

Proactive Suspicious Activity Report Review Leads to Guilty Plea for Money Remitter Structuring Transactions

A case initiated through a SAR review team identified a money remitter structuring transactions through multiple banks and accounts. Although registered with FinCEN, he did not properly license his business with state authorities. The banks initially became suspicious when he used his personal bank account to facilitate overseas wire transfers. The banks were also suspicious when these transfers were sent on a circuitous route to reach their final destination.

The subject pleaded guilty to a single charge of structuring cash deposits to evade reporting requirements. He faces a maximum prison term of 5 years, a fine of \$250,000, a special assessment, and 3 years of supervised release. The defendant also agreed to forfeit more than \$20,000 and cooperate with investigators. The defendant structured transactions with one or more domestic financial institutions by depositing cash totaling more than \$100,000 in individual amounts of \$10,000 or less, so that he would not trigger the CTR filing threshold. On several instances, the transactions occurred on successive days.

In a 2-year period, multiple banks filed several SARs on the subject and his business. He came to the attention of one bank's anti-money laundering officials because of a series of suspicious transactions. The defendant had repeatedly made cash deposits between \$3,500 and \$9,900. He also told bank employees that he intended to open a money services business and wire funds to a particular continent through a trading company located on a different continent.

Later, a different bank filed a SAR detailing similar transactions and also noting that the defendant appeared to be using his personal savings account for some of the business transactions. Most notably, some of the wire transfers to the trading company originated from his savings account. In conjunction with filing the SAR, the bank notified a member of a SAR review team. This notification eventually led to the start of the investigation.

Additional SARs filed by two other banks noted a similar pattern of structured transactions and wire transfers to a company and a bank located on different continents. The total amount of funds moved through the accounts and captured on the SARs exceeded \$4 million.

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