

FINCEN FOLLOWS THE MONEY

**A Local Approach for
Identifying & Tracing
Criminal Proceeds**

GATEWAY

FinCEN overview & mission



U.S. Department of the Treasury Financial Crimes Enforcement Network (FinCEN)

What is money laundering?

With few exceptions, criminals are motivated by one thing—profit. Greed drives the criminal, and the end result is that illegally-gained money must be introduced into the nation's legitimate financial systems. Money laundering involves disguising financial assets so they can be used without detection of the illegal activity that produced them. Through money laundering, the criminal transforms the monetary proceeds derived from criminal activity into funds with an apparently legal source.

This process has devastating social consequences. For one thing, money laundering provides the fuel for drug dealers, terrorists, arms dealers, and other

FinCEN is a network, a link between the law enforcement, financial and regulatory communities. Because the changing financial world creates vast opportunities for criminals, FinCEN strives to work with its domestic and international partners to maximize the information sharing network and find new ways to prevent and detect financial crime.

criminals to operate and expand their criminal enterprises. We know that criminals manipulate financial systems in the United States and abroad to further a wide range of illicit activities. Left unchecked, money laundering can erode the integrity of our nation's financial institutions.

How big is the problem and why is it important?

The profits of crime that creep into the United States' financial system each year are staggering and detrimental by any calculation. Efforts are underway to estimate the amount of money laundering that results from various crimes. Drug trafficking alone generates tens of billions of dollars a year.

It is clear that the problem is enormous. It is also clear that money laundering extends far beyond hiding narcotics profits. The dimension of the problem increases rapidly when one considers, for example, trade fraud and tax evasion subject to the money laundering statutes, as well as organized crime and arms smuggling. Bank, medical, and insurance fraud—which can also entail significant laundering of funds—add many additional billions of dollars to the criminals' profits.

Why do we need financial investigations?

Intense financial investigations are essential if we are to beat criminals at their trade—whether it's narcotics trafficking, organized crime, money laundering or bank fraud. Following the money leads to the top of the criminal organization. But

financial investigations are extremely complex and difficult to conduct. First, it takes many years of working in the financial industry to understand all its intricacies. Second, no single agency possesses a sufficiently broad or cross-jurisdictional focus and information base to track financial movements. Finally, the sheer size, variety, and pace of change of the financial sector make financial investigations even more difficult. The tools of the money launderer range from complex financial transactions, carried out through webs of wire transfers and networks of shell companies, to old-fashioned, if increasingly inventive, currency smuggling. As soon as law enforcement learns the intricacies of a new laundering technique and takes action to disrupt the activity, the launderers replace the scheme with yet another, more sophisticated method.

How has Treasury addressed the problem?

The Department of the Treasury has designated the Financial Crimes Enforcement Network (FinCEN) as one of the primary agencies to establish, oversee and implement policies to prevent and detect money laundering. This is accomplished in two ways. First, FinCEN uses counter-money laundering laws (the Bank Secrecy Act—“BSA”) to require reporting and record keeping by banks and other financial institutions. This record keeping preserves a financial trail for investigators to follow as they track criminals and their assets. The BSA also requires reporting suspicious transactions which could trigger investigations. FinCEN establishes these policies and regulations to deter and detect money laundering in partnership with the financial community.

Second, FinCEN provides intelligence and analytical support to law enforcement. FinCEN’s work is concentrated on combining information reported under the BSA with other government and public information. This information is then disclosed to FinCEN’s customers in the law enforcement community in the form of intelligence reports. These reports help them build investigations and plan new strategies to combat money laundering.



Who are FinCEN’s Customers?

FinCEN’s analysts provide case support to more than 150 federal, state, and local law enforcement agencies, issuing approximately 7,500 intelligence reports each year. Using advanced technology and a variety of data sources, FinCEN links together various financial elements of crime, helping federal, state and local law enforcement find the missing pieces to the criminal puzzle.

Addressing money laundering is a nationwide problem and FinCEN treats it that way. Through Project Gateway, FinCEN works with law enforcement officials in each state so that they have on-line access to FinCEN’s databases. Gateway’s cutting edge technology gives each state electronic access directly to financial information which they use with great success.

FinCEN also works to develop and foster global anti-money laundering strategies, policies, and programs, reaching out to assist countries in implementing these efforts. FinCEN supports the G-7 Financial Action Task Force (FATF), which is recognized as the leading organization in setting international anti-money laundering standards. In addition, FinCEN coordinates with financial intelligence units (FIUs) in scores of countries, including Britain, France, Belgium, Panama and Australia. FinCEN is also using its expertise to help establish FIUs worldwide.



How is FinCEN organized?

FinCEN’s unique staffing both reflects and sustains its mission. Currently, there are about 200 employees on board. The majority of the staff is made up of permanent FinCEN personnel, mostly analysts, as well as experts in finance and technology. In addition, about 40 long-term detailees are assigned to FinCEN from 21 different regulatory and law enforcement agencies.

How we provide support to Law Enforcement

As an intelligence agency, FinCEN is always seeking to provide the most up-to-date information, combining regulatory and investigative data to furnish appropriate information to our customers.

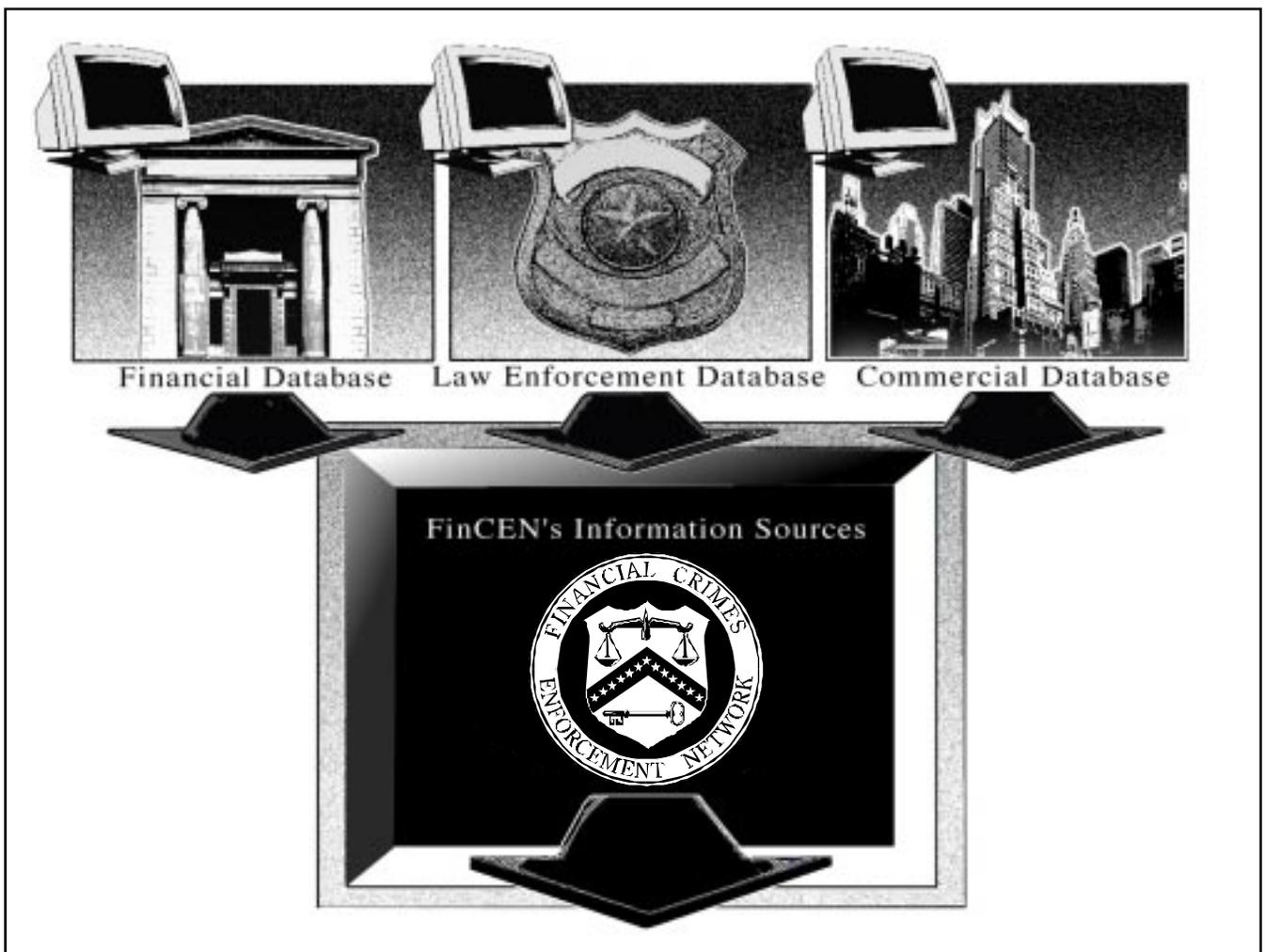


What are FinCEN's information sources?

FinCEN's information sources fall into three broad categories: Financial, Law Enforcement and Commercial Databases.

Financial Database - The financial database consists of reports that are required to be filed under the BSA and include the Currency Transaction Report (CTR); Report of International Transportation of Currency or Monetary Instruments (CMIR); Currency Transaction Report by Casinos (CTRC); Report of Foreign Bank and Financial Accounts (FBAR); and Suspicious Activity Report (SAR).

Law Enforcement Databases - Through a Memorandum of Understanding (MOU), a written agreement outlining the details of database access, dissemination authority, etc., FinCEN is able to access individual law enforcement databases maintained by agencies such as the Treasury Bureau, Drug Enforcement Administration, Department of Defense, and the Postal Inspection Service. FinCEN currently maintains MOUs with a wide range of federal and regulatory agencies, all 50 states and the District of Columbia.



Commercial Databases - FinCEN procures access to a variety of commercially maintained databases which are valuable in locating individuals, determining asset ownership and establishing links between individuals, businesses and assets.

