card, federal government, non-resident alien identification cards, or any other identification documents or documents, which contain name and preferably address and a photograph, and are normally acceptable by financial institutions as means of identification when cashing checks for persons other than established customers.

Acceptable identification information obtained previously and maintained in the financial institution’s records may be used. For example, if documents verifying an identification have been examined and recorded on a signature card when an account was opened, the financial institution may rely on that information. In completing the CTR, the financial institution must indicate on the form the method, type and number of identification. Statements such as “known customer” or “signature card on file” are not sufficient for form completion.

Penalties. Civil and criminal penalties are provided for failure to file a CTR or to supply information or for filing a false or fraudulent CTR. See 31 U.S.C. 5321, 5322 and 5324.

For purposes of this CTR, the terms below have the following meanings:

Currency. The coin and paper money of the United States and any other currency, which is circulating and customarily used and accepted as money.

Person. An individual, corporation, partnership, trust or estate, joint stock company association, syndicate, joint venture or other unincorporated organization or group.

Organization. Entity other than an individual.

Transaction in Currency. The physical transfer of currency from one person to another. This does not include a transfer of funds by means of bank check, bank draft, wire transfer or other written order that does not involve the physical transfer of currency.

Negotiable Instruments. Checks and drafts (including business, personal, bank, cashier’s and third-party), money orders, and traveler’s notes. For purposes of this CTR, all traveler’s checks shall also be considered negotiable instruments whether or not they are in bearer form.

Foreign exchange rate. If foreign currency is a part of a currency transaction that requires the completion of a CTR, use the exchange rate in effect for the business day of the transaction to compute the amount, in US dollars, to enter in item 26/27. The source of the exchange rate that will be used will be determined by the reporting institution.

Specific Instructions

Because of the limited space on the front and back of the CTR, it may be necessary to submit additional information on attached sheets. Submit this additional information on plain paper attached to the CTR. Be sure to put the individual’s or entity’s name and identifying number (items 2, 3, 4, and 6 of the CTR) on any additional sheets so that if it becomes separated, it may be associated with the CTR.

Item 1a. Amends Prior Report. If this CTR is being filed because it amends a prior report filed previously, check Item 1a. Staple a copy of the original CTR to the amended one, complete Part III fully and only those other entries which are being amended.

Item 1b. Multiple Persons. If this transaction is being conducted by more than one person or on behalf of more than one person, check Item 1b. Enter information in Part I for one of the persons and provide information on any other persons on the back of the CTR.
Section B. Individual(s) Conducting Transaction(s)
(If other than above), Financial institutions should enter as much information as is available. However, there may be instances in which items 15-25 may be left BLANK or incomplete. If items 15-25 are left BLANK or incomplete, check one or more of the boxes provided to indicate the reasons.

Example: If there are multiple transactions that, if only when aggregated, the financial institution has knowledge they exceed the next highest dollar. For example, if the transaction, and therefore, did not identify the transaction(s), check box (d) for Multiple Transactions.

Items 15, 16, and 17. Individual(s) Name. Complete these if an individual conducts a transaction(s) on behalf of another person. For example, if John Doe, an employee of XY Grocery Store, makes a deposit to the store’s account, XY Grocery Store should be identified in Section A and John Doe should be identified in section B.

Items 18, 20, 21, 22, and 23. Address. Enter the permanent address including ZIP Code of the individual. (See the instructions for items 7 and 9 through 12.) Enter country code of not U.S. (Reference item 12).

Item 19. SSN/TIN. If the individual has a Social Security Number, or Individual Taxpayer Identification Number, enter it in Item 19. If the individual does not have an SSN/TIN, enter NONE.

Item 24. Date of Birth. Enter the individual’s date of birth. (See the instructions for item 8.)

Item 25. If an Individual, Describe Method Used To Verify Identity. Enter the method used to identify the individual’s identity. (See General Instructions and the instructions for item 14.)

PART II - Amount and Type of Transaction(s)
Complete Part II to identify the type of transaction(s) and the amount(s) involved.

Items 26 and 27. Total Cash In/Total Cash Out. In the spaces provided, enter the total amount of currency received (Total Cash In) or total currency disbursed (Total Cash Out) by the financial institution. If foreign currency is exchanged, use the U.S. dollar equivalent on the day of the transaction (See “Foreign exchange rates”), and complete item 26a or 27a, whichever is appropriate.

Item 30-33. Check the appropriate item(s) to identify the following type of transaction(s):
30. Wire Transfer(s)
31. Negotiable Instrument(s) Purchased
32. Negotiable Instrument(s) Cashiered
33. Currency Exchange(s)

Item 34. Deposits/Withdrawals. Check this item to identify deposits or withdrawals from accounts, e.g., demand deposit accounts, savings accounts, time deposits, mutual fund accounts, or any other account held at the financial institution. Enter the account number(s) in Item 35.

Item 35. Account Numbers Affected (If any). Enter the account numbers of any accounts affected by the transactions that are maintained at the financial institution conducting the transaction(s). If necessary, use additional sheets of paper to indicate all of the affected accounts.

Example 1: If a person cashes a check drawn on an account held at the financial institution, the CTR should be completed as follows:
Indicate negotiable instrument(s) cashed and provide the account number of the check.
If the transaction does not affect an account, make no entry.

Example 2: A person cashes a check drawn on another financial institution. In this instance, negotiable instrument(s) cashed would be indicated, but no account at the financial institution has been affected. Therefore, Item 35 should be left BLANK.

Item 36. Other (Specify). If a transaction is not identified in Items 30-34, check Item 36 and provide an additional description. For example, a person presents a check to purchase “foreign currency.” If multiple (more than one) foreign currencies are involved in the transaction, enter the amount of the largest foreign currency transaction in Items 26a or 27a and that currency’s country code of origin in Item 29. Then check box 36 and enter the additional foreign currencies amount(s) and country code(s) of origin in the space provided.

PART III - Financial Institution Where Transaction(s) Take Place

Item 37. Name of Financial Institution and Identity of Regulator or BSA Examiner. Enter the financial institution’s full legal name and identify the regulator or BSA examiner, using the following codes:

Regulator or BSA Examiner CODE
Comptroller of the Currency (OCC)....................1
Federal Deposit Insurance Corporation (FDIC)........2
Federal Reserve System (FRS)........................3
Office of Thrift Supervision (OTS)....................4
National Credit Union Administration (NCUA)....5
Securities and Exchange Commission (SEC)....6
Internal Revenue Service (IRS).......................7
U.S. Postal Service (USPS)..........................8
Commodity Futures Trading Commission (CFTC).....9
State Regulator........................................10

Item 38, 40, 41, and 42. Address. Enter the street address, city, state, and ZIP Code of the financial institution where the transaction occurred. If there are multiple transactions, provide information of the office or branch where any one of the transactions has occurred.

Item 39. EIN or SSN. Enter the financial institution’s EIN. If the financial institution does not have an EIN, enter the SSN of the financial institution’s principal owner.

Item 43. Routing (MICR) Number. If a depository institution, enter the routing (Magnetic Ink Character Recognition (MICR)) number.

SIGNATURE

Items 44 and 45. Title and Signature of Approving Official. The official who reviews and approves the CTR must indicate his/her title and sign the CTR.

