

UNITED STATES DEPARTMENT OF THE TREASURY



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FinCEN Fines Kentucky Money Services Business and Its Owner/Compliance Officer for Anti-Money Laundering Failures

WASHINGTON, D.C. – The Financial Crimes Enforcement Network (FinCEN) today imposed a [civil money penalty](#) (CMP) against Thriftway Food Mart and its owner and compliance officer, Kustandy Rayyan, for willful and repeated violations of the Bank Secrecy Act (BSA). Mr. Rayyan has admitted to conduct that violated the BSA and has consented to a civil money penalty in the amount of \$10,000.

Thriftway was the subject of a prior FinCEN investigation based on an Internal Revenue Service, Small Business/Self-Employed Division (IRS SB/SE) examination conducted in 2009 that found systemic anti-money laundering (AML) program violations, recordkeeping violations, and reporting violations. FinCEN issued a warning letter at that time, advising the company that FinCEN expected it to take corrective actions.

In 2013, a subsequent IRS SB/SE follow-up examination found continued violations. Thriftway failed to establish and implement an effective AML program by failing to implement adequate policies and internal controls; it failed to designate an adequate compliance officer; it failed to provide adequate AML training; and it failed to conduct an independent test of its compliance program. Thriftway conducted approximately \$1 million in check cashing volume and money order sales per month. Despite this large volume, Thriftway frequently failed to file timely, accurate Currency Transaction Reports (CTRs), which potentially deprived valuable investigatory information to law enforcement agencies. The 2013 IRS SB/SE examination found that one-third of the CTRs filed by Thriftway were filed late, and 95% of the CTRs were filed with incomplete or inaccurate information.

FinCEN Director Jennifer Shasky Calvery expressed her appreciation to the IRS SB/SE for its contributions to the investigation and for its strong partnership with FinCEN.

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FinCEN's mission is to safeguard the financial system from illicit use and combat money laundering and promote national security through the collection, analysis, and dissemination of financial intelligence and strategic use of financial authorities.