These commercial sources of information, coupled with the data from the law enforcement and financial databases, form the foundation of information sources for FinCEN analyses.

Finally, the FinCEN Database serves as the central point upon which FinCEN coordinates information on all investigations it supports, thus enhancing FinCEN's efforts to improve the information sharing network.



What are FinCEN's products & how can I request them?

FinCEN produces two broad categories of analytical work products for its customers: tactical support products and strategic analysis.

Tactical Support Products - The FinCEN tactical support work product is designed to provide information and leads on criminal organizations and activities which are presently under investigation by law enforcement agencies. In addition, analysts may provide information through FinCEN's Artificial Intelligence System on previously undetected possible criminal organizations and activities so that investigations can be initiated. FinCEN also provides assistance to regulatory agencies and assists in the identification of assets for seizure and forfeiture purposes in support of ongoing investigations. FinCEN's tactical work

product is tailored to the individual request and may range from a "single subject" basic search of databases to detailed, in-depth analysis of the financial aspects of major criminal organizations.

The initial contact point for participating agencies seeking tactical assistance is the FinCEN Operations Center. Currently, the Division is staffed weekdays from 7:00 a.m. to midnight, eastern time. Methods of transmitting requests to FinCEN include facsimile, mail, phone, and electronic mail depending on the procedures established by the requesting agency. A special form entitled "REQUEST FOR RESEARCH" is used for submitting requests. These forms can be obtained by contacting FinCEN at 1-(800) SOS-BUCK.

Please note that procedures vary among federal agencies. Federal agency personnel may wish to first contact their Headquarters component to determine whether or not a procedure for submission of FinCEN requests has been established by their agency. State and local agencies need to submit their requests through their designated FinCEN State Coordinator. To determine your State Coordinator, please contact FinCEN's Gateway Project Office at 1-(800)-SOS-BUCK.

Strategic Analysis - FinCEN also studies financial crimes and money laundering with a focus on the "big picture" as well as the future. It collects, processes, analyzes and develops intelligence in the emerging trends, patterns and issues related to the proceeds of illicit activities. Examples of some of the areas of study include: the ongoing analysis of suspicious activity reports (SARs) filed by banks; a review of the extent and ways money transmitters and currency exchange businesses are being utilized for money laundering; studying underground parallel banking systems used to launder money; and preparation of threat assessments in support of state level anti-money laundering legislation.

FINANCIAL INTELLIGENCE UNITS

Background

A growing list of countries recognizes the corrosive dangers that unchecked financial crimes pose to their economic and political systems. To address this threat, a number of specialized governmental agencies have been created as countries around the world develop systems to deal with the problem of money laundering. These entities are commonly referred to as “financial intelligence units” or “FIUs”. They offer U.S. law enforcement an important new avenue for exchanging information (including sensitive information).

Recognizing the benefits inherent in the development of a FIU network, in 1995, FinCEN, in cooperation with its Belgian counterpart, brought together a group of FIUs at the Palais d’Egmont-Arenberg in Brussels. Now known as the Egmont Group, these FIUs meet regularly to find ways to cooperate, especially in the areas of information exchange and the sharing of expertise. One of the most significant accomplishments of the group’s efforts has been the creation of a secure Internet web site. Egmont’s International Secure Web System – developed primarily by FinCEN – permits members of the group to communicate with one another via secure e-mail, posting and accessing information regarding trends, analytical tools, and technological developments. In other words, this system provides the ability to facilitate practical, rapid exchanges of information that could enhance the efforts of our federal, state, & local law enforcement in fighting money laundering.

How FIUs can assist U.S. law enforcement

FIUs, at a minimum, maintain databases of information on disclosures of suspicious financial transactions. Often these FIUs are restricted from providing this information to any agencies other than their own national prosecutorial authorities or to their foreign counterpart FIUs. Many FIUs can also be of assistance in providing other government administrative data and public record information.

FinCEN deals directly with these FIUs and can usually obtain available financial intelligence relatively rapidly through these sources. While this channel does not replace the usual avenues that must be used for obtaining evidentiary information, it can provide law enforcement with confirming information regarding the viability of leads and other pertinent information.

Procedure for Requesting Information from Foreign FIUs

U.S. law enforcement agencies may request information from a foreign FIU simply by forwarding an official request either to the appropriate agency liaison officer at FinCEN or directly to FinCEN’s Office of International Programs, Financial Intelligence Unit Division, telephone: (703) 905-3823; fax: (703) 905-3679.

Requests should include the following: full identification of the requester and the requesting agency, a description of the criminal matter under investigation and a summary of the relevant facts



of the case, the purpose of the request, and the assistance being sought; and as much identifying information on the subject(s) as possible. Alternatively, the requester may submit a FinCEN Request for Research form as used for domestic requests. The requester should also specify the country or countries to which the request should be directed.

FinCEN will advise the requester immediately if the request cannot be honored (for example, if the country does not have an FIU or if the FIU does not generally share disclosure information). The response time for submitted requests to foreign FIUs will vary according to the workload of the individual FIU and the information to which it has access. FinCEN will follow up on the requests and forward the results to the requester upon receipt.

This FinCEN document is a product of the Financial Crimes Enforcement Network, U.S. Department of the Treasury, 2070 Chain Bridge Road, Vienna VA 22182, (703) 905-3773. For more information about FinCEN's programs, visit the FinCEN web site at <http://www.fincen.gov> Questions or comments regarding the contents of this publication should be addressed to the Office of Communications, FinCEN. Information may also be faxed to (703) 905-3885.



Identifying & Tracing Criminal Proceeds

The Financial Crimes Enforcement Network (FinCEN) was established by the Department of the Treasury in April 1990 to “... provide a governmentwide, multi-source intelligence and analytical network in support of the detection, investigation, and prosecution of domestic and international money laundering and other financial crimes by Federal, State, local, and foreign law enforcement agencies.” To fulfill this mission, FinCEN maintains a database of reports of large currency or otherwise suspicious transactions. This information is available to state and local law enforcement agencies through designated coordinators in each state as well as the District of Columbia and Puerto Rico.

Why follow the money?

Most crimes have some type of financial gain as the primary motive. Curtailing or eliminating the proceeds of criminal activity can have a substantial impact on reducing crime in general. Simply put, the harder it is for criminals to spend the money made from some illegal act—drugs, prostitution, embezzlement, illegal gambling, to name just a few—the less incentive there is to continue the activity.

Taking the profit out of crime is also an important step in eliminating the operating capital often needed to fund the criminal activity.

Finally, examining the financial aspects of criminal activity very often results in more thorough investigations and more successful prosecutions. It’s difficult, if not impossible, for a drug dealer to deny he’s running a major operation if it can be shown he routinely deposits large amounts of cash in the bank.

Currency and suspicious transaction data

Many criminals face a common problem—how to dispose of large amounts of cash without drawing attention to themselves. To take advantage of this vulnerability, federal law requires banks, casinos, merchants, money transmitters and certain types of other financial institutions to report large currency transactions to the Department of the Treasury on the following forms:

- IRS Form 4789, Currency Transaction Report—Required to be filed by financial institutions for each deposit, withdrawal, exchange of currency, or other payment or transfer, by, through, or to such institution that involves a transaction in currency of more than \$10,000.
- IRS Form 8362, Currency Transaction Report by Casino—Required to be filed for each currency transaction in excess of \$10,000 by any licensed casino operating in the United States with gross annual gaming revenues in excess of \$1 million.

- Customs Form 4790, Report of International Transportation of Currency or Monetary Instruments—Required to be filed at the time of transporting currency or monetary instruments over \$10,000 from or into the United States.
- Treasury Form 90-22.1, Report of Foreign Bank and Financial Accounts—Required to be filed annually by persons who have a financial interest in or signature authority over bank accounts, securities accounts, or other financial accounts in a foreign country with a combined value in excess of \$10,000.
- IRS Form 8300, Report of Cash Payments Over \$10,000 Received in a Trade or Business—Required to be filed by any person engaged in a trade or business who receives more than \$10,000 in cash payments in a single transaction or series of related transactions.
- Suspicious Activity Report (SAR) — All Financial Institutions operating in the United States must file a SAR for: Insider Abuse involving any amount, Violations aggregating \$5,000 or more where a suspect can be identified, Violations aggregating \$25,000 or more regardless of a potential suspect, and Transactions aggregating \$5,000 or more that involve potential money laundering or violations of the Bank Secrecy Act. For a list of summary characteristics of suspicious activity refer to the SAR form in the back of this document.

Using the information

Information from the reports described above can be used three ways:

- Reactively, to determine if the subject of an ongoing criminal investigation or prosecution has been involved in a large currency or otherwise suspicious transaction;
- Proactively, to determine if the funds used in a large currency or suspicious transaction were legitimately obtained;
- To identify, investigate and prosecute money laundering operations.

For a detailed account of how the information can be used in financial investigations and criminal prosecutions, see p. 17.

Accessing the information

All of the reports previously described, with the exception of the IRS Form 8300, are available to state and local law enforcement agencies through FinCEN's Project Gateway. In 1994, FinCEN began issuing passwords to selected individuals in designated state agencies that allow online access to the data through desktop computers equipped with a modem. Currently, over 5,500 queries are made of the database every month.

Any state or local law enforcement agency can request transaction data through Project Gateway from the designated FinCEN coordinator in that particular state. A sample request form is shown on pg 19. Also, samples of the forms discussed in this article can be found beginning on page 25.

In certain situations—for example, very large, complex investigations involving criminal organizations—research requests can be routed to FinCEN analysts. In addition to the currency and suspicious transaction reports, various other financial, business, and law enforcement databases will be checked to identify properties, financial assets, and previous criminal activity. As with Project Gateway, all requests for FinCEN analytical support must be made through the appropriate FinCEN coordinator.

Questions?

To learn more about how FinCEN can support state and local law enforcement agencies, visit our web site at <http://www.fincen.gov> or call **1-800-SOS-BUCK**.



Gateway Overview

What is Project Gateway?