Item 46. Date of Signature. The approving official must enter the date the CTR is signed. (See the instructions for item 8.)

Item 47. Preparer’s Name. Type or print the full name of the individual preparing the CTR. The preparer and the approving official may not necessarily be the same individual.

Item 48 and 49. Contact Person/TelephoneNumber. Type or print the name and telephone number of an individual to contact concerning questions about the CTR.

Paperwork Reduction Act Notice. The requested information is useful in criminal, tax, and regulatory investigations and proceedings. Financial institutions are required to provide the requested information. You are not required to provide the requested information unless a form displays a valid OMB control number. The time needed to complete this form will vary depending on individual circumstances. The estimated average time is 19 minutes. If you have comments concerning the accuracy of this time estimate or suggestions for making this form simpler, you may write to the Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183. Do not send this form to this office. Instead, see When and Where to File in the instructions.
Recordkeeping for Money Orders

Money Order Transaction Log

If a customer purchases money orders in one (1) or more transactions throughout the same business day, with cash in the amount of $3,000 to $10,000, certain information must be recorded. The information is to be recorded on a Money Order Transaction Log. Only cash purchases are covered by this requirement.

All of the information required for the Log must be obtained before completing the transaction. The customer’s identity must be verified with valid, government issued photo identification such as driver license, passport or alien identification card that contains the customer’s name and address.

3rd Party Information. If the customer who is conducting the transaction is doing so for someone else, the information must be recorded for both parties. Examples of 3rd parties are an employee of a business conducting the transaction for the business, or a relative of an elderly or disabled person conducting the transaction for that person.
MONEY ORDER TRANSACTION LOG

Use this log to record cash money order sales of $3,000 or more to one individual in one business day. This form must be retained for five years from date of sale, according to the U.S. Treasury Department regulations.

AB Market  John Doe
Store Name  Purchaser’s Name

123 Main St.  45th Side St.
Street Address  Street Address

Anytown, MN 55000  Anytown, MN 55000
City, State, Zip  City, State, Zip

Money orders are purchased:
☐ For Purchaser’s Use
☐ On Behalf of Another Person
   (List other person’s name, address, social security # or alien I.D. #, and taxpayers I.D. # on the back of this form)

123-45-6789  01-12-2004
Purchaser’s Social Security Number  Date of Purchase
(or Alien I.D. Number)

04-01-55
Purchaser’s Date of Birth

Purchaser’s Driver License Number D-456-789-001-002  State MN

Other Identification:

Type ___________________________  Number ___________________________

I.D. Positively Verified By  Jim Davis  (Name of Store Employee)

DOLLAR AMOUNT  4,000

TRANSACTION(S):

SERIAL NUMBER 801451001 AMOUNT 500  SERIAL NUMBER 801451006 AMOUNT 500
SERIAL NUMBER 801451002 AMOUNT 500  SERIAL NUMBER 801451007 AMOUNT 500
SERIAL NUMBER 801451003 AMOUNT 500  SERIAL NUMBER 801451008 AMOUNT 500
SERIAL NUMBER 801451004 AMOUNT 500
SERIAL NUMBER 801451005 AMOUNT 500
SERIAL NUMBER _______________________ AMOUNT ______

* 3rd Party Information. If the customer who is conducting the transaction is doing so for someone else, the information must be obtained for both parties. Examples of 3rd parties are: An employee of a business conducting the transaction for the business, or a relative of an elderly or disabled person conducting the transaction for that person.
MONEY ORDER TRANSACTION LOG

Use this log to record cash money order sales of $3,000 or more to one individual in one business day. This form must be retained for five years from date of sale, according to the U.S. Treasury Department regulations.

Store Name ____________________________ Purchaser’s Name ____________________________

Street Address ____________________________ Street Address ____________________________

City, State, Zip ____________________________ City, State, Zip ____________________________

Money order are purchased:

☐ For Purchaser’s Use

☐ 3rd Party Information *
   (List other person’s name, address, social security #, or alien I.D. #, and taxpayers I.D. # on the back of this form)

Purchaser’s Social Security Number ____________________________ (or Alien I.D. Number)

Purchaser Date of Birth ____________________________

Purchaser’s Driver License Number ____________________________ State ___________________

Other Identification ____________________________

I.D. Positively Verified ____________________________
   (Name of Store Employee)

DOLLAR AMOUNT ____________________________

TRANSACTION(S):

SERIAL NUMBER _______ AMOUNT _______ SERIAL NUMBER _______ AMOUNT _______

SERIAL NUMBER _______ AMOUNT _______ SERIAL NUMBER _______ AMOUNT _______

SERIAL NUMBER _______ AMOUNT _______ SERIAL NUMBER _______ AMOUNT _______

SERIAL NUMBER _______ AMOUNT _______ SERIAL NUMBER _______ AMOUNT _______

SERIAL NUMBER _______ AMOUNT _______ SERIAL NUMBER _______ AMOUNT _______

* 3rd Party Information. If the customer who is conducting the transaction is doing so for someone else, the information must be obtained for both parties. Examples of 3rd parties are: An employee of a business conducting the transaction for the business, or a relative of an elderly or disabled person conducting the transaction for that person.
Recordkeeping for MoneyGram Money Transfers

If a customer “sends” or “receives” a money transfer of $3,000 or more, certain information must be recorded on the MoneyGram money transfer form. It does not matter whether the customer pays by cash, check, credit card, etc.

All of the information must be recorded before the transaction is completed. The customer must have valid photo identification such as a driver license, passport or alien identification card that contains the customer’s name and address.

3rd Party Information. If the customer who is conducting the transaction is doing so for someone else, the information must be recorded for both parties. Examples of 3rd parties are: An employee of a business conducting the transaction for the business, or a relative of an elderly or disabled person conducting the transaction for that person.
SEND / ENVÍO

Please Print
MONEYSAVVER CARD NUMBER:
NUMERO DE TARJETA MONEYSAVVER:

INTENDED DESTINATION:
DESTINO DEPENDIO:
Country / País  City / Ciudad  State / Estado

TRANSFER AMOUNT:
MONTOS DE TRASFERENCIA:
$ 4,000

NOTE: Regardless of the destination country specified, a Transfer can be picked up in any country.

Are you acting on behalf of a third party (including employee) and sending a Transfer in excess of $5,000? YES, NO
Si la respuesta es SI, se debe proporcionar la información al Agente para que éste pueda completar el reverso.

SUPPORTED FOR USE / PARA USO DEL AGENTE

REFERENCE NUMBER / NÚMERO DE REFERENCIA
1 2 4 2 8 3 7 5

GIVE this number to your Receiver. Dé este número al Destinatario.

FOR CALL PHONE / NÚMERO DE CODIGO PARA LLAMAM.

69 6 4 6

Sender’s Signature / Firma del remitente
X John Doe
1-12-04

RECEIVER’S ADDRESS / DIRECCIÓN DEL DESTINATARIO:

City / Ciudad  State / Estado  Zip / C.P.

Agent Copy / Cópya para el Agente

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MoneyGram International Transfer
Transfers of $900.00 or more
Envíos de $900.00 o más

This information is required for any Transfers or combination of Transfers of $900.00 or more and must be completed by the Agent. Esta información se requiere para cualquier transaccción o combinación de transacciones de envío de $900 o más y debe ser llenada por el agente.

