

## **MONEY LAUNDERING RED FLAGS**

### **MONETARY INSTRUMENTS**

This document lists various transactions and activities that may indicate potential money laundering. While not all-inclusive, the list does reflect ways that launderers have been known to operate. Transactions or activities listed here may not necessarily be indicative of money laundering if they are consistent with a customer's legitimate business. Also, many of the "red flags" involve more than one type of transaction.

1. **Structured purchases of monetary instruments.** An individual or group purchases monetary instruments with currency in amounts below the \$3,000 reporting threshold.
2. **Replacement of monetary instruments.** An individual uses one or more monetary instruments to purchase another monetary instrument(s).
3. **Frequent purchase of monetary instruments without apparent legitimate reason.** A customer may repeatedly buy a number of official bank checks or traveler's checks with no apparent legitimate reason.
4. **Deposit or use of multiple monetary instruments.** The deposit or use of numerous official bank checks or other monetary instruments, all purchased on the same date at different banks or different issuers of the instruments may indicate money laundering. These instruments may or may not be payable to the same individual or business.
5. **Incomplete or fictitious information.** The customer may conduct transactions involving monetary instruments that are incomplete or contain fictitious payees, remitter, etc
6. **Large cash amounts.** The customer may purchase cashier's checks, money orders, etc., with large amounts of cash.