Project Gateway is central to the U.S. Department of the Treasury's and the Financial Crimes Enforcement Network's (FinCEN's) overall efforts to assist state and local agencies with their anti-money laundering and financial crimes investigations. As its name states, FinCEN is itself a "network," serving as the nation's central point for broad-based financial intelligence, analysis, and information-sharing. FinCEN serves as the coordinating point for the financial, law enforcement and regulatory communities to join forces in combatting money laundering. As the Treasury's lead agency for addressing the money laundering problem, FinCEN strives to bring together and support government agencies and the private sector wherever it can, in order to create cost-effective measures to prevent and detect money laundering and other financial crime. Project Gateway is a prime example of these efforts.

Project Gateway was created to ease and facilitate the exchange of Bank Secrecy Act (BSA)* information between FinCEN and state and local law enforcement agencies. Gateway incorporates state-of-the-art technology in order to provide designated state coordinators with rapid and direct on-line electronic access to over 100 million financial transaction records contained in Treasury's Financial Database, as well as to other sources of information. The designated state coordinators and their staff are authorized to perform searches within the Gateway system on behalf of any state or local law enforcement agency within their respective states. This on-line access to BSA information represents the basic foundation of Gateway. All 50 states, the District of Columbia and the Commonwealth of Puerto Rico maintain signed agreements with FinCEN authorizing their access to the Gateway system.

How can Gateway help my investigation?

The Gateway system saves valuable investigative time and resources because subscribing agencies are empowered to conduct their own research. During the research and analysis process, Gateway electronically captures the information gathered on incoming inquiries and automatically compares this information to prior queries and its own case records, as well as to various law enforcement indexes. This enables FinCEN to assist state and local agencies in coordinating their investigations among themselves, and with Federal agencies. After obtaining the required dissemination authorization, FinCEN provides an automated report to each agency that has an interest in their same investigative subject. These reports are called "Gateway Alerts," and contain the index-level data and contact points so that the agencies involved may coordinate their investigations and share intelligence.

** The Bank Secrecy Act (BSA) requires banks and other financial institutions to keep records which preserve a financial trail and also requires reporting of various currency transactions over \$10,000. This process creates the largest currency transaction reporting system in the world.*

How do I access Project Gateway?

State and local law enforcement personnel who are interested in utilizing Project Gateway should contact their designated FinCEN State Coordinator for further information. To determine your State Coordinator, please contact FinCEN's Gateway Project Office at 1-(800) SOS-BUCK.

Figure 1

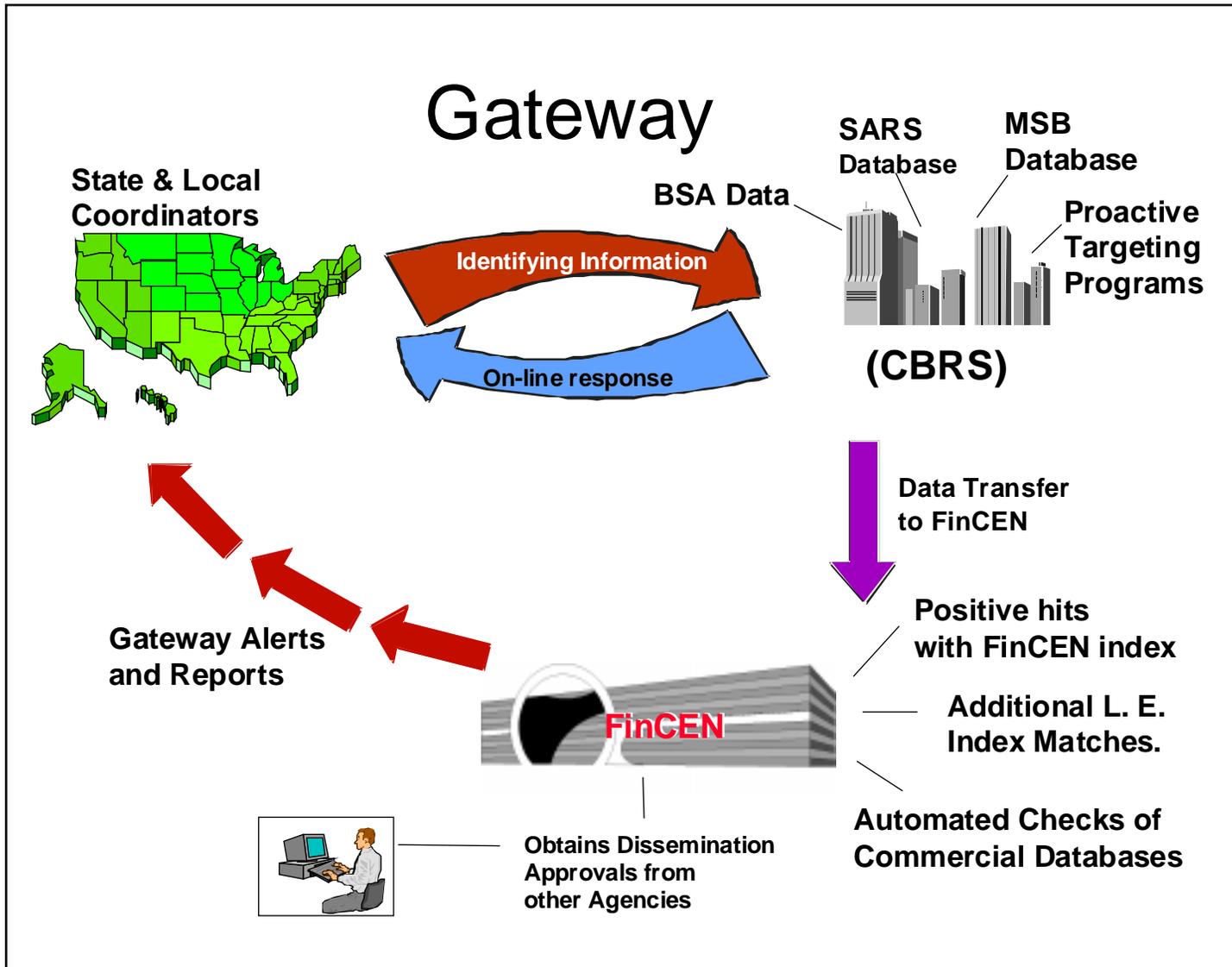
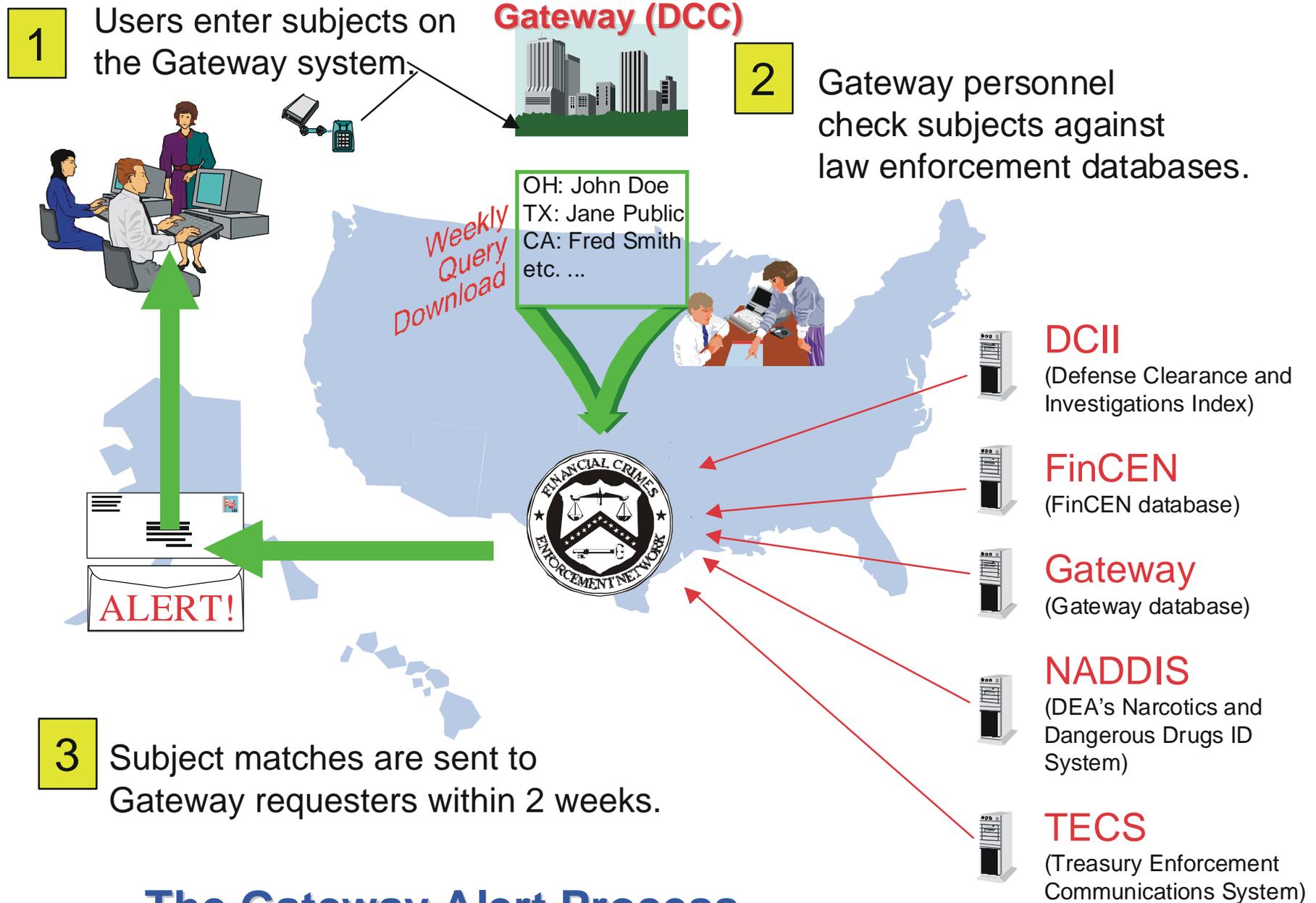


Figure 2



The Gateway Alert Process

Gateway Success Stories

. . . from the State of California

Pleading guilty on June 7, 1999, were executives of Sacramento, CA, based Supermail International Inc.: Christine Annette Umbertino, the company's chief executive officer; Alberto Joseph Umbertino, its president; and Mercedes Velga, a senior vice president. The guilty pleas before U.S. District Judge Ronald Lew in Los Angeles cap a joint Los Angeles Police Department (LAPD), Federal Bureau of Investigation (FBI), and Internal Revenue Service, Criminal Investigation Division (IRS/CID) investigation, dubbed "Operation Mule Train," which originated as an LAPD drug trafficking case. Starting approximately six years ago, investigators began looking at a network of storefront drug distributors and compiling an extensive database of the intelligence gathered on the group. Circa 1995, investigators uncovered the extent of the drug distribution operation and then began to look at how the organization laundered its money.