**Dr. Drivers License**

**ID Type / Tipo de identificación:**

D-456-789-001-002

**Sender's government Issued ID # / Identificación emitida por el gobierno del remitente:**

MN

**Issue / Emisor:**

**COMPLETE FOR TRANSFERS OF $900.00 OR MORE.**

**LLENAR EN TRANSACCIONES DE ENVÍO DE $900.00 O MÁS.**

**Complete for All Transfers of $900.00 or More.**

**COMPLETAR PARA TRANSACCIONES DE $900.00 O MÁS.**

**Date of Birth / Fecha de nacimiento:**

06-01-55

**Occupation / Ocupación:**

Paint Store Manager

**U.S. citizens and residents / Ciudadanos y residentes estadounidenses:**

133-45-6789

Social Security # / Número de Seguro Social (US citizens and residents) / (Ciudadanos y residentes estadounidenses)

**OR, IF NO SS# / O, A FALTA DEL NÚMERO DE SEGURO SOCIAL:**

Alien ID # OR Passport # / Número de tarjeta de residente o de Pasaporte

**Country of Issuance / País emisor:**

**ADDITIONAL INFORMATION MAY BE REQUIRED ABOVE $10,000.00.**

SE PUEDE REQUERIR INFORMACIÓN ADICIONAL EN ENVIOS MAYORES DE $10,000.00.

AGENT MUST RETAIN THIS FORM ON-SITE FOR A MINIMUM OF FIVE (5) YEARS FOR AMOUNTS OF $3000.00 OR MORE, OR SIX (6) MONTHS FOR AMOUNTS LESS THAN $3000.00.

EL AGENTE DEBERÁ CONSERVAR ESTA FORMA EN SU ESTABLECIMIENTO POR UN MÍNIMO DE CINCO (5) AÑOS PARA CANTIDADES DE $3,000.00 O MÁS, O POR SEIS (6) MESES PARA CANTIDADES MENORES DE $3,000.00.

First, Middle, Last Name / Nombre, (S), Apellido(s)

Organization Name / Organización

Address / Dirección

City / Ciudad

State / Estado

Zip / C.P.

Date of Birth / Fecha de nacimiento

Occupation - Type of Business / Ocupación - Tipo de negocio

U.S. citizens and residents / Ciudadanos y residentes estadounidenses

Social Security # or Tax ID # / Número de Seguro Social o Número de Renta (US Citizens, residents or US Residents) / (Ciudadanos, residentes o nacionales Americanos)

OR, IF NO SS# / O, A FALTA DEL NÚMERO DE SEGURO SOCIAL

Alien ID # OR Passport # / Número de tarjeta de residente o de Pasaporte

Country of Issuance / País emisor

For Banks, Savings and Loans and Credit Unions Only.

Para uso de bancos, cajas de ahorro y otras entidades bancarias solamente.

Sender's Account # / Cuenta del remitente

© 1994-2006 MoneyGram. All rights reserved.
RECEIVE / RECIBO

CUSTOMER USE / PARA USO DEL CLIENTE

REFERENCE NUMBER:
NÚMERO DE REFERENCIA:

RECEIVER'S NAME:
LA PERSONA QUE RECIBE:

First Name / Primer Nombre: John
Middle Initial / Initial: A.
Last Name / Apellido(s): Doe

Street / Calle:
Anytown MN 55000

City / Ciudad:
State / Estado:
ZIP / C.P.:

AGENT USE / PARA USO DEL AGENTE

MN DL D.4516-789-001-002

RECEIVER GOVERNMENT ISSUED ID# AND TYPE:
NÚMERO IDENTIFICACIÓN EMITIDO POR EL GOBIERNO, DE LA PERSONA QUE RECIBE Y TIPO:

TEST QUESTION:
PREGUNTA DE PRUEBA:

Test Question / Pregunta de prueba:

Test Answer / Respuesta de prueba:

MESSAGE / MENSAJE:

CHECK NUMBER:
NÚMERO DE CHEQUE:

Check #1 Agent Check Cheque del Agente: 241112223334
Check #2 Customer Check Cheque del Cliente: 241112223334

CHECK AMOUNT:
CANTIDAD DE CHEQUE:

$4000

AUTHORIZATION:
AUTORIZACIÓN:

Agent Employee Name:
Nombre del empleado del Agente:

MoneyGram Operator #
Número de operador de MoneyGram:

© 1994-2006 MoneyGram. All rights reserved.
Receives of $3000.00 or more
Recibos de $3000.00 o más

This information is required for any receive transaction or combination of transactions of $3000.00 or more and must be completed by the Agent. Esta forma junto con la forma de Recibos es requerida en toda transacción para envío por encima de los $3000.00. Debe ser completada por el Agente.

<table>
<thead>
<tr>
<th>Date of Birth / Fecha de nacimiento</th>
</tr>
</thead>
<tbody>
<tr>
<td>6-01-55</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Paint Store Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occupation / Profesión</td>
</tr>
<tr>
<td>123-45-6789</td>
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</table>

<table>
<thead>
<tr>
<th>Social Security# / Número de Seguro Social (US citizens and residents) / (Citadanos y residentes Mexicanos)</th>
</tr>
</thead>
<tbody>
<tr>
<td>OR, IF NO SS# / SI NO SS#</td>
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</table>

<table>
<thead>
<tr>
<th>Alien ID # OR Passport # / Número de tarjeta de residente o Número de Pasaporte</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country of Issuance / País de Origen</td>
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</table>

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<tr>
<th>ADDITIONAL INFORMATION MAY BE REQUIRED ABOVE $10,000.00. INFORMACIÓN ADICIONAL PUEDE SER NECESARIA PARA TRANSACCIONES POR ENCIMA DE LOS $10,000.00.</th>
</tr>
</thead>
</table>

If receiving for someone else, complete the following information on that person or organization. Si está recogiendo dinero para alguien, complete la siguiente información de la persona o organización.

<table>
<thead>
<tr>
<th>First, M., Last Name</th>
<th>OR</th>
<th>Organization Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nombre, Initial, Ape.</td>
<td></td>
<td>Organización</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dirección</td>
<td>Ciudad</td>
<td>Estado</td>
<td>C.P.</td>
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<thead>
<tr>
<th>Date of Birth / Fecha de nacimiento</th>
<th>Occupation / Profesión</th>
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<table>
<thead>
<tr>
<th>Social Security # or Tax ID # / Número de Seguro Social o Número de Renta (US Citizens, residents or US Businesses) / (Citadanos y residentes Mexicanos)</th>
</tr>
</thead>
<tbody>
<tr>
<td>OR, IF NO SS# / SI NO SS#</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Alien ID # OR Passport # / Número de tarjeta de residente o Número de Pasaporte</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country of Issuance / País de Origen</td>
</tr>
</tbody>
</table>
MSB Registration
Registration of Money Services Business Form

Your business must register with the U.S. Treasury if it conducts Money Services Business activities on its own behalf. Money Services Businesses include:

- Money transmitters
- Currency exchangers*
- Check cashers*
- Issuers of travelers checks or money orders*
- Sellers or redeemers of travelers checks or money orders*

*Must conduct transactions greater than $1,000 for any person, on any one day, in one or more transactions to qualify.

