

## **SARs Assist in Money Laundering Investigation Involving the Insurance Industry**

Information generated from cooperating individuals during Operations Cornerstone, a major narcotics trafficking investigation in the Miami area, revealed narco-traffickers placed their drug proceeds into investments in the insurance industry. Policies were identified in various Channel Island insurance companies containing the criminal proceeds. The investigation determined that a network of insurance brokers in the United States, soliciting clients in Colombia and other South American countries, deposited drug proceeds into investment accounts on behalf of narcotics traffickers. Financial institutions submitted three SARs to report structuring and suspicious activity by the insurance brokers.

To date, this investigation has resulted in the seizure of approximately \$9.5 million dollars. The seizures are being made through 18 U.S.C. 981 and the funds are being forfeited as proceeds of narcotics trafficking.

(Source: U.S. Customs Service)

[Published in The SAR Activity Review – Trends, Tips & Issues, Issue 5, February 2003]