The California Department of Justice, Bureau of Narcotics Enforcement, assisted the LAPD by conducting a review of the Currency Banking and Retrieval System (CBRS) database for Bank Secrecy Act (BSA) reports relating to Supermail International Inc., and the company's officers. The review was accomplished through the U.S. Treasury's Financial Crimes Enforcement Network (FinCEN) Project Gateway. Documents located were assigned Gateway case number CA-00359 and included 121 Currency Transaction Reports (CTRs), six Currency or Monetary Instrument Reports (CMIRs), one Currency Transaction Report by Casino (CTRC) and two Suspicious Activity Reports (SARs). The detectives who conducted this investigation said this case involved a large check cashing business with multiple offices suspected of money laundering for drug dealers. A number of CTRs were identified on the original business, business owners and related businesses. The detectives further indicated that the BSA information identified 75 transactions. The detectives analyzed these names, criminal histories and associates and were able to identify 70 of them as drug dealers. Additionally, the detectives conducted undercover money-laundering transactions at various check cashing offices. Over \$3 million was laundered. After a check of BSA data, it was discovered that CTRs were not filed on these transactions.

The three defendants could be sentenced to up to 20 years in federal prison and could be fined as much as \$250,000 or else twice the amount of money generated by the scheme.

. . . from the State of Nevada

The Mustang Ranch in Nevada is the largest legal brothel, with 105-bedrooms, and gross revenue ranging from \$5.6 million to \$5.9 million. The federal grand jury had indicted former mustang ranch owner Joe Conforte, bookkeeper Joanne Olcese, former Commissioner Shirley Colletti, current brothel owners, and others, in October, 1998.

New court documents alleging that cash from the brothel was used to pay Storey officials, to house Conforte girlfriends, to buy a car and ship meat to Conforte in Brazil, where he is hiding out from Federal tax evasion charges. It is further alleged Olcese and Colletti met with Conforte in Mexico and that Colletti said in 1995 that she was taking cash to him in Mexico. It was revealed that Commissioner Colletti received \$10,000 a month while she was on the commission and that \$7,000 went to other county officials.

The Nevada Division of Investigation assisted the Federal Bureau of Investigations, Internal Revenue Service/CID, and U.S. Customs, by conducting a computer search of Bank Secrecy Act (BSA) and Commercial data bases on Conforte and his associates. The search was accomplished online through the use of U.S. Treasury's Financial Crimes Enforcement Network (FinCEN), Project Gateway. Useful documents obtained through Gateway case NV-00082 included 21 Currency Transaction Reports (CTR) and two Casino Reports (CTRC) on Conforte, Olcese, and Colletti. The Internal Revenue Service/CID made another request to FinCEN's Office of Investigative Support (OIV) and case identification number 34588 was assigned. At OIV and in-depth financial, commercial, and law enforcement data base searches were completed and a analytical report of those findings was returned to IRS.

The federal government alleges that over a number of years more than \$4 million was illegally received by Conforte or his associates. The 33-count indictment charges A.G.E. Corporation, which now owns the brothel, Eduardo Neves, and alleged owner Olcese, and Conforte with racketeering, conspiracy, money laundering, wire fraud, and witness tampering. Colletti is scheduled to go to trial in April.

Using the Bank Secrecy Act “Paper Trail” to Develop Financial Investigations

by *Gilda Mariani*, Chief, Crimes Against Revenue Unit,
New York County District Attorney’s Office

Financial data required by the Currency and Foreign Transaction Reporting (31 U.S.C. § 5311, *et seq.*), more commonly known as the Bank Secrecy Act (BSA), can provide state and local law enforcement and prosecutors with a constructive tool with which to develop financial investigations. This article examines various ways to utilize BSA data. Essentially, the data is contained in the following four reports:

A Currency Transaction Report (IRS Form 4789, commonly referred to as CTR), is required to be filed by financial institutions for each deposit, withdrawal, or exchange of currency in excess of \$10,000. A new CTR report has been devised which, although shorter, captures much of the same information essential to case development, as contained in the 25 year old version. 31 C.F.R. § 103.22(a)(1).

A Currency Transaction Report by Casinos (IRS Form 8362, commonly referred to as a CTRC) is required to be filed for each currency transaction in excess of \$10,000 by any licensed casino operation in the United States with gross annual gaming revenues in excess of \$1 million. 31 C.F.R. § 103.22(a)(2).

An International Transportation of Currency or Monetary Instruments Report (Customs Form 4790, commonly referred to as a CMIR) is required to be filed by individuals transporting currency or monetary instruments in excess of \$10,000 from or into the United States. 31 C.F.R. § 103.23.

A Report of Foreign Bank and Financial Accounts (IRS TDF 90-22.1, commonly referred to as an FBAR), is perhaps the report least familiar to state and local prosecutors, is required to be filed annually by United States “persons,” (which includes individuals, corporations, domestic partnerships, and estates and trusts) who have a financial interest in or signature authority over bank accounts, securities accounts, or other financial accounts in a foreign country, with a combined value in excess of \$10,000 at any time during the calendar year. 31 C.F.R. § 103.24.

The data in these reports is currently available to designated local coordinators in each of the fifty states through direct on-line access to the Detroit Computing Center of the IRS. This information sharing program — denominated “Project Gateway” — was developed by the U.S. Treasury Department’s Financial Crimes Enforcement Network (FinCEN).

BSA data can be of assistance on either a reactive or proactive basis. The applications discussed herein illustrate this point.

Obviously, BSA reports can be a font of valuable leads. For example, a CTR or a CTRC contains data identifying the person depositing, withdrawing, or exchanging currency from the financial institution, as well as, that person’s date of birth, social security number, address, and occupation. Such individual, if not a subject of the

investigation, may become a witness who can, in turn, furnish information as to who directed the reported transaction, the source of the funds, and other details pertaining to the reported transaction.

A CTR and a CTRC can identify the person on whose behalf the reported transaction was conducted. This can disclose individuals and businesses not otherwise known to be associated with the subject of an investigation, thereby uncovering a secret owner or investor.

The BSA reports create an investigative “paper trail” that can expose suspicious activities and unusual transactions that are inconsistent with sound business practices. This is the single most telling indicia of a money laundering operation. The existence of peculiar transactions can raise questions as to the legitimacy of a business, or expose a business which merely serves as a “front” for illegal activities. Such suspicious activities are not merely limited to detection of a series of structured transactions in an effort to avoid a currency reporting requirement. They can also reveal currency transactions by a business that does not usually deal in large amounts of cash or, conversely, a business that needs large amounts of cash, like a check casher, but does not make withdrawals of cash against deposited checks.

BSA data can furnish probative evidence needed to establish an element of a crime. For example, the frequency with which an individual appears in connection with a reported transaction, his/her association with a particular business named in the reports, or his/her familiarity with its peculiar business practices may assist in establishing the necessary *mens rea*. Of course the data may simply place a subject in a particular geographical location, or establish that the subject has regular contact with a certain financial establishment, or reveal inconsistent representations made by an individual on several reports, all of which can help build a criminal case.

Such reports can expose tax fraud activity. For example, the subject of an investigation is an individual with an annual income of \$30,000 as a W-2 wage earner. However an examination of several CTRs, containing the subject’s Social Security number, filed during a particular tax year, reveal numerous large cash transactions, some of which appear to be structured transactions. A further review of CMIRs for the same period, discloses that the subject travels internationally with large amounts of currency. Notably, these transactions well exceed the subject’s reported income for the tax year in question. Such an analysis of BSA data suggests that the subject is failing to report income on his/her personal income tax return. Even if the subject’s ownership of the monies reflected on the CTRs and CMIRs comes into question at a later stage of the investigation, the data may indicate that the subject is facilitating a money laundering operation.

BSA data can confirm information acquired through other sources. This may provide the needed corroboration of an accomplice’s testimony, which can be crucial in states such as New York that has an accomplice corroboration requirement.

On the other hand, a BSA data inquiry may reveal that no reports were filed. The absence of information can be significant. For example, if a BSA check of a cash business reveals no CTR filings, this can alert the prosecution that traditional banking institutions are not being utilized and redirect the focus to non-bank

financial institutions, or raise the possibility of currency smuggling. It may prompt law enforcement to inquire as to whether the particular cash business is exempt from BSA filings and whether such exemption is properly administered.

BSA data can be of assistance in tracing, analyzing and identifying illicit proceeds for future payments of restitution, criminal fines, as well as seizure and forfeiture of assets. Some obvious examples include the disclosure of a foreign bank account on an F-BAR, large winnings on a CTRC, or bank accounts and business entities on a CTR.

Lastly, the BSA data can be a source of proactive targeting. Analytical programs can massage BSA data to create profiles and establish links between transactions, exposing money laundering operations. It can also serve as an intelligence mechanism for detecting unusual financial activities in a given geographical area, thereby highlighting trends and patterns, or assisting in conducting a threat assessment evaluation.

Eventually the capability for such proactive analysis may be available to state and local coordinators through an expansion of FinCEN's "Project Gateway." In the interim, several states, who have a memorandum of understanding with the Treasury Department, receive BSA data on magnetic tapes and have developed systems for analyzing this data. Texas and Arizona have made great strides in this area.