Registration is not required if this business conducts money services business solely as an agent of another registered Money Services Business, and does not independently conduct any other MSB activity.

Registration is required within 180 days after the business begins conducting MSB activity.

Re-registration is required every two (2) years or when:

- There has been a change in ownership
- There has been more than a 10 percent transfer of voting power or equity interest
- The number of agents has increased by more than 50 percent

Note: Original copy of the Registration of Money Services Business form must be filed with:

IRS Detroit Computing Center
Attention: Money Services Business Registration
PO Box 33116
Detroit, MI 48232-0116
FinCEN Form 107  
Formerly Dept. Treasury  
form TD F 90-22.55,  
Effective January, 2005.  

Registration of Money Services Business  
Please type or print. Always complete entire report. See instructions.  
Previous editions will not be accepted after June 30, 2005.  

OMB No. 1506-0013  

Send your completed form to: IRS Detroit Computing Center, Attn: Money Services Branch Registration, P.O. Box 33116, Detroit, MI 48232-0116

### Part I  
**Filing Information**

1. Indicate the type of filing by checking a, b, c, or d below.
   - a X Initial registration  
   - b ☐ Renewal  
   - c ☐ Correction  
   - d ☐ Re-registration

2. If you checked item 1 d please indicate the reason(s). Check all that apply.
   - a ☐ Re-registered under state law  
   - b ☐ More than 10 percent transfer of equity interest  
   - c ☐ More than 50 percent increase in agents

### Part II  
**Registrant Information**

3. Legal name of the money services business
   - Smith, LLC

4. Doing business as
   - AB Market

5. Address
   - 123 Main Street

6. City
   - Anytown

7. State  
   - MN

8. ZIP Code  
   - 55123

9. EIN (entity), SSN/ITIN (individual)  
   - 015678787

10. Telephone number (include area code)  
    - (612) 555-1234

### Part III  
**Owner or Controlling Person**

11. Individual's last name, or organization's name
    - Smith

12. First name  
    - Edward

13. Middle initial  
    - J

14. Address  
    - 088 5th Street

15. City  
    - Anytown

16. State  
    - MN

17. ZIP Code  
    - 54321

18. Country (if other than US)  
    - 0122

19. Telephone number - (include area code)  
    - (612) 555-1100

20. Date of birth  
    - 02-01-95

21. SSN/ITIN (individual), EIN (entity)  
    - 477-4000011

22. Skip this item if you completed item 21.

   - a ☑ Driver's license/state ID  
   - b ☐ Passport  
   - c ☐ Alien registration  
   - d ☐ Other

   - e ID number  
     - 517557550121

   - f Issuing state or country  
     - MN

### Part IV  
**Money Services and Product Information**

23. States and/or territories where the registrant, its agents or branches are located. Check as many as apply. If you check either "All States" or "All States & Territories", do not check any other boxes.

   - a ☑ All States & Territories  
   - b ☑ All States  
   - c ☑ District of Columbia (DC)  
   - d ☑ Florida (FL)  
   - e ☑ Georgia (GA)  
   - f ☑ Hawaii (HI)  
   - g ☑ Idaho (ID)  
   - h ☑ Illinois (IL)  
   - i ☑ Indiana (IN)  
   - j ☑ Iowa (IA)  
   - k ☑ Kansas (KS)  
   - l ☑ Kentucky (KY)  
   - m ☑ Louisiana (LA)  
   - n ☑ Maine (ME)  
   - o ☑ Maryland (MD)  
   - p ☑ Massachusetts (MA)  
   - q ☑ Michigan (MI)  
   - r ☑ Minnesota (MN)  
   - s ☑ Mississippi (MS)  
   - t ☑ Missouri (MO)  
   - u ☑ Montana (MT)  
   - v ☑ Nebraska (NE)  
   - w ☑ Nevada (NV)  
   - x ☑ New Hampshire (NH)  
   - y ☑ New Jersey (NJ)  
   - z ☑ New Mexico (NM)  
   - ☑ New York (NY)  
   - ☑ North Carolina (NC)  
   - ☑ North Dakota (ND)  
   - ☑ N. Mariana Islands (MP)  
   - ☑ Ohio (OH)  
   - ☑ Oklahoma (OK)  
   - ☑ Oregon (OR)  
   - ☑ Pennsylvania (PA)  
   - ☑ Puerto Rico (PR)  
   - ☑ Rhode Island (RI)  
   - ☑ South Carolina (SC)  
   - ☑ South Dakota (SD)  
   - ☑ Tennessee (TN)  
   - ☑ Texas (TX)  
   - ☑ Utah (UT)  
   - ☑ Vermont (VT)  
   - ☑ Virgin Islands (VI)  
   - ☑ Virginia (VA)  
   - ☑ Washington (WA)  
   - ☑ West Virginia (WV)  
   - ☑ Wisconsin (WI)  
   - ☑ Wyoming (WY)
Part IV  (continued)

24 Enter the number of branches of the registrant. Reminder: do not separately register each branch.

See instructions for an explanation of the term branch.

25 Money services business activities of the registrant. Check as many as apply. See instructions for an explanation of the terms “issuer”, “seller”, “redeemer”, “check cashier”, and “money transmitter.”

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<tbody>
<tr>
<td>a</td>
<td>Issuer of traveler’s checks</td>
<td>d</td>
<td>Issuer of money orders</td>
<td>g</td>
<td>Currency dealer or exchanger</td>
<td></td>
<td></td>
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<tr>
<td>b</td>
<td>Seller of traveler’s checks</td>
<td>e</td>
<td>Seller of money orders</td>
<td>h</td>
<td>Check cashier</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>c</td>
<td>Redeemer of traveler’s checks</td>
<td>f</td>
<td>Redeemer of money orders</td>
<td>i</td>
<td>Money transmitter</td>
<td></td>
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</table>

26 Is any part of the registrant’s money services business an informal value transfer system?

See the explanation of “money transmitter” in the instructions.

a | Yes | b | No |

27 Is any part of the registrant’s money services business conducted as a mobile operation?

a | Yes | b | No |

28 Enter the number of agents authorized to conduct each money services business activity. Do not include branches, or persons who are solely employees. See instructions for an explanation of the term “agent.”

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<tr>
<td>a</td>
<td>Traveler’s check sales</td>
<td>e</td>
<td>Currency exchange or dealer</td>
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<tr>
<td>b</td>
<td>Traveler’s check redemption</td>
<td>f</td>
<td>Check cashing</td>
<td></td>
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<td></td>
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<tr>
<td>c</td>
<td>Money order sales</td>
<td>g</td>
<td>Money transmission</td>
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<td>d</td>
<td>Money order redemption</td>
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</tbody>
</table>

Part V  Primary Transaction Account for MSB Activities

29 If the registrant has more than one transaction account for money services business activities check here

See instructions for an explanation of the term “transaction account”.

The registrant’s primary transaction account is the one that has the greatest annual dollar amount of money services business activity.

In items 30 through 35 enter information about the registrant’s primary transaction account for money services business activities.

30 Name of financial institution where the primary transaction account is held

Anytown National Bank

31 Address

120 Main Street

32 City

Anytown

33 State

MN

34 ZIP Code

55123

35 Primary transaction account number

000100015071002

Part VI  Location of Supporting Documentation

If the supporting documentation is kept at the U.S. location reported in Part II check here and continue to Part VII.

36 Address

37 City

38 State

39 ZIP Code

Part VII  Authorized Signature

I am authorized to file this form on behalf of the money services business listed in Part II. I declare that the information provided is true, correct and complete. I understand that the money services business listed in Part II is subject to the Bank Secrecy Act and its implementing regulations. See 31 CFR Part 103. The money services business listed in Part II maintains a current list of all agents, an estimate of its business volume in the coming year, and all other information required to comply with 31 U.S.C. 5330 and the regulations thereunder. The signature of the owner, controlling person or authorized corporate officer is mandatory.

40 Signature

Edward Smith

41 Print name

Edward Smith

42 Title

Owner

43 Date of signature

01 15 2005

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General Information

Who Must Register

Generally each money services business must register with the Department of the Treasury. This form must be used by a money services business (also referred to as an MSB) to register. However, all MSBs are not required to register. For example, if you are an MSB only because you are an agent of another MSB, you are not required to register. The discussion below will help you determine whether or not you are an MSB that is required to register. For more information visit www.msb.gov.

The term money services business includes:
1. Currency dealers or exchangers who exchange more than $1,000 for any one customer on any day.
2. Check cashers who cash checks totaling more than $1,000 for any one customer on any day.
3. Issuers of traveler’s checks, money orders, or stored value who issue more than $1,000 in traveler’s checks, money orders or stored value for any one customer on any day.
4. Sellers of traveler’s checks, money orders or stored value who sell more than $1,000 in traveler’s checks, money orders or stored value for any one customer on any day.
5. Redemers of traveler’s checks, money orders or stored value who redeem more than $1,000 in traveler’s checks, money orders or stored value for any one customer on any day.
7. U.S. Postal Service.

The following are not required to register:
1. A business that is an MSB solely because it serves as an agent of another MSB. For example, a supermarket corporation that sells money orders for an issuer of money orders is not required to register. This is true even if the supermarket corporation serves as an agent for two or more MSBs. However, an MSB that serves as an agent of another MSB and engages in MSB activities on its own behalf must register. For example, a supermarket corporation must register if, in addition to acting as an agent of the money order issuer, it provides check cashing or currency exchange services on its own behalf in an amount greater than $1,000 for any one person on any day.
2. The United States Postal Service, any agency of the United States, or of any state, or of any political subdivision of any state.
3. At this time, persons are not required to register to the extent that they issue, sell or redeem stored value. If, however, a money services business provides money services in addition to stored value, the provision of stored value services does not relieve it of the responsibility to register, if required, as a provider of those other services.

For the regulatory definition of “money services business” see 31 CFR 103.11(n) and (m).

The following terms are used in the form and instructions to describe a money services business:
1. An “agent” is a separate business entity from the issuer that the issuer authorizes, through written agreement or otherwise, to sell its instruments or, in the case of funds transmission, to sell its send and receive transfer services. A person who is solely an employee of the MSB is not an agent of that MSB.
2. A “branch” is an owned location of either an issuer or agent at which financial services are sold. An MSB should not separately register each of its branches. A mobile location owned by an MSB is a branch of that MSB. The MSB’s headquarters is not a branch. If the MSB has only one location, that location is not a branch.
3. A “check casher” is a person engaged in the business of providing cash to persons in return for a check.
4. A “currency dealer or exchanger” is a person who engages in the physical exchange of currency for retail customers.
5. “Informal value transfer system”. See explanation of the term money transmitter.
6. An “issuer” is the business that is ultimately responsible for payment of money orders or traveler’s checks as the drawer of such instruments, or a money transmitter that has the obligation to guarantee payment of a money transfer.
7. A “money transmitter” is a person that engages in the business of transfer of funds through a financial institution.

Generally, acceptance and transmission of funds as an integral part of the execution and settlement of a transaction other than the funds transmission itself (for example, in connection with the bona fide sale of securities) will not cause a person to be a money transmitter.

An “informal value transfer system” is a kind of money transmitter. An informal value transfer system includes any person who engages as a business in an informal money transfer system or any network of people who engage as a business in facilitating the transfer of money domestically or internationally outside of the conventional financial institutions system.
8. A “person” is an individual, a corporation, a partnership, a trust or estate, a joint stock company, an association, a syndicate, joint venture, or other unincorporated organization or group, an Indian Tribe (as that term is defined in the Indian Gaming Regulatory Act), and all entities cognizable as legal personalities.
9. A “redemper” is a business that accepts instruments in exchange for currency or other instruments for which it is not the issuer. You are not a redeemer if you take the instruments in exchange for goods or general services, provided that the amount of cash returned is not more than $1,000 for any one customer on any day.
10. A “seller” is a business that issues authorize, through written agreement or otherwise, to sell their instruments or their send and receive transfer services.

11. A “transaction account” is a deposit or account on which the depositor or account holder is permitted to make withdrawals by negotiable or transferable instrument, payment orders of withdrawal, telephone transfers, or other similar items for the purpose of making payments or transfers to third persons or others. Such terms include demand deposits, negotiable order of withdrawal accounts, savings deposits subject to automatic transfers, and share draft accounts. See 12 USC 461(b)(1)(c).

When to Register

Initial registration: File the form within 180 days after the date the business is established.
Renewal: Each MSB must renew its registration every two years, or on before December 31. See 31 CFR 103.41(b)(2). For example, if an MSB registered on October 15, 2003, it must file a renewal by December 31, 2004, and then every 24 months thereafter (or on before December 31, 2006, then December 31, 2008, etc.).
Correction: Use the form to correct an incorrect result. Complete Part I in its entirety and only those other entities that are being added or changed. Staple a copy of the prior report (or the acknowledgement from DCC if received) to the corrected report.
Re-registration: Refile a new registration form when one of the following events occurs:
1. A change in ownership requiring re-registration under state registration law;
2. More than 10% voting power or equity interest is transferred (except certain publicly-traded companies); or
3. The number of agents increases by more than 50 percent.

Where to Register

Send your completed form to:
IRS Detroit Computing Center
Attn: Money Services Business Registration
PO. Box 33116
Detroit, MI 48232-0116

The IRS Detroit Computing Center (abbreviated DCC) will send an acknowledgement of receipt to the registrant listed in Part I within approximately 60 days after the form is processed. DCC can respond to general questions over the phone at telephone (800) 800-2877.
General Instructions

1. This form is available on the Financial Crimes Enforcement Network's web site for MSBs at www.msb.gov, or FinCEN's web site at www.fincen.gov, or by calling the IRS Forms Distribution Center at (800) 829-3676.
2. Unless there is a specific instruction to the contrary, leave blank any item that does not apply or for which information is not available.
3. Complete the form by providing as much information as possible.
4. Do not include supporting documents with this form.
5. Type or complete the form using block written letters.
6. Enter all dates in MM/DD/YYYY format, where MM=month, DD=day, and YYYY=year. Precede any single number with a zero, i.e., 01, 02, etc.
7. List all U.S. telephone numbers with area code first and then the seven-digit phone number, using the format (XXX) XXX-XXXX.
8. Always enter an individual's name as last name, first name, and middle initial (if known). If a legal entity is listed, enter its name in the last name field.
9. Enter identifying numbers starting from left to right. Do not include spaces, dashes, or other punctuation. Identifying numbers include social security number (SSN), employer identification number (EIN), individual taxpayer identification number (ITIN), alien registration number, driver's license/state identification, foreign national identification, and passport number.
10. Enter all Post Office ZIP Codes from left to right with at least the first five numbers, or with all nine (ZIP + 4) if known.
11. Addresses: Enter the permanent street address, city, two-letter state or territory abbreviation used by the U.S. Postal Service and ZIP Code (ZIP + 4 if known) of the individual or entity. A post office box number should not be used for an individual, unless no other address is available. For an individual, also enter any apartment number, suite number, or road or route number. If a P.O. Box is used for an entity, enter the street name, suite number, and road or route number. If the address of the individual or entity is in a foreign country, enter the city, province or state, postal code and the name of the country. Complete any part of the address that is known, even if the entire address is not known. If the address is in the United States, leave county code blank.