Form 8300s

A fifth report that can be effective in developing a financial investigation is IRS Form 8300, enacted pursuant to section 6050I of the Internal Revenue Code in 1984. This report is required to be filed by any person engaged in a trade or business who receives more than \$10,000 in cash payments in a single transaction or a series of related transactions.

A Form 8300 is a critical weapon in fighting "dirty" money and may be the most significant of the required reports. Much of the same information requested on a CTR is required on the Form 8300. However, the Form 8300 is a tax return, and, therefore subject to certain confidentiality rules.

At one time, under the terms of Section 6103(I)(8) of the Internal Revenue Code, the Form 8300 could be disclosed by the Secretary of the Treasury to federal law enforcement agencies for purposes not related to tax administration. However, this authority expired in November 1992. Congress is currently considering several proposed amendments to IRC Section 6103 which would authorize the disclosure of information contained on these forms to federal and state law enforcement agencies for purposes other than tax administration.

There is a heightened need for access to the Form 8300. With the successful regulation of cash transactions in the banking industry, money launderers have moved away from the traditional financial institutions and into the retail and trade sector to cleanse their illicit income. High dollar retail and cash businesses, such as jewelers and auto dealerships, are particularly vulnerable to misuse by money launderers. This was recently acknowledged by President Clinton in his address to the United Nations General Assemle on October 22, 1995, whereby he announced

that he has “directed our government to identify the front companies and to freeze the assets of the largest drug ring in the world — the Cali cartel — to cut off its economic lifelines and stop our own people from dealing unknowingly with its companies.”

The information contained on a Form 8300 can be used to trace cash movements into retail sectors of the economy and link abnormal uses of cash to purchase goods or services with possible illicit sources of that cash. A comparison of Form 8300 data with other documentation has exposed businesses which do not report the use of currency for the payment of a product, and revealed large disparities between cash bank deposits and cash receipts reported on Form 8300s.

Conclusion

Thus, there are significant advantages to be had by applying BSA data during the investigatory state. The utility of the data is limited only by the level of the user’s creativity.

The views expressed in this article are those of the author, and not necessarily those of the New York County District Attorney’s Office.

Limitations on Dissemination and Disclosure

The Gateway Letter Agreement provides that information obtained from CBRS by state coordinators may not be re-disseminated, except for the specific purpose indicated on the Gateway case information screens. Thus, no BSA information (including the fact that no record was found in CBRS) may be disseminated by the state coordinator to any person, other than the agency on whose behalf the information was requested, without the written permission of FinCEN.

Use of the information for any other purpose except that for which it was requested (documented on the access screens) is also prohibited without prior written approval by FinCEN. CBRS information may be released by the requesting agency to prosecutors as part of any legal proceeding arising from the investigation that caused the request for information to be made.

The agencies on whose behalf the information is requested are subject to all of the restrictions of the Gateway Letter Agreement and should be so notified in writing. Such restrictions apply not only to case-related information, but also to statistical information generated by CBRS.

For your convenience, a sample warning notifying the agency on whose behalf the information is requested is on the following page. Feel free to copy it onto your agency's letterhead or have a rubber stamp prepared so that each CTR hit list or other BSA report/document may be stamped with this warning:

If an agency to which you furnish information as state coordinator wishes to share that information with another agency, they must communicate that request to you. If the third agency is in another state, they must be referred to their own state coordinator. We encourage state coordinators to work together and keep each other advised on these matters.

Task Force Cases and Multi-Agency Investigations

Gateway users are authorized to share information from CBRS with other law enforcement agencies who are directly involved in a joint investigation of an identified case pursuant to which queries are made, as long as those agencies are identified on the case information screens under the section entitled "Other Agencies Involved".

BSA WARNING NOTICE

The enclosed Financial Database information was collected and disseminated under provisions of the Bank Secrecy Act and U.S. Department of Treasury regulations implementing the act (31 U.S.C. 5311, et seq. ; 31 CFR Part 103). The information is sensitive in nature, and is to be treated accordingly. The information may be used only for the purpose stated when the request was made. The information cannot be further released, disseminated, disclosed, or transmitted without prior approval of the Secretary of the Treasury or his authorized delegate. Unauthorized release of such information may result in criminal or civil sanctions.

Currency Transaction Report by Casinos

► Use this revision for reportable transactions occurring after June 30, 1997.

► Please type or print.

(Complete all applicable parts—see instructions.)

1 If this Form 8362 (CTRC) is submitted to amend a prior report check here: and attach a copy of the original CTRC to this form.

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

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

2 Multiple persons

3 Individual's last name or Organization's name			4 First name			5 M.I.		
6 Permanent address (number, street, and apt. or suite no.)						7 SSN or EIN		
8 City	9 State	10 ZIP code	11 Country (if not U.S.)			12 Date of birth		
13 Method used to verify identity: a <input type="checkbox"/> Examined identification credential/document b <input type="checkbox"/> Known customer - information on file c <input type="checkbox"/> Organization								
14 Describe identification credential: a <input type="checkbox"/> Driver's license/State I.D. b <input type="checkbox"/> Passport c <input type="checkbox"/> Alien registration d <input type="checkbox"/> Other								
e Issued by:				f Number:				
15 Customer's Account Number								

Section B—Individual(s) Conducting Transaction(s) - If other than above (Agent)

16 Multiple agents

17 Individual's last name			18 First name			19 M.I.		
20 Permanent address (number, street, and apt. or suite no.)						21 SSN		
22 City	23 State	24 ZIP code	25 Country (if not U.S.)			26 Date of birth		
27 Method used to verify identity: a <input type="checkbox"/> Examined identification credential/document b <input type="checkbox"/> Known customer - information on file								
28 Describe identification credential: a <input type="checkbox"/> Driver's license/State I.D. b <input type="checkbox"/> Passport c <input type="checkbox"/> Alien registration d <input type="checkbox"/> Other								
e Issued by:				f Number:				

Part II Amount and Type of Transaction(s) (Complete all items that apply.)

29 Multiple transactions

30 CASH IN: (in U.S. dollar equivalent)				31 CASH OUT: (in U.S. dollar equivalent)			
a	Purchase(s) of casino chips, tokens, and other gaming instruments	\$	_____	a	Redemption(s) of casino chips, tokens, and other gaming instruments	\$	_____
b	Deposit(s) (front money or safekeeping)		_____	b	Withdrawal(s) of deposit (front money or safekeeping)		_____
c	Payment(s) on credit (including markers)		_____	c	Advance(s) on credit (including markers)		_____
d	Bet(s) of currency		_____	d	Payment(s) on bet(s) (including slot jackpot(s))		_____
e	Currency received from wire transfer(s) out		_____	e	Currency paid from wire transfer(s) in		_____
f	Purchase(s) of casino check(s)		_____	f	Negotiable instrument(s) cashed (including checks)		_____
g	Currency exchange(s)		_____	g	Currency exchange(s)		_____
h	Other (specify) _____		_____	h	Travel and complimentary expenses and gaming incentives		_____
i	Enter total amount of CASH IN transaction(s) ► \$		_____	i	Payment for tournament, contest or other promotions		_____
				j	Other (specify) _____		_____
				k	Enter total amount of CASH OUT transaction(s) ► \$		_____
32 Date of transaction M M D D Y Y Y Y (see instructions)				33 Foreign currency used _____ (Country)			

Part III Casino Reporting Transaction(s)

34 Casino's trade name		35 Casino's legal name		36 Employer identification number (EIN)		
37 Address (number, street, and apt. or suite no.) where transaction occurred						
38 City			39 State	40 ZIP code		
41 Title of approving official		42 Signature of approving official		43 Date of signature		
44 Type or print preparer's name		45 Type or print name of person to contact		46 Contact telephone number		

Sign Here ►

Multiple Persons or Multiple Agents
(Complete applicable parts below if box 2 or box 16 on page 1 is checked.)

Part I Continued

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

3 Individual's last name or Organization's name				4 First name				5 M.I.			
6 Permanent address (number, street, and apt. or suite no.)								7 SSN or EIN			
8 City		9 State		10 ZIP code		11 Country (if not U.S.)		12 Date of birth		M M D D Y Y Y Y	
13 Method used to verify identity: a <input type="checkbox"/> Examined identification credential/document b <input type="checkbox"/> Known customer - information on file c <input type="checkbox"/> Organization											
14 Describe identification credential: a <input type="checkbox"/> Driver's license/State I.D. b <input type="checkbox"/> Passport c <input type="checkbox"/> Alien registration d <input type="checkbox"/> Other											
e Issued by:						f Number:					
15 Customer's Account Number											

Section B—Individual(s) Conducting Transaction(s) – If other than above (Agent)

17 Individual's last name				18 First name				19 M.I.			
20 Permanent address (number, street, and apt. or suite no.)								21 SSN			
22 City		23 State		24 ZIP code		25 Country (if not U.S.)		26 Date of birth		M M D D Y Y Y Y	
27 Method used to verify identity: a <input type="checkbox"/> Examined identification credential/document b <input type="checkbox"/> Known customer - information on file											
28 Describe identification credential: a <input type="checkbox"/> Driver's license/State I.D. b <input type="checkbox"/> Passport c <input type="checkbox"/> Alien registration d <input type="checkbox"/> Other											
e Issued by:						f Number:					

Paperwork Reduction Act Notice.—The requested information is useful in criminal, tax, and regulatory investigations and proceedings. Financial institutions are required to provide the information under 31 U.S.C. 5313 and 31 CFR Part 103, commonly referred to as the Bank Secrecy Act (BSA). The BSA is administered by the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN). 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 improving this form, you may write to the **Tax Forms Committee**, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **DO NOT** send this form to this address. Instead, see **When and Where To File** below.

General Instructions

Form 8362.—Use the July 1997 revision of Form 8362 for reportable transactions occurring after June 30, 1997. Use the May 1992 revision of Form 8362 for reportable transactions occurring before July 1, 1997.