Specific Instructions

Part I Filing Information

See "When to Register" in the General Information part of these instructions.

Part II Registrant Information

Item 3-Legal name of the money services business. Enter the full legal name of the registrant's money services business as it is shown on the charter or other document creating the entity, for example, enter Good Hope Enterprises, Inc. when the money services business is Good Hope Enterprises, Inc. d.b.a. Joe's Check Cashing. If a sole proprietorship, enter the business name of the proprietorship.

Item 4-Doing business as. If applicable, enter the separate doing business as name of the registrant. For example, enter d.b.a. Joe's Check Cashing when the money services business is Good Hope Enterprises, Inc. d.b.a. Joe's Check Cashing.

Items 5, 6, 7 and 8-Address. Enter the permanent address of the registrant.

Item 9—Entitlement (entity). SSN/TIN (individual). If the registrant is an entity enter its employer identification number (EIN). If the registrant is an individual and a U.S. Citizen or an alien with a social security number, enter his/her SSN. If the registrant is an individual who is an alien and an individual taxpayer identification number, enter his/her ITIN. If a number has been applied for, but not yet received, leave item 9 blank. When the number is received file a corrected form.

Part III Owner or Controlling Person

General: Any person who owns or controls a money services business is responsible for registering the MSB. Only one registration form is required for any business in any registration period. If more than one person owns or controls the business, they may enter into an agreement designating one of them to register the business. The designated owner or controlling person must complete Part III and provide the requested information. In addition, that person must sign and date the form as indicated in Part VII. Failure by the designated person to register the business does not relieve any other owner who owns or controls the business of the liability for failure to register the business.

An "Owner or Controlling Person" includes the following:

Registrtant Business

Owner or Contronlign Person

Sole Proprietorship................ the individual who owns the business

Partnership...................... a general partner

Trust.............................. a trustee

Corporation....................... the largest single shareholder

If two or more persons own equal numbers of shares of a corporation, those persons may enter into an agreement as explained above that one of those persons may register the business.

If the owner or controlling person is a corporation, a duly authorized officer of the owner-corporation may execute the form on behalf of the owner-corporation.

Item 11—Individual's last name, or organization's name. If the registrant is a publicly held corporation, it is sufficient to write "public corporation" in Item 11. Where registrant is a public corporation, a duly authorized officer of the registrant must execute the form in Part VII.

Items 12 to 21—Enter the applicable information for the owner or controlling person. Their home address and phone number should not be used, unless a business address and phone number are unavailable.

Item 22—Identification information. If you completed item 21, you may omit this item. If you did not complete item 21, enter separately the form of identification, the ID number, and the issuing state or country. Do not provide "other" identification unless no driver's license/state ID, passport or alien registration number is available. "Other" identification includes any unexpired official identification that is issued by a governmental entity. If you check item 22 d, give a brief description of the "other" identification.

Part IV Money Services and Product Information

Item 23—States and/or territories where the registrant, its agents or branches are located. Check the boxes(s) for any state, territory or district in which the money services business offers services through its branches and/or agents. If a service is offered on tribal lands, mark the box for the state, territory or district in which the tribal lands are located. You checked either "All States" or "All States & Territories", do not check any other states or territories.

Item 24—Enter the number of branches of the registrant. Enter the number of branches of the money services business at which one or more MSB activities are offered. If there are no branches, enter zero. See the General Information for an explanation of the term "branch.

Item 25—MSB activities of the registrant. Items 25a through 25i are MSB activities. Check the box of each MSB activity conducted by the registrant at its branches. See the General Information for an explanation of the terms "issuer", "seller", "redeemer", check cashier", and "money transmitter.

Item 26—Informal money transfer system. If any part of the registrant's money services business is an informal money transfer business, check yes. An informal money transfer system is a kind of money transmitter. See the General Information explanation of the term "money transmitter."
FinCEN Form 107  Registration of Money Services Business Instructions

Item 27—Mobile operation. If any part of the registrant's money services business is conducted as a mobile operation, check yes. A mobile operation is one based in a vehicle. For example, a check cashing service offered from a truck is a mobile operation. For purposes of Item 24, each mobile operation should be counted as a separate branch.

Item 28—Number of agents. Enter the number of agents that the registrant has authorized to sell or distribute its MSB services. Do not count branches or any person who is solely an employee of the MSB. A bank is not an agent for this purpose. See the General Information for an explanation of the term "agent".

Part V Primary Transaction Account for MSB Activities

Item 29—Check the box if the registrant has more than one primary transaction account for money services business activities. Example: if the registrant is both an issuer of money orders and an issuer of traveler's checks and the registrant has separate clearing accounts for money orders and traveler's checks, the box should be checked.

Item 30—Name of the financial institution where the primary transaction account is held. Enter the name of the bank or other financial institution where the registrant has its primary transaction account. If you indicated that the registrant has more than one primary transaction account in Item 29, enter information about the account with the greatest money services activity transaction volume as measured by value in dollars. See the General Information for an explanation of the term "transaction account".

Items 31, 32, 33 and 34—Enter the permanent address for the financial institution.

Item 35—Primary transaction account number. Enter the primary transaction account number.

Part VI Location of Supporting Documentation

General: The registrant must retain for five (5) years certain information at a location within the United States. That information includes:

1. A copy of the registration form.

2. Annual estimate of the volume of the registrant’s business in the coming year.

3. The following information regarding ownership or control of the business: the name and address of any shareholder holding more than 5% of the registrant's stock, any general partner, any trustee, and/or any director or officer of the business.

4. An agent list.

If the registrant has agents it must prepare and maintain a list of its agents. That agent list must be updated annually and retained by the business at the location in the United States reported on this registration form in Part II or Part VI. The agent list should not be filed with this registration form.

The agent list must include:

1. Each agent's name,

2. Each agent's address,

3. Each agent's telephone number,

4. The type of service(s) provided by each agent on behalf of the registrant,

5. A listing of the months in the immediately preceding 12 months in which the gross transaction amount of each agent with respect to financial products/services issued by the registrant exceeded $100,000,

6. The name and address of any depository institution at which each agent maintains a transaction account for the money services business activities conducted by the agent on behalf of the registrant,

7. The year in which each agent first became an agent of the registrant, and

8. The number of branches or subagents of each agent.

Items 36, 37, 38 and 39—If the supporting documentation is retained at a location other than the address listed in Part II, enter the location information in items 35 through 38.