Suspicious Transactions.—If a transaction is greater than \$10,000 in currency as well as suspicious, casinos must file a Form 8362 and are encouraged to report suspicious transactions and activities on **Form TDF 90-22.47, Suspicious Activity Report (SAR)**. Banks and other depository institutions currently are required to use the SAR to report suspicious activities. A SAR for casinos is under development and, once issued, a casino will use this SAR for reporting a suspicious transaction or activity, rather than reporting such activity on Form TDF 90-22.47.

DO NOT use Form 8362 to (1) report suspicious transactions involving \$10,000 or less in currency OR (2) indicate that a transaction of more than \$10,000 is suspicious.

When a suspicious activity requires immediate attention, casinos should telephone 1-800-800-CTRS, Monday through Friday, from 9:00 a.m. to 6:00 p.m. Eastern Standard Time (EST). An Internal Revenue Service (IRS) employee will direct the call to the local office of the IRS Criminal Investigation Division (CID). In an emergency, consult directory assistance for the local IRS CID office.

Who Must File.—Any organization duly licensed or authorized to do business as a casino or gambling casino in the United States (except casinos located in Nevada) and having gross annual gaming revenues in excess of \$1 million must file Form 8362. This includes the principal headquarters and every domestic branch or place of business of the casino.

Note: Nevada casinos must file Form 8852, *Currency Transaction Report by Casinos - Nevada (CTRC-N)*, to report transactions as required under Nevada Regulation 6A.

What To File.—A casino must file Form 8362 for each transaction involving either currency received (Cash In) or currency disbursed (Cash Out) of more than \$10,000 in a gaming day. A gaming day is the normal business day of the casino by which it keeps its books and records for business, accounting, and tax purposes. Multiple transactions must be treated as a single transaction if the casino has knowledge that: (1) they are made by or on behalf of the same person, and (2) they result in either Cash In or Cash Out by the casino totalling more than \$10,000 during any one gaming day. Reportable transactions may occur at a casino cage, gaming table, and/or

slot machine. The casino should report both Cash In and Cash Out transactions by or on behalf of the same customer on a single Form 8362. **DO NOT** use Form 8362 to report receipts of currency in excess of \$10,000 by nongaming businesses of a casino (e.g., a hotel); instead, use **Form 8300, Report of Cash Payments Over \$10,000 Received in a Trade or Business**.

Exceptions.—A casino does not have to report transactions with domestic banks, currency dealers or exchangers, or commercial check cashers.

Identification Requirements.—All individuals (except employees conducting transactions on behalf of armored car services) conducting a reportable transaction(s) for themselves or for another person must be identified by means of an official or otherwise reliable record.

Acceptable forms of identification include a driver's license, military or military dependent identification cards, passport, alien registration card, state issued identification card, cedular card (foreign), or a combination of other documents that contain an individual's name and address and preferably a photograph and are normally acceptable by financial institutions as a means of identification when cashing checks for persons other than established customers.

For casino customers granted accounts for credit, deposit, or check cashing, or on whom a CTRC containing verified identity has been filed, acceptable identification information obtained previously and maintained in the casino's internal records may be used as long as the following conditions are met. The customer's identity is reverified periodically, any out-of-date identifying information is updated in the internal records, and the date of each reverification is noted on the internal

DEPARTMENT OF THE TREASURY
UNITED STATES CUSTOMS SERVICE



**REPORT OF INTERNATIONAL
TRANSPORTATION OF CURRENCY
OR MONETARY INSTRUMENTS**

► This form is to be filed with the United States Customs Service
► For Paperwork Reduction Act Notice and Privacy Act Notice, see back of form.

(U.S. Customs Use Only)
Control No.

31 U.S.C. 5316; 31 CFR 103.23 and 103.25

► Please type or print.

Part I FOR INDIVIDUAL DEPARTING FROM OR ENTERING THE UNITED STATES

1. NAME (Last or family, first, and middle)		2. IDENTIFYING NO. (See instructions)		3. DATE OF BIRTH (Mo./Day/Yr.)	
4. PERMANENT ADDRESS IN UNITED STATES OR ABROAD				5. OF WHAT COUNTRY ARE YOU A CITIZEN/SUBJECT?	
6. ADDRESS WHILE IN THE UNITED STATES				7. PASSPORT NO. & COUNTRY	
8. U.S. VISA DATE		9. PLACE UNITED STATES VISA WAS ISSUED		10. IMMIGRATION ALIEN NO. (If any)	
11. CURRENCY OR MONETARY INSTRUMENT WAS: (Complete 11A or 11B)					
A. EXPORTED			B. IMPORTED		
Departed From: (City in U.S.)		Arrived At: (Foreign City/Country)	From: (Foreign City/Country)		At: (City in U.S.)

Part II FOR PERSON SHIPPING, MAILING, OR RECEIVING CURRENCY OR MONETARY INSTRUMENTS

12. NAME (Last or family, first, and middle)		13. IDENTIFYING NO. (See instructions)		14. DATE OF BIRTH (Mo./Day/Yr.)	
15. PERMANENT ADDRESS IN UNITED STATES OR ABROAD				16. OF WHAT COUNTRY ARE YOU A CITIZEN/SUBJECT?	
17. ADDRESS WHILE IN THE UNITED STATES				18. PASSPORT NO. & COUNTRY	
19. U.S. VISA DATE		20. PLACE UNITED STATES VISA WAS ISSUED		21. IMMIGRATION ALIEN NO. (If any)	
22. CURRENCY OR MONETARY INSTRUMENTS	23. CURRENCY OR MONETARY INSTRUMENTS	NAME AND ADDRESS		24. IF THE CURRENCY OR MONETARY INSTRUMENT WAS MAILED, SHIPPED, OR TRANSPORTED COMPLETE BLOCKS A AND B.	
DATE SHIPPED	<input type="checkbox"/> Shipped To ► <input type="checkbox"/> Received From ►			A. Method of Shipment (Auto, U.S. Mail, Public Carrier, etc.)	
DATE RECEIVED				B. Name of Transporter/Carrier	

Part III CURRENCY AND MONETARY INSTRUMENT INFORMATION (SEE INSTRUCTIONS ON REVERSE)(To be completed by everyone)

25. TYPE AND AMOUNT OF CURRENCY/MONETARY INSTRUMENTS		Value in U.S. Dollars		26. IF OTHER THAN U.S. CURRENCY IS INVOLVED, PLEASE COMPLETE BLOCKS A AND B. (SEE SPECIAL INSTRUCTIONS)	
Coins <input type="checkbox"/> A. ►		\$		A. Currency Name	
Currency <input type="checkbox"/> B. ►				B. Country	
Other Instruments (Specify Type) <input type="checkbox"/> C. ►					
(Add lines A, B and C) TOTAL AMOUNT ►		\$			

Part IV GENERAL - TO BE COMPLETED BY ALL TRAVELERS, SHIPPERS, AND RECIPIENTS

27. WERE YOU ACTING AS AN AGENT, ATTORNEY OR IN CAPACITY FOR ANYONE IN THIS CURRENCY OR MONETARY INSTRUMENT ACTIVITY? (If "Yes" complete A, B and C) Yes No

PERSON IN WHOSE BEHALF YOU ARE ACTING ►	A. Name	B. Address	C. Business activity, occupation, or profession
	Under penalties of perjury, I declare that I have examined this report, and to the best of my knowledge and belief it is true, correct and complete.		
28. NAME AND TITLE		29. SIGNATURE	30. DATE

(Replaces IRS Form 4790 which is obsolete.)

REPORT OF FOREIGN BANK AND FINANCIAL ACCOUNTS

Do **NOT** file with your Federal Tax Return



1

OMB No. 1505-0063

1 Filing for Calendar Year Y . Y . Y . Y	2 Type of Filer a <input type="checkbox"/> Individual b <input type="checkbox"/> Partnership c <input type="checkbox"/> Corporation d <input type="checkbox"/> Fiduciary	3 Taxpayer Identification Number
--	--	---

Part I Filer Information

4 Last Name or Organization Name	5 First Name	6 Middle Initial
7 Address (Number, Street, and Apt. or Suite No.)		8 Date of Birth M M D D Y . Y . Y . Y
9 City	10 State	11 Zip/Postal Code
		12 Country
13 Title (Not necessary if reporting a personal account)		
14 Are these account jointly owned? a <input type="checkbox"/> Yes b <input type="checkbox"/> No	15 Number of joint owners	16 Taxpayer Identification Number of joint owner (if known)
17 Last Name or Organization Name	18 First Name	19 Middle Initial

Part II Information on Financial Accounts

20 Number of Foreign Financial Accounts in which a financial interest is held	21 Type of account a <input type="checkbox"/> Bank b <input type="checkbox"/> Securities c <input type="checkbox"/> Other _____	
22 Maximum value of account a <input type="checkbox"/> Under \$10,000 c <input type="checkbox"/> \$100,000 to \$1,000,000 b <input type="checkbox"/> \$10,000 to \$99,999 d <input type="checkbox"/> Over \$1,000,000	23 Account Number or other designation	
24 Name of Financial Institution with which account is held	25 Country in which account is held	
26 Does the filer have a financial interest in this account? a <input type="checkbox"/> Yes b <input type="checkbox"/> No If no, complete boxes 27-35.	27 Last Name or Organization Name of Account Owner	
28 First Name	29 Middle Initial	30 Taxpayer Identification Number
31 Address (Number, Street, and Apt. or Suite No.)		32 City
33 State	34 Zip/Postal Code	35 Country
36 Signature		37 Date M M D D Y . Y . Y . Y

This form should be used to report a financial interest in, signature authority, or other authority over one or more financial accounts in foreign countries, as required by the Department of the Treasury Regulations (31 CFR 103). No report is required if the aggregate value of the accounts did not exceed \$10,000. **SEE INSTRUCTIONS FOR DEFINITION.** File this form with:

U.S. Department of the Treasury, P.O. Box 32621, Detroit, MI 48232-0621.