Part VII Authorized Signature

Items 40, 41, 42 and 43—The owner or controlling person listed in Part III must sign and date the form as indicated in Part VII. If the owner or controlling person is a corporation, a duly authorized officer of the corporation must execute the form on behalf of the corporation.

Penalties for failure to comply: Any person who fails to comply with the requirements to register, keep records, and/or maintain agent lists pursuant to 31 CFR 103.41 may be liable for civil penalties of up to $5,000 for each violation. Failure to comply also may subject a person to criminal penalties, which may include imprisonment for up to five (5) years and criminal fines. See 18 USC 1960.

Note: Registration with the IRS Detroit Computing Center does not satisfy any state or local licensing or registration requirement.

Paperwork Reduction Act Notice. The purposes of this form are to provide an effective and consistent means for money services businesses to register with the Financial Crimes Enforcement Network, and to assure maintenance of reports or records where such reports or records have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings. This report is required by law, pursuant to authority contained in Public Law 103-305; 31 USC 5330; 5 USC 301; 31 CFR 103. The information collected may be provided to those officers and employees of any constituent unit of the Department of the Treasury who have a need for the records in the performance of their duties. The records may be referred to any other department or agency of the United States, to any State, or Tribal Government. Public reporting and recordkeeping burden for this information collection is estimated to average 45 minutes per response, and includes time to gather and maintain data for the required report, review the instructions, and complete the information collection. Send comments regarding this burden estimate, including suggestions for reducing the burden, to the Office of Management and Budget, Paperwork Reduction Project, Washington, DC 20503 and to the Paperwork Reduction Act; Department of the Treasury, Financial Crimes Enforcement Network, PO. Box 39, Vienna, VA 22183-0039. The agency may not conduct or sponsor, and an organization (or a person) is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Privacy Act Notice. Pursuant to the requirements of Public Law 93-579 (Privacy Act of 1974), notice is hereby given that, in accordance with 5 U.S.C. 552a(e), the authority to collect information on FinCEN Form 107 is Public Law 103-305; 31 USC 5330; 5 USC 301; 31 CFR 103. The Department of the Treasury may use and share the information with any other department or agency of the United States, to any State, or Tribal Government, or part thereof, upon the request of the head of such department or agency, or authorized State or Tribal Government official for use in a criminal, tax, or regulatory investigation or proceeding, and to foreign governments in accordance with an agreement, or a treaty. Disclosure of this information is mandatory. Civil and criminal penalties, including in certain circumstances a fine of not more than $5,000 per day and imprisonment of not more than five years, are provided for failure to file the form, supply information requested by the form, and for filing a false or fraudulent form. Disclosure of the social security number or taxpayer identification number is mandatory. The authority to collect is 31 CFR 103. The social security number/taxpayer identification number will be used as a means to identify the individual or entity who files the report.
Independent Review

The USA PATRIOT Act requires that all Money Services Businesses (MSBs) have an Independent Review of their anti-money laundering program done periodically to verify that their program is adequate. As an agent of MoneyGram, you are an MSB and MUST conduct an Independent Review.

Most government regulators recommend that Independent Reviews be performed at least annually by all MSBs.

The Independent Review may be conducted by the owner, manager, or an employee of your business. However, your designated Compliance Officer may NOT conduct the review.

If an employee of your business does conduct the review, it should be an employee who is familiar with your compliance program and the anti-money laundering requirements that apply to MSBs.

On the following page is a form that may be used by the person conducting your Independent Review. The form, as well as additional anti-money laundering compliance resources, is also available on our website at www.moneygram.com.
USA PATRIOT Act Independent Review

Business Information

Business Name: __________________________________________________________

Business DBA: __________________________________________________________

Address: ________________________________________________________________

Phone Number:____________________________________________________________

Owner / Manager: __________________________________________________________

Compliance Officer: ________________________________________________________

Number of Locations: ______________________________________________________

Circle YES or NO for each question:

YES NO Is the business registered with the U.S. Treasury Department – Financial
Crimes Enforcement Network (FinCEN) as a Money Services Business? If
this entity conducts money service transactions (Examples: check cashing
or currency exchange) on its own behalf that exceed $1,000, for any one
customer, on any one day, registration is required.

YES NO If yes, is the MSB registration available and current?
If no, indicate the reason:
____________________________________________________________
____________________________________________________________
____________________________________________________________

____________________________________________________________
Risk Assessment

Product Risk:

All financial services businesses, including banks, credit unions and money services businesses are at risk of being victimized by money launderers or other criminals. This risk can increase with the number of financial services that are sold, or with the use of multiple issuers/vendors for these services. Both multiple services and multiple issuers/vendors increase a money launderer or other criminal's ability to structure transactions to avoid detection and recordkeeping requirements. If more than one (1) product or service is offered, the Independent Reviewer should more carefully review this compliance program.

Identify the financial services and products that are offered:

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
<th>Money transfers / wire transfers</th>
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<tr>
<td></td>
<td></td>
<td>Money orders</td>
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<td></td>
<td></td>
<td>Check cashing</td>
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<tr>
<td></td>
<td></td>
<td>Currency exchange</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Stored value cards</td>
</tr>
</tbody>
</table>

Location Risk:

Law enforcement agencies and government regulators have identified areas that are at higher risk for money laundering, related financial crimes, and drug trafficking. If the answer is “YES” to any of the following three (3) questions, this MSB has a greater risk of being victimized by money launderers or other criminals. Therefore, the Independent Reviewer should more carefully review this compliance program.

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
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<tbody>
<tr>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>YES</td>
<td>NO</td>
</tr>
</tbody>
</table>
Compliance Program

YES  NO  Does the MSB have a written Compliance Program?

Does the Compliance Program include written policies, procedures, and internal controls reasonably designed to assure compliance with the Bank Secrecy Act, including:

YES  NO  Customer identification?
YES  NO  Filing applicable reports (Suspicious Activity Reports by Money Services Business (SAR-MSB) and Currency Transaction Reports (CTR))?
YES  NO  Recordkeeping and retention requirements?
YES  NO  Response to law enforcement requests for information?
YES  NO  Does the Compliance Program include limits specific to this business, such as a maximum send amount, a maximum receive amount, or a maximum amount of money orders that may be purchased? If YES, describe how these limits are enforced and monitored:

_____________________________________________________________________
_____________________________________________________________________

YES  NO  Has a Compliance Officer been designated?
YES  NO  Does the Compliance Officer fully understand and perform the duties and responsibilities of this position?
YES  NO  Are Independent Reviews, to monitor and maintain an adequate compliance Program, conducted at least annually by a qualified party?