PRIVACY ACT NOTIFICATION

Pursuant to the requirements of Public Law 93-579 (Privacy Act of 1974), notice is hereby given that the authority to collect information on TD F 90-22.1 in accordance with 5 USC 552a(e) is Public Law 91-508; 31 USC 5314; 5 USC 301; 31 CFR 103.

The principal purpose for collecting the information is to assure maintenance of reports where such reports or records have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings. 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 upon the request of the head of such department or agency for use in a criminal, tax, or regulatory investigation or proceeding.

Disclosure of this information is mandatory. Civil and criminal penalties, including certain circumstances a fine of not more than \$500,000 and imprisonment of not more than five years, are provided for failure to file a report, supply information, and for filing a false or fraudulent report.

Disclosure of the Social Security number is mandatory. The authority to collect is 31 CFR 103. The Social Security number will be used as a means to identify the individual who files the report.

Continuation Page

Form TD F 90-22.1

This side can be copied as many times as necessary in order to provide information on all accounts.

1 Filing for Calendar Year Y . Y . Y . Y	3 Taxpayer Identification Number	4 Filer Last Name or Business Name	Page Number
			OF

2 Type of Filer a <input type="checkbox"/> Individual c <input type="checkbox"/> Corporation b <input type="checkbox"/> Partnership d <input type="checkbox"/> Fiduciary	21 Type of Account a <input type="checkbox"/> Bank c <input type="checkbox"/> Other b <input type="checkbox"/> Securities	22 Maximum Value of Account a <input type="checkbox"/> Under \$10,000 c <input type="checkbox"/> \$100,000 to \$1,000,000 b <input type="checkbox"/> \$10,000 to \$99,999 d <input type="checkbox"/> Over \$1,000,000
---	---	--

23 Account Number or other designation	24 Name of Financial Institution with which account is held
---	--

25 Country in which account is held	26 Does the filer have a financial interest in this account? a <input type="checkbox"/> Yes b <input type="checkbox"/> No If no, complete boxes 27-35.	27 Last Name or Organization Name of Account Owner
--	--	---

28 First Name	29 Middle Initial	30 Taxpayer Identification Number	31 Address (Number, Street, and Apt. or Suite No.)
----------------------	--------------------------	--	---

32 City	33 State	34 Zip/Postal Code	35 Country
----------------	-----------------	---------------------------	-------------------

2 Type of Filer a <input type="checkbox"/> Individual c <input type="checkbox"/> Corporation b <input type="checkbox"/> Partnership d <input type="checkbox"/> Fiduciary	21 Type of Account a <input type="checkbox"/> Bank c <input type="checkbox"/> Other b <input type="checkbox"/> Securities	22 Maximum Value of Account a <input type="checkbox"/> Under \$10,000 c <input type="checkbox"/> \$100,000 to \$1,000,000 b <input type="checkbox"/> \$10,000 to \$99,999 d <input type="checkbox"/> Over \$1,000,000
---	---	--

23 Account Number or other designation	24 Name of Financial Institution with which account is held
---	--

25 Country in which account is held	26 Does the filer have a financial interest in this account? a <input type="checkbox"/> Yes b <input type="checkbox"/> No If no, complete boxes 27-35.	27 Last Name or Organization Name of Account Owner
--	--	---

28 First Name	29 Middle Initial	30 Taxpayer Identification Number	31 Address (Number, Street, and Apt. or Suite No.)
----------------------	--------------------------	--	---

32 City	33 State	34 Zip/Postal Code	35 Country
----------------	-----------------	---------------------------	-------------------

2 Type of Filer a <input type="checkbox"/> Individual c <input type="checkbox"/> Corporation b <input type="checkbox"/> Partnership d <input type="checkbox"/> Fiduciary	21 Type of Account a <input type="checkbox"/> Bank c <input type="checkbox"/> Other b <input type="checkbox"/> Securities	22 Maximum Value of Account a <input type="checkbox"/> Under \$10,000 c <input type="checkbox"/> \$100,000 to \$1,000,000 b <input type="checkbox"/> \$10,000 to \$99,999 d <input type="checkbox"/> Over \$1,000,000
---	---	--

23 Account Number or other designation	24 Name of Financial Institution with which account is held
---	--

25 Country in which account is held	26 Does the filer have a financial interest in this account? a <input type="checkbox"/> Yes b <input type="checkbox"/> No If no, complete boxes 27-35.	27 Last Name or Organization Name of Account Owner
--	--	---

28 First Name	29 Middle Initial	30 Taxpayer Identification Number	31 Address (Number, Street, and Apt. or Suite No.)
----------------------	--------------------------	--	---

32 City	33 State	34 Zip/Postal Code	35 Country
----------------	-----------------	---------------------------	-------------------

This form should be used to report a financial interest in, signature authority, or other authority over one or more financial accounts in foreign countries, as required by the Department of the Treasury Regulations (31 CFR 103). No report is required if the aggregate value of the accounts did not exceed \$10,000. **SEE INSTRUCTIONS FOR DEFINITION.** File this form with:

U.S. Department of the Treasury, P.O. Box 32621, Detroit, MI 48232-0621.

Paperwork Reduction Act. The estimated average burden associated with this collection of information is 10 minutes per respondent or recordkeeper, depending on individual circumstances. Comments regarding the accuracy of this burden estimate, and suggestions for reducing the burden should be directed to the Department of the Treasury, Financial Crimes Enforcement Network, Suite 200, 2070 Chain Bridge Road, Vienna VA 22182-2536.

Suspicious Activity Report

FRB: FR 2230 OMB No. 7100-0212
 FDIC: 6710/06 OMB No. 3064-0077
 OCC: 8010-9,8010-1 OMB No. 1557-0180
 OTS: 1601 OMB No. 1550-0003
 NCUA: 2362 OMB No. 3133-0094
 TREASURY: TD F 90-22.47 OMB No. 1506-0001

ALWAYS COMPLETE ENTIRE REPORT

Expires September 30, 1998

1 Check appropriate box:

- a Initial Report b Corrected Report c Supplemental Report

Part I Reporting Financial Institution Information

2 Name of Financial Institution

3 Primary Federal Regulator

- a Federal Reserve d OCC
 b FDIC e OTS
 c NCUA

4 Address of Financial Institution

5 City

6 State

7 Zip Code

8 EIN or TIN

9 Address of Branch Office(s) where activity occurred

10 Asset size of financial institution
\$ _____ .00

11 City

12 State

13 Zip Code

14 If institution closed, date closed
(MMDDYY) ____ / ____ / ____

15 Account number(s) affected, if any

- a _____
 b _____

16 Have any of the institution's accounts related to this matter been closed?

- a Yes b No If yes, identify _____

Part II Suspect Information

17 Last Name or Name of Entity

18 First Name

19 Middle Initial

20 Address

21 SSN, EIN or TIN (as applicable)

22 City

23 State

24 Zip Code

25 Country

26 Date of Birth (MMDDYY)
____ / ____ / ____

27 Phone Number - Residence (include area code)
()

28 Phone Number - Work (include area code)
()

29 Occupation

30 Forms of Identification for Suspect:

- a Driver's License b Passport c Alien Registration d Other _____
 e Number _____ f Issuing Authority _____

31 Relationship to Financial Institution:

- a Accountant d Attorney g Customer j Officer
 b Agent e Borrower h Director k Shareholder
 c Appraiser f Broker i Employee l Other _____

32 Is insider suspect still affiliated with the financial institution?

- a Yes If no, specify { c Suspended e Resigned
 b No d Terminated

33 Date of Suspension, Termination, Resignation (MMDDYY)
____ / ____ / ____

34 Admission/Confession

- a Yes b No

Part III Suspicious Activity Information

2

35 Date of suspicious activity (MMDDYY) _____ / _____ / _____		36 Dollar amount involved in known or suspicious activity \$ _____ .00	
37 Summary characterization of suspicious activity: a <input type="checkbox"/> Bank Secrecy Act/Structuring/ Money Laundering b <input type="checkbox"/> Bribery/Gratuity c <input type="checkbox"/> Check Fraud d <input type="checkbox"/> Check Kiting e <input type="checkbox"/> Commercial Loan Fraud f <input type="checkbox"/> Consumer Loan Fraud g <input type="checkbox"/> Counterfeit Check h <input type="checkbox"/> Counterfeit Credit/Debit Card i <input type="checkbox"/> Counterfeit Instrument (other) j <input type="checkbox"/> Credit Card Fraud k <input type="checkbox"/> Debit Card Fraud l <input type="checkbox"/> Defalcation/Embezzlement m <input type="checkbox"/> False Statement n <input type="checkbox"/> Misuse of Position or Self-Dealing o <input type="checkbox"/> Mortgage Loan Fraud p <input type="checkbox"/> Mysterious Disappearance q <input type="checkbox"/> Wire Transfer Fraud r <input type="checkbox"/> Other _____			
38 Amount of loss prior to recovery (if applicable) \$ _____ .00	39 Dollar amount of recovery (if applicable) \$ _____ .00	40 Has the suspicious activity had a material impact on or otherwise affected the financial soundness of the institution? a <input type="checkbox"/> Yes b <input type="checkbox"/> No	
41 Has the institution's bonding company been notified? a <input type="checkbox"/> Yes b <input type="checkbox"/> No		42 Has any law enforcement agency already been advised by telephone, written communication, or otherwise? If so, list the agency and local address. Agency _____	
43 Address _____			
44 City _____	45 State _____	46 Zip Code _____	

Part IV Witness Information

47 Last Name _____		48 First Name _____		49 Middle Initial _____
50 Address _____			51 SSN _____	
52 City _____	53 State _____	54 Zip Code _____	55 Date of Birth (MMDDYY) _____ / _____ / _____	
56 Title _____		57 Phone Number (include area code) () _____		58 Interviewed a <input type="checkbox"/> Yes b <input type="checkbox"/> No

Part V Preparer Information

59 Last Name _____		60 First Name _____		61 Middle Initial _____
62 Title _____		63 Phone Number (include area code) () _____		64 Date (MMDDYY) _____ / _____ / _____

Part VI Contact for Assistance (If different than Preparer Information in Part V)

65 Last Name _____		66 First Name _____		67 Middle Initial _____
68 Title _____		69 Phone Number (include area code) () _____		
70 Agency (If applicable) _____				

Part VII Suspicious Activity Information Explanation/Description

3

Explanation/description of known or suspected violation of law or suspicious activity. This section of the report is **critical**. The care with which it is written may make the difference in whether or not the described conduct and its possible criminal nature are clearly understood. Provide below a chronological and **complete** account of the possible violation of law, including what is unusual, irregular or suspicious about the transaction, using the following checklist as you prepare your account. If necessary, continue the narrative on a duplicate of this page.

- a **Describe** supporting documentation and retain for 5 years.
- b **Explain** who benefited, financially or otherwise, from the transaction, how much, and how.
- c **Retain** any confession, admission, or explanation of the transaction provided by the suspect and indicate to whom and when it was given.
- d **Retain** any confession, admission, or explanation of the transaction provided by any other person and indicate to whom and when it was given.

- e **Retain** any evidence of cover-up or evidence of an attempt to deceive federal or state examiners or others.
- f **Indicate** where the possible violation took place (e.g., main office, branch, other).
- g **Indicate** whether the possible violation is an isolated incident or relates to other transactions.
- h **Indicate** whether there is any related litigation; if so, specify.
- i **Recommend** any further investigation that might assist law enforcement authorities.
- j **Indicate** whether any information has been excluded from this report; if so, why?

For Bank Secrecy Act/Structuring/Money Laundering reports, include the following additional information:

- k **Indicate** whether currency and/or monetary instruments were involved. If so, provide the amount and/or description.
- l **Indicate** any account number that may be involved or affected.

Paperwork Reduction Act Notice: The purpose of this form is to provide an effective and consistent means for financial institutions to notify appropriate law enforcement agencies of known or suspected criminal conduct or suspicious activities that take place at or were perpetrated against financial institutions. This report is required by law, pursuant to authority contained in the following statutes. Board of Governors of the Federal Reserve System: 12 U.S.C. 324, 334, 611a, 1844(b) and (c), 3105(c) (2) and 3106(a). Federal Deposit Insurance Corporation: 12 U.S.C. 93a, 1818, 1881-84, 3401-22. Office of the Comptroller of the Currency: 12 U.S.C. 93a, 1818, 1881-84, 3401-22. Office of Thrift Supervision: 12 U.S.C. 1463 and 1464. National Credit Union Administration: 12 U.S.C. 1766(a), 1786(q). Financial Crimes Enforcement Network: 31 U.S.C. 5318(g). Information collected on this report is confidential (5 U.S.C. 552(b)(7) and 552a(k)(2), and 31 U.S.C. 5318(g)). The Federal financial institutions regulatory agencies and the U.S. Departments of Justice and Treasury may use and share the information. Public reporting and recordkeeping burden for this information collection is estimated to average 36 minutes per response, and includes time to gather and maintain data in 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, depending on your primary Federal regulatory agency, to Secretary, Board of Governors of the Federal Reserve System, Washington, DC 20551; or Assistant Executive Secretary, Federal Deposit Insurance Corporation, Washington, DC 20429; or Legislative and Regulatory Analysis Division, Office of the Comptroller of the Currency, Washington, DC 20219; or Office of Thrift Supervision, Enforcement Office, Washington, DC 20552; or National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314; or Office of the Director, Financial Crimes Enforcement Network, Department of the Treasury, 2070 Chain Bridge Road, Vienna, VA 22182.

Part III Suspicious Activity Information

2

30 Date of suspicious activity M M D D Y Y Y Y		31 Dollar amount involved in suspicious activity \$ _____ .00	
32 Type of suspicious activity (check no more than 4 boxes):			
<input type="checkbox"/> a Bribery	<input type="checkbox"/> f Large transactions with minimal gaming	<input type="checkbox"/> k Use of different monetary instruments	
<input type="checkbox"/> b Counterfeit/Fraudulent check	<input type="checkbox"/> g Misuse of position	<input type="checkbox"/> l Use of multiple credit or deposit accounts	
<input type="checkbox"/> c Counterfeit/Fraudulent credit/debit card	<input type="checkbox"/> h Money laundering	<input type="checkbox"/> m Unusual use of wire transfers	
<input type="checkbox"/> d Embezzlement/Theft	<input type="checkbox"/> i No apparent business or lawful purpose	<input type="checkbox"/> n Other suspicious or illegal activity (specify) _____	
<input type="checkbox"/> e Large U.S. currency exchanges	<input type="checkbox"/> j Structuring	_____	

Part IV Law Enforcement Agency Information

33 Has a law enforcement agency been contacted (<i>excluding submission of a SARC to FinCEN at DCC or a copy to a gaming regulator</i>)?			
<input type="checkbox"/> a Yes, if so, specify below:		<input type="checkbox"/> b No	
<input type="checkbox"/> c IRS	<input type="checkbox"/> d FBI	<input type="checkbox"/> e USCS	<input type="checkbox"/> f USSS
		<input type="checkbox"/> g Other Federal	
<input type="checkbox"/> h State Gaming	<input type="checkbox"/> i Other State	<input type="checkbox"/> j Local	<input type="checkbox"/> k Tribal
<input type="checkbox"/> l Agency name (for g, h, i, j or k) _____			
34 Agency address (number, street, and apt. or suite No.)			35 Date contacted M M D D Y Y Y Y
36 City	37 State	38 ZIP code	39 Phone number (include area code) () -
40 Last name of person contacted	41 First name	42 Middle initial	43 Title

Part V Witness Information (if applicable)

44 Last name	45 First name	46 Middle initial	47 Title/Occupation
48 Permanent address (number, street, and apt. or suite no.)			49 Date of birth M M D D Y Y Y Y
50 City	51 State	52 ZIP code	53 Country (if not U.S.)
54 Residence phone number - (include area code) () -	55 Work phone number - (include area code) () -		56 Was witness interviewed by casino or a law enforcement agency? <input type="checkbox"/> a Yes <input type="checkbox"/> b No

Part VI Preparer Information

57 Last name	58 First name	59 Middle initial
60 Title	61 Work phone number (include area code) () -	62 Date prepared M M D D Y Y Y Y

Part VII Contact for Assistance (if different from Preparer in Part VI)

63 Last name	64 First name	65 Middle initial
66 Title	67 Work phone number (include area code) () -	
68 Organization name (if applicable and other than casino in Item 2)		

Explanation/Description of Known or Suspected Violation of Law(s) or Suspicious Activity. Provide a clear and concise account of the possible violation of law(s). Describe in detail what is unusual, irregular or suspicious about the activity. Use the checklist below as you prepare your account. This section of the report is **critical**. The care with which it is written may make the difference in whether or not the described suspicious conduct and/or its possible criminal nature are clearly understood.

- a. **Provide** a brief chronological summary of the suspicious activity.
- b. **Indicate** where the possible violation of law(s) took place (*e.g.*, branch, cage, specific gaming pit, specific gaming area, etc.).
- c. **Explain** who benefited, financially or otherwise, from the transaction(s), how much and how; and whether completed or only attempted.
- d. **Describe** suspect's position if a casino employee (*e.g.*, dealer, pit supervisor, cage cashier, host, director of marketing, etc.).
- e. **Indicate** whether funds or assets were recovered and, if so, enter the dollar value of the recovery in whole dollars only.
- f. **Indicate** whether the possible violation of law(s) is an isolated incident or relates to another transaction(s).
- g. **Indicate** whether there is any other related litigation; if so, specify its status.
- h. **Describe** supporting documentation, including any video or audio tapes and credit bureau report which relate to the activity.
- i. **Describe** any additional information which is necessary to fully understand the unusual, irregular or suspicious nature of the activity.
- j. **Recommend** any further investigation that might assist law enforcement authorities.

For Money Laundering, Structuring, or Wire Transfer referrals, please include the following additional information:

- k. **Indicate** whether U.S. or foreign currency and/or monetary instrument(s) were involved. If so, provide the amount and/or description.
- l. **Indicate** any additional casino account number(s), and any domestic or foreign bank(s) and/or account number(s) which may be involved.
- m. **Indicate** for a foreign national any available information on U.S. or foreign visas including country and/or city of issuance, or temporary U.S. address.

Retain for a Period of Five Years:

- All supporting documentation, including any video or audio tapes and credit bureau report which relate to the suspicious activity.
- Any confession, admission, or explanation of the transaction(s) provided by the suspect(s) and indicate to whom and when it was given.
- Any confession, admission, explanation or interview concerning the transaction(s) provided by any other person(s) and indicate to whom and when it was given.
- Any evidence of cover-up or evidence of an attempt to deceive federal or state gaming regulators or others.

All supporting documentation must be made available, upon request, to appropriate law enforcement authorities and regulatory agencies.

Enter explanation/description in the space below. If needed, continue the narrative on the next page. Do **not** submit supporting documentation when filing this form.

Paperwork Reduction Act Notice: The purpose of this form is to provide an effective means for a casino to notify appropriate law enforcement agencies of suspicious transactions and activities that occur by, through, or at a casino. This report is required by law, pursuant to authority contained in 31 U.S.C. 5318(g) or Nevada Revised Statute 463.125. Information collected on this report is confidential (31 U.S.C. 5318(g)). State law enforcement agencies, state and tribal gaming regulators, the U.S. Departments of Justice and Treasury, and other federal regulatory agencies may use and share this information. Public reporting and recordkeeping burden for this form is estimated to average 36 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 Financial Crimes Enforcement Network, Attn.: Paperwork Reduction Act; Suite 200; 2070 Chain Bridge Road, Vienna VA 22182-2536.

Part VIII - Continued Suspicious Activity Information -- Narrative Explanation/Description 4

Continue entering explanation/description in the space below. If more space is needed, continue the narrative on a single duplicate of this page.