SAR-MSBs
YES  NO  Does the Compliance Officer (or their designee) review daily transaction activity to look for structuring and to ensure that SAR-MSBs are being filed when necessary?
YES  NO  Have SAR-MSBs been filed? If NO, why not:

_____________________________________________________________________

YES  NO  Are blank SAR-MSB forms available?
| YES | NO | Are copies of filed SAR-MSB forms and supporting documentation maintained in a secure location? |
| YES | NO | Are SAR-MSBs being accurately completed and filed on a timely basis for all transaction(s) of $2,000 or more that appear to be suspicious? |
| YES | NO | Are copies of SAR-MSBs maintained for 5 years? |
| **CTR**s | YES | NO | Does the Compliance Officer (or their designee) review daily activity to look for transactions that in individual or multiple transactions may require the filing of CTRs? |
| YES | NO | Have CTRs been filed?  
If NO, why not: |
<p>| YES | NO | Are blank CTR forms available? |
| YES | NO | Are copies of filed CTR forms and supporting documentation maintained in a secure location? |
| YES | NO | Are CTRs being accurately completed and filed on a timely basis for all transaction(s) greater than $10,000, including fees? |
| YES | NO | Are copies of CTRs maintained for 5 years? |
| <strong>Money Orders</strong> | YES | NO | Are Logs maintained for money order sales of $3,000 or more? |
| YES | NO | Does the Compliance Officer (or their designee) review daily activity to look for multiple transactions that may require that the Log be completed? |
| YES | NO | Are Logs current and accurately completed? |
| YES | NO | Are money order Logs reviewed to determine if CTRs/SAR-MSBs should have been filed? |
| YES | NO | Are Logs maintained for 5 years? |</p>
<table>
<thead>
<tr>
<th><strong>Money Transfers through MoneyGram</strong></th>
<th><strong>YES</strong></th>
<th><strong>NO</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the Compliance Officer (or their designee) periodically review the Send/Receive forms or Form Free receipts for accuracy and completeness?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are Send/Receive forms or Form Free receipts properly completed and maintained for transfers of $3,000 or more?</td>
<td><strong>YES</strong></td>
<td><strong>NO</strong></td>
</tr>
<tr>
<td>Are Send/Receive forms or Form Free receipts reviewed to determine if CTR/SAR-MSBs should have been filed?</td>
<td><strong>YES</strong></td>
<td><strong>NO</strong></td>
</tr>
<tr>
<td>Are the Send/Receive forms or Form Free receipts maintained for 5 years?</td>
<td><strong>YES</strong></td>
<td><strong>NO</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Customer Identification</strong></th>
<th><strong>YES</strong></th>
<th><strong>NO</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the Compliance Officer (or their designee) periodically review the Money Order Logs and/or the Send/Receive forms or Form Free receipts to ensure that the identification policy and procedures are being followed?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Is valid, government issued photo identification, being recorded for money order sales of $3,000 or more?</td>
<td><strong>YES</strong></td>
<td><strong>NO</strong></td>
</tr>
<tr>
<td>Is valid, government issued, photo identification, being recorded for money transfers of $900 or more for MoneyGram money transfer transactions?</td>
<td><strong>YES</strong></td>
<td><strong>NO</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Employee Training</strong></th>
<th><strong>YES</strong></th>
<th><strong>NO</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Have all employees involved in providing MSB services received compliance training?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If YES, how often?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does training include reading the Compliance Program?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If NO, why not:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are training records documented?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Is training material thorough and current?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Briefly describe the content:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
YES NO  Do employees fully understand compliance policies and procedures?

YES NO  Are employees adequately trained to identify potentially suspicious activity, including structuring?

YES NO  Is testing conducted to validate the employees’ understanding of compliance? Briefly describe the content and process:

________________________________________________________________________
________________________________________________________________________

YES NO  Does the MSB conduct annual employee refresher compliance training?

Data Review

In order to verify that transactions have been properly identified for recordkeeping and reporting requirements, the Independent Reviewer may choose to conduct a random test of a sample of transactions.

If a data review was conducted, briefly describe the results of the review and analysis:

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

Additional Comments (all unacceptable areas must be addressed):

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
Certification of Independent Review

I have completed an independent review of the compliance program of ____________________________________________________________________________ (name of business).

Among other things, this review focused on the requirements of the USA PATRIOT Act and the Bank Secrecy Act. The results of my review are that I find this entity’s anti-money laundering compliance program to be:

Acceptable:
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

Acceptable, but recommend the following enhancements:
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

Unacceptable for the following reasons:
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

Signature of the person conducting the review:

Reviewer’s Name:__________________________________________________________
Reviewer’s Title: __________________________________________________________
Reviewer’s Company: ______________________________________________________
Date of Review:____________________________________________________________
Financial Crimes Enforcement Network (FinCEN)

The Financial Crimes Enforcement Network (FinCEN) is a bureau within the U.S. Treasury Department that administers the federal government's anti-money laundering laws and regulations. FinCEN has created materials to assist Money Services Businesses (MSBs) with compliance with these laws and regulations.

MSBs should familiarize themselves with information provided by FinCEN and should regularly review FinCEN's website for MSBs (www.msb.gov) for any updates or new information related to anti-money laundering compliance.

Below is a list of some of the information available on the FinCEN MSB.gov website:

- **Guidance** – This section provides: summaries of the anti-money laundering compliance requirements that apply to MSBs; all of the statutes and regulations; and a glossary of terms and contact information for FinCEN.

- **Forms** – This section contains the forms, such as the CTR and SAR-MSB forms along with information about how to obtain them and where to file them.

- **Materials** – This section contains information on the training material that FinCEN has prepared for MSBs. FinCEN has a “Money Laundering Prevention Guide” designed specifically for MSBs, as well as “Quick Reference Guides”. These guides can be downloaded from the web site or you can order them. You can also order training videos and CDs. All of FinCEN's training material is **FREE** of charge.

- **Publications** – This section contains advisories, news releases and announcements. It also contains reports published by the federal government and international groups that relate to money laundering and other crimes.

  In the Advisories/Bulletins area of this section, a very important and informative document titled “Guidance to Money Services Businesses on Obtaining and Maintaining Banking Services” was issued on April 26, 2005.

  This Advisory emphasizes the obligations of MSBs under the Bank Secrecy Act, and outlines the information and documentation those businesses should have and be prepared to provide when seeking to open or maintain account relationships with banking organizations.
Terrorism Financing Prevention

Money laundering is most commonly associated with drug dealing and tax avoidance. However, other individuals, most notably terrorists, may attempt to launder money in order to conceal their identity and finance their operations. It is critical that MSBs remain alert for any such activity, and take appropriate and immediate action if detected.

If you suspect terrorism financing, you should immediately report the incident to the FinCEN hotline at 1-800-556-3974, which is operated 24 hours a day, seven (7) days a week. You should also file a SAR-MSB on any suspected terrorism activity.

The Financial Action Task Force (FATF) and FinCEN have each issued guidance on financial transactions that may be indicative of terrorist financing at www.fatf-gafi.org and www.fincen.gov websites. Most of the cited examples apply to transactions conducted at banks or other depository institutions. However, the following examples may also be conducted by MSBs:

1. Movement of funds through a country designated by FinCEN or the FATF as “non-cooperative,” that are identified as specially designated nationals by Treasury’s Office of Foreign Assets Control, or that appear on the United Nation’s list of blocked accounts;

2. Multiple transactions conducted by a group of nationals from countries associated with terrorist activity;

3. Individuals acting on behalf of another money transmitting business that use MoneyGram to transfer funds to multiple locations. This may be indicative of unlicensed money transmitters that seek to evade use of the banking system to conduct foreign